



Capital	1,476,292.59
Stormwater Expenses:	
Operations & Maintenance	<u>8,602.43</u>
Total Expenses	<u>\$17,706,096.76</u>

RE: WASTEWATER MANAGEMENT  
JOINT OUTFALL "H" UNIT 5A TRUNK  
SEWER REHABILITATION PHASE 2  
MLADEN BUNTICH CONSTRUCTION  
CO. INC. - CONTRACT NO. 5271  
ACCEPTANCE OF THE WORK

Mladen Buntich Construction Co., Inc., has completed the work in connection with Contract No. 5271 for construction of the Joint Outfall "H" Unit 5A Trunk Sewer Rehabilitation Phase 2 (Project) within the time allowed by the contract, and in accordance with its terms. The Project consisted of lining approximately 1,840 linear feet of corroded 60-inch and 66-inch- diameter

reinforced concrete pipe constructed in the late 1950s. The majority of the work is located in the City of Industry and unincorporated Los Angeles County. Seven change orders totaling \$953,565.61 were approved for this Project. A recommendation was made to accept this work.

The work in connection with Contract No. 5271, entered into by Mladen Buntich Construction Co., Inc., on March 11, 2020, for construction of the Joint Outfall "H" Unit 5A Trunk Sewer Rehabilitation Phase 2, was approved and accepted by this Board of Directors; the Chief Engineer and General Manager was directed to execute and record a Notice of Completion with respect to this work of improvement; and final payment of \$5,353,975.64 was authorized in accordance with the terms of the contract.

RE: WASTEWATER MANAGEMENT  
PUENTE HILLS MATERIALS RECOVERY  
FACILITY STORMWATER CONVEYANCE TO  
SAN JOSE CREEK WATER RECLAMATION  
PLANT - GRFCO INC. AND EVEREST  
REINSURANCE OF DELAWARE - CONTRACT  
NO. 5279 - ACCEPTANCE OF THE WORK

GRFCO, Inc., and Everest Reinsurance of Delaware have completed the work in connection with Contract No. 5279 for construction of the Puente Hills Materials Recovery Facility (PHMRF) Stormwater Conveyance to San Jose Creek Water Reclamation Plant (SJCWRP) (Project) within the time allowed by the contract, and in accordance with its terms.

The Project consisted of installing a stormwater conveyance system between the PHMRF and SJCWRP to comply with recently promulgated regulations on stormwater discharge issued by the State Water Resources Control Board. The Project included the construction of approximately 750 feet of 8-inch and 12-inch-diameter high-density polyethylene (HDPE) pipe, modifications to an existing HDPE pipeline, and installation of appurtenant structures. The work is located at the PHMRF, SJCWRP, and within the City of Industry. GRFCO, Inc., (GRFCO) was debarred from public works contracting for three years by the Department of Industrial Relations effective May 21, 2021. Consequently, the Districts had to terminate the contract with GRFCO for default when the project was approximately 85 percent complete. The Board approved a Termination Agreement (Contract No. 5279A) with the Surety company on August 25, 2021, to complete the remaining work in accordance with the original contract documents. The Surety company hired Bonadiman Water, Inc., to complete the work. Four change orders totaling \$8,939.04 were approved for this Project. A recommendation was made to accept this work.

The work in connection with Contract No. 5279, entered into by GRFCO, Inc., on May 26, 2020, for construction of the Puente Hills Materials Recovery Facility Stormwater Conveyance to San Jose Creek Water Reclamation Plant, was approved and accepted by this Board of Directors; the Chief Engineer and General Manager was directed to execute and record a Notice of Completion with respect to this work of improvement; and final payment of \$1,010,894.04 was authorized in accordance with the terms of the contract.

RE: WASTEWATER MANAGEMENT  
WHITTIER NARROWS WATER  
RECLAMATION PLANT SECURITY  
FENCE AND ENTRANCE IMPROVEMENTS  
R2BUILD DBA R2B ENGINEERING  
CONTRACT NO. 5304  
ACCEPTANCE OF THE WORK

R2Build dba R2B Engineering has completed the work in connection with Contract No. 5304 for construction of the Whittier Narrows Water Reclamation Plant Security Fence and Entrance Improvements (Project) within the time allowed by the contract, and in accordance with its terms. The Project consisted of removal and replacement of existing chain link perimeter fencing and gates with eight-foot-tall steel mesh security fencing and an

automated entrance gate to improve facility security, reliability, and safety. Six change orders totaling \$28,402.74 were approved for this Project. A recommendation was made to accept this work.

The work in connection with Contract No. 5304, entered into by R2Build dba R2B Engineering on August 3, 2020, for construction of the Whittier Narrows Water Reclamation Plant Security Fence and Entrance Improvements, was approved and accepted by this Board of Directors; the Chief Engineer and General Manager was directed to execute and record a Notice of Completion with respect to this work of improvement; and final payment of \$1,070,402.74 was authorized in accordance with the terms of the contract.

RE: SOLID WASTE MANAGEMENT  
SCHOLL CANYON LANDFILL GAS  
COLLECTION SYSTEM - 2021  
STEARNS, CONRAD AND SCHMIDT,  
CONSULTING ENGINEERS, INC.  
DBA SCS FIELD SERVICES  
CONTRACT NO. 5349  
ACCEPTANCE OF THE WORK

Stearns, Conrad and Schmidt, Consulting Engineers, Inc., DBA SCS Field Services has completed the work in connection with Contract No. 5349 for construction of the Scholl Canyon Landfill Gas Collection System - 2021 (Project) within the time allowed by the contract, and in accordance with its terms. The Project consisted of expansions and modifications to the existing gas collection system to support landfill operations and ensure continued compliance with South Coast Air

Quality Management District regulations. The Project included the construction of approximately 8,000 linear feet of gas collection trenches, 6,000 linear feet of gas header pipe, and 32 gas collection wells. Five change orders totaling \$71,497.77 were approved for this project. A recommendation was made to accept this work.

The work in connection with Contract No. 5349, entered into by Stearns, Conrad and Schmidt, Consulting Engineers, Inc., DBA SCS Field Services, on February 24, 2021, for construction of the Scholl Canyon Landfill Gas Collection System - 2021, was approved and accepted by this Board of Directors; the Chief Engineer and General Manager was directed to execute and record a Notice of Completion with respect to this work of improvement; and final payment of \$2,701,381.77 was authorized in accordance with the terms of the contract.

### REGULAR AGENDA

RE: WASTEWATER MANAGEMENT  
LONG BEACH WATER RECLAMATION  
PLANT SECURITY FENCE AND  
ENTRANCE GATE IMPROVEMENTS  
AWARD CONTRACT NO. 5438  
TO PERIMETER SECURITY GROUP, LLC  
ORDER SECRETARY TO EXECUTE

The Long Beach Water Reclamation Plant Security Fence and Entrance Gate Improvements (Project) will consist of the removal and replacement of the existing chain link perimeter fence and gates with an eight-foot-tall welded mesh security fence and gates. The existing fence is in poor condition and can be breached by unauthorized individuals. Installation of a new fence and an automated entrance gate will improve facility

security, reliability, and safety. The bid summary/recommendation to award was attached to the agenda. Staff has determined that the Project is exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations (“CEQA Guidelines”) Sections 15301, 15302, and 15303. This item is consistent with the Districts’ Guiding Principle to protect financial and facility assets through prudent investment and maintenance programs. The bids received at the District’s office on March 17, 2022, for construction of the Project are as follows:

<u>BIDDER</u>	<u>TOTAL BID</u>
Perimeter Security Group, LLC	\$1,933,550.00
Golden Bay Fence Plus Iron Works, Inc.	\$1,964,368.00
R2Build	\$1,978,000.00
Cal-City Construction, Inc.	\$2,214,000.00
C.S. Legacy Construction, Inc.	\$2,263,000.00
MCEC, Inc.	\$2,273,000.00
DOJA, Inc.	\$2,336,000.00
Ace Fence Company	\$2,376,100.00

The bid of Perimeter Security Group, LLC was the lowest bid received and that Perimeter Security Group, LLC, was the lowest, regular, responsible bidder for the work, and a recommendation was made to award a contract to Perimeter Security Group, LLC at the unit prices and lump sums stated in its bid amounting to approximately \$1,933,550.00. Furthermore, a recommendation was made to order Staffto review the surety bonds for performance and payment and, if sufficient, order the Secretary to execute a contract with Perimeter Security Group, LLC, for construction of the Project.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, Contract No. 5438 for construction of the Long Beach Water Reclamation Plant Security Fence and Entrance Gate Improvements was awarded to the lowest, regular, responsible bidder, to wit: Perimeter Security Group, LLC,

at the unit prices and lump sums stated in its bid amounting to approximately \$1,933,550.00. Furthermore, the Board of Directors of County Sanitation District No. 2 of Los Angeles County ordered the Staff to review the surety bonds for performance and payment and, if sufficient, order the Secretary to execute the contract with Perimeter Security Group, LLC, for construction of the Project.

RE: JOINT ADMINISTRATION  
SELF-INSURED WORKERS'  
COMPENSATION PROGRAM  
AUTHORIZE ISSUANCE OF  
PURCHASE ORDER TO  
CORVEL CORPORATION

The Districts is self-insured for workers' compensation liability with a third party administering the claims. The Districts entered into a three-year agreement with CorVel Corporation (CorVel) effective September 1, 2019, with the option to renew the agreement for two subsequent one-year periods. Staff recommends exercising the option to renew the agreement for a one-year

period from September 1, 2022, through August 31, 2023. For each year of the three-year agreement, CorVel increased prices by 3.5 percent. Due to the increase in the Consumer Price Index (CPI), the rates will be increased by 5.4 percent for this additional year. This item is consistent with the Districts' Guiding Principles of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness); and to protect financial and facility assets through prudent investment and maintenance programs. A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to CorVel in the amount of approximately \$165,748 to administer Districts' self-insured workers' compensation program for one-year period.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to CorVel Corporation to administer Districts' self-insured workers' compensation program, at a cost of approximately \$165,748.

RE: WASTEWATER MANAGEMENT  
EMERGENCY REPAIR OF GASEOUS  
OXYGEN PIPELINES AT JOINT WATER  
POLLUTION CONTROL PLANT  
AUTHORIZE SUPPLEMENTAL  
PURCHASE ORDER TO W.M. LYLES

On June 10, 2021, gas leaks were detected coming from two underground cryogenic oxygen plant pipelines that supply gaseous pure oxygen to the secondary wastewater treatment process at Joint Water Pollution Control Plant (JWPCP). On July 28, 2021, the Board authorized issuance of a purchase order in the amount of \$1,300,000 to W.M. Lyles to construct a temporary gaseous oxygen

bypass line to facilitate taking the leaking pipelines out of service for inspection and to commence a permanent repair. Following construction of the bypass line in October 2021 and based on the findings of the pipeline inspection, a permanent repair that includes the installation of approximately 310 feet of 8-inch, 12-inch and 16-inch-diameter steel piping was initiated on a time and material basis. Due to increased costs associated with supply chain issues and encountering a substantial number of interfering underground utilities, an additional \$850,000 is required to complete the permanent repair work. Staff has determined that the activities described herein are exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21080(b)(4) and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15301. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a supplemental purchase order to W.M. Lyles in the approximate amount of \$850,000 for emergency repair of gaseous oxygen pipelines at the Joint Water Pollution Control Plant.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, the Chief Engineer and General Manager, in his capacity as Purchasing Agent, was authorized to issue a supplemental purchase order to W.M. Lyles for Emergency Repair of Gaseous Oxygen Pipelines at Joint Water Pollution Control Plant, at a cost of approximately \$850,000.

RE: WASTEWATER MANAGEMENT  
FURNISH AND DELIVER SODIUM  
BISULFITE TO VARIOUS WATER  
RECLAMATION PLANTS  
AUTHORIZE EXTENSION OF  
PURCHASE ORDER TO  
UNIVAR USA, INC.

In March 2019, subsequent to competitive bidding, the Board authorized issuance of a purchase order to Univar USA, Inc., (Univar) to furnish and deliver sodium bisulfite to the Water Reclamation Plants (WRPs) for one year. Sodium bisulfite is used to dechlorinate WRP effluent prior to discharging into receiving waters. The agreement allows for four 1-year renewals based upon mutual agreement. The agreement also allows for

documented price increases from suppliers to be passed through. Univar has offered to extend the agreement for one year with a price increase of \$0.319 per gallon, or 25 percent. This price increase is consistent with the supplier's documented increase due to the rising cost of raw materials, particularly caustic soda and molten

sulfur, due to COVID-19 related impacts. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a one-year extension of a purchase order with Univar USA, Inc., in the amount of approximately \$3,217,750 to furnish and deliver sodium bisulfite to various water reclamation plants.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to extend the purchase order, for a one-year period, with Univar USA, Inc., to furnish and deliver sodium bisulfite to various water reclamation plants, at a cost of approximately \$3,217,750.

RE: SOLID WASTE MANAGEMENT  
SOUTHEAST RESOURCE RECOVERY  
FACILITY - APPOINTMENT OF  
DIRECTOR AND ALTERNATE  
DIRECTOR TO AUTHORITY BOARD

Pursuant to the Joint Powers Agreement with the City of Long Beach for ownership and operation of a refuse-to-energy facility, the Southeast Resource Recovery Facility (SERRF) Authority Board of Directors is comprised of three members appointed by the City of Long Beach and two appointed by the District for terms of

three years. In addition to the City of Long Beach, the other principal and neighboring Districts' cities using the facility are Signal Hill and Lakewood, and as such District Directors from these cities have represented the Districts on the Authority Board. The City of Signal Hill has recommended the appointment of Mayor Keir Jones as Director and the appointment of Vice Mayor Tina Hansen as Alternate Director. The City of Lakewood has recommended the appointment of Mayor Jeff Wood as Director and the appointment of Vice Mayor Steve Croft as Alternate Director.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, the Board of Directors of County Sanitation District No. 2 of Los Angeles County appointed the City of Signal Hill Councilmembers Mr. Keir Jones as Director and Ms. Tina Hansen as Alternate Director appointed the City of Lakewood Councilmembers Mr. Jeff Wood as Director and Mr. Steve Croft as Alternate Director for a three-year period.

RE: INTRODUCE  
CONNECTION FEE RATE ORDINANCE

Prior to meeting in regular session, in the Status Report, the Chief Engineer and General Manager stated that all agendas have an item related to the connection fee,

which is paid by new users or upgrades to the amount of flow. Recent changes to the financial practices for the Joint Outfall System requires an update to the Connection Fee Ordinance.

In regular session, an *Ordinance Prescribing the Connection Fee Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 2 of Los Angeles County* (Connection Fee Rate Ordinance), was presented. Wastewater connection fees are paid by new users or existing dischargers who increase their discharge. The fees are calculated using a "buy-in" methodology where new users or increasing dischargers buy-in to the existing facilities and funds. Revisions to the Ordinances are needed due to the Joint Outfall System financial consolidation that will become effective July 1, 2022, and the proposed service charge rates presented to the Board in February. Copies of the proposed Connection Fee Rate Ordinance and a letter discussing the proposed changes were attached to the agenda. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases. A recommendation was made to adopt the Ordinance. A copy of the Ordinance accompanied the agenda.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, an *Ordinance Prescribing the Connection Fee Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 2 of Los Angeles County* (Connection Fee Rate Ordinance) was introduced, and after reading of the title thereof, further reading of the Ordinance was waived.

RE: RESOLUTIONS OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A TERM SHEET SETTING FORTH THE TERMS AND CONDITIONS OF A LOAN FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO FINANCE A PORTION OF THE COSTS OF THE JOINT WATER POLLUTION CONTROL PLANT EFFLUENT OUTFALL TUNNEL PROJECT, A LOAN AGREEMENT WITH RESPECT TO SUCH LOAN AND A PROMISSORY NOTE EVIDENCING THE PAYMENT OBLIGATIONS UNDER SUCH LOAN AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A CONSTRUCTION INSTALLMENT SALE AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF FINANCIAL ASSISTANCE FROM THE CLEAN WATER STATE REVOLVING FUND PROVIDED BY THE STATE OF CALIFORNIA, ACTING BY AND THROUGH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD, TO FINANCE A PORTION OF THE COSTS OF THE JOINT WATER POLLUTION CONTROL PLANT EFFLUENT OUTFALL TUNNEL PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A CONSTRUCTION INSTALLMENT SALE AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF FINANCIAL ASSISTANCE FROM THE CLEAN WATER STATE REVOLVING FUND PROVIDED BY THE STATE OF CALIFORNIA, ACTING BY AND THROUGH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD, TO FINANCE A PORTION OF THE COSTS OF THE 216TH STREET REPLACEMENT TRUNK SEWER PHASE 2 PROJECT - ADOPT

Proposed Resolutions of the Board of Directors of County Sanitation District No. 2 *Authorizing the Execution and Delivery by the District of a Term Sheet Setting Forth the Terms and Conditions of a Loan from the United States Environmental Protection Agency to Finance a Portion of the Costs of the Joint Water Pollution Control Plant Effluent Outfall Tunnel Project, a Loan Agreement with Respect to Such Loan and a Promissory Note Evidencing the Payment Obligations Under Such Loan Agreement and Authorizing the Execution and Delivery by the District of a Construction Installment Sale Agreement Setting Forth the Terms and Conditions of Financial Assistance from the Clean Water State Revolving Fund Provided by the State of California, Acting By and Through the California State Water Resources Control Board, to Finance a Portion of the Costs of the Joint Water Pollution Control Plant Effluent Outfall Tunnel Project and Authorizing the Execution and Delivery by the District of a Construction Installment Sale Agreement Setting Forth the Terms and Conditions of Financial Assistance from the Clean Water State Revolving Fund Provided by the State of California, Acting By and Through the California State Water Resources Control Board, to Finance a Portion of the Costs of the 216th Street Replacement Trunk Sewer Phase 2 Project*, were presented.

In order to finance the Joint Outfall System (JOS) Joint Water Pollution Control Plant Effluent Outfall Tunnel Project (Tunnel Project), also known as the Clearwater Tunnel, the Districts applied for financial assistance (effectively a low-cost loan) from the State Water Resources Control Board's Clean Water State Revolving Fund (SRF) and for a loan from the US Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) program. The agencies have approved the applications for up to approximately \$140 million in SRF financial assistance and up to approximately \$441 million for the WIFIA loan. In addition, in order to finance the 216th Street Replacement Trunk Sewer Phase 2 Project (216th Street Project), District No. 8 applied for \$17.5 million in

financial assistance through the SRF program. The proposed Resolutions are required to finalize the SRF and WIFIA financing for the two projects. The proposed Resolutions authorize approval of the necessary documents and direct staff to distribute the documents. The WIFIA documents (WIFIA Term Sheet, WIFIA Loan Agreement, WIFIA Loan Agreement Promissory Note) and the SRF Installment Sale Agreements (*Clearwater Project SRF Installment Sale Agreement* and *216th Street Project SRF Installment Agreement*) are in a substantially final form. With the pending changes from the recently adopted Joint Outfall Agreement, the 216th Street Project will become a JOS Project on July 1, 2022, and therefore, approval of the SRF Installment Sale Agreement by all JOS boards is required. The District No. 2 Board, acting on behalf of the JOS Districts, previously certified the Final Environmental Impact Report and approved the Final Master Facilities Plan for the Tunnel Project, and District No. 8 previously approved a Notice of Exemption for the 216th Street Project. Staff has determined that adoption of the proposed resolutions does not constitute a "Project" under the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15378. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to protect financial and facility assets through prudent investment and maintenance programs. A copy of the proposed Resolutions were attached to the agenda. A recommendation was made to adopt the Resolutions.

The Chief Engineer and General Manager stated that he previously briefed the Boards on the matter of financing the Clearwater Tunnel Project. The Districts is procuring state and federal funds for a total of \$581 million. This will help to finance the tunnel and minimize rate increases. The financing is stretched over 30

years. In addition, a small portion will finance the 216<sup>th</sup> Street Replacement Trunk Sewer Project in the city of Carson.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, the following Resolutions were adopted:

RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION  
DISTRICT NO. 2 OF LOS ANGELES COUNTY AUTHORIZING THE EXECUTION AND  
DELIVERY BY THE DISTRICT OF A TERM SHEET SETTING FORTH THE TERMS  
AND CONDITIONS OF A LOAN FROM THE UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY TO FINANCE A PORTION OF THE COSTS OF THE JOINT  
WATER POLLUTION CONTROL PLANT EFFLUENT OUTFALL TUNNEL PROJECT, A  
LOAN AGREEMENT WITH RESPECT TO SUCH LOAN AND A PROMISSORY NOTE  
EVIDENCING THE PAYMENT OBLIGATIONS UNDER SUCH LOAN AGREEMENT  
AND AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENTS,  
DOCUMENTS, CERTIFICATES AND INSTRUMENTS AND RELATED ACTIONS IN  
CONNECTION THEREWITH

WHEREAS, in order to provide the funds necessary to pay a portion of the costs of the acquisition, construction, equipping and improvement of the Joint Water Pollution Control Plant Effluent Outfall Tunnel Project (the "Clearwater Tunnel Project"), County Sanitation District No. 2 of Los Angeles County (the "District") and the other County Sanitation Districts of Los Angeles County commonly referred to as the Joint Outfall Districts (collectively, the "JOS Districts") have applied to the United States Environmental Protection Agency (the "EPA") for a loan (the "WIFIA Loan") pursuant to the Water Infrastructure Finance and Innovation Act;

WHEREAS, the EPA, acting by and through the Administrator of the Environmental Protection Agency (the "WIFIA Lender"), has accepted and approved such application of the JOS Districts;

WHEREAS, the JOS Districts and the WIFIA Lender have negotiated a term sheet setting forth the terms and conditions of the WIFIA Loan (such term sheet, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "WIFIA Loan Term Sheet");

WHEREAS, the JOS Districts and the WIFIA Lender propose to enter into a loan agreement setting forth the rights and obligations of each thereof with respect to the WIFIA Loan, including those rights and obligations set forth in the WIFIA Loan Term Sheet (such loan agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "WIFIA Loan Agreement");

WHEREAS, the JOS Districts' payment obligations under the WIFIA Loan Agreement are to be evidenced by a promissory note of the JOS Districts payable to the WIFIA Lender (such promissory note, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "WIFIA Note");

WHEREAS, the JOS Districts and Zions Bancorporation, National Association, as master trustee, have entered into the Master Obligation Agreement, dated as of April 1, 2022 (the "Master Obligation Agreement"), which establishes the terms and conditions for the incurrence by a JOS District from time to time of obligations of such JOS District (except as otherwise specified herein, capitalized undefined terms used herein have the meanings ascribed thereto in the Master Obligation Agreement);

WHEREAS, the Master Obligation Agreement provides that a JOS District may incur such obligations to finance or refinance the acquisition, construction, equipping and improvement of Projects, and the Clearwater Tunnel Project constitutes such a Project;

WHEREAS, pursuant to the Master Obligation Agreement and the WIFIA Loan Agreement (a) the WIFIA Loan Agreement and the WIFIA Note will be designated as Senior Contracts of the District, (b) the loan payments under the WIFIA Loan Agreement and the WIFIA Note will constitute Senior Obligations of the District, and (c) the obligations of the JOS Districts under the WIFIA Loan Agreement and the WIFIA Note will be several, and not joint, obligations;

WHEREAS, pursuant to the Master Obligation Agreement and the WIFIA Loan Agreement (a) the Clearwater Tunnel Project will be a Shared Project, (b) the loan payments under the WIFIA Loan Agreement

and the WIFIA Note will be Shared Project Obligations, (c) the District will be a member of the Shared Project Group with respect to the loan payments under the WIFIA Loan Agreement and the WIFIA Note, (d) the loan payments under the WIFIA Loan Agreement and the WIFIA Note will be Supported Obligations, (e) the District will be a member of the Support Group with respect to the loan payments under the WIFIA Loan Agreement and the WIFIA Note, and (f) the Shared Project Percentage of the District with respect to the loan payments under the WIFIA Loan Agreement and the WIFIA Note, for any period, will be equal to the percentage, specified in decimal form, of the quotient of (i) the number of Sewage Units attributable to the District for such period, divided by (ii) the aggregate number of Sewage Units attributable to all of the JOS Districts for such period;

WHEREAS, there have been prepared and submitted to this meeting forms of;

- (a) the WIFIA Loan Term Sheet;
- (b) the WIFIA Loan Agreement; and
- (c) the WIFIA Note; and

WHEREAS, the Board of Directors of the District (the "Board of Directors") desires to authorize the execution and delivery of the WIFIA Loan Term Sheet, the WIFIA Loan Agreement and the WIFIA Note and such other documents and the performance of such acts as may be necessary or desirable to consummate the transactions contemplated thereby;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County, as follows:

Section 1. All of the recitals herein contained are true and correct and the Board of Directors so finds and determines.

Section 2. The WIFIA Loan Term Sheet, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Chairperson of the Board of Directors, the Chairperson *Pro Tem* of the Board of Directors, or such other member of the Board of Directors as the Chairperson may designate, the Chief Engineer and General Manager of the District and the Assistant Chief Engineer and Assistant General Manager of the District (each, an "Authorized Officer") is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the WIFIA Loan Term Sheet in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Each of the WIFIA Loan Agreement and the WIFIA Note, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the WIFIA Loan Agreement and the WIFIA Note in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the Maximum Principal Amount (as defined in the WIFIA Loan Agreement) of the WIFIA Loan shall not exceed \$441,169,005, the Final Maturity Date (as defined in the WIFIA Loan Agreement) of the WIFIA Loan shall not be later than September 15, 2057, and the WIFIA Interest Rate (as defined in the WIFIA Loan Agreement) on the WIFIA Loan shall not exceed 4.00% *per annum* (subject to any adjustments thereto as set forth in the definition of Default Rate in the WIFIA Loan Agreement).

Section 4. The Authorized Officers and the officers and employees of the District are, and each of them is, hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and to execute and deliver any and all agreements, documents, certificates and instruments that they or any of them deem necessary or desirable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 5. The Board of Directors hereby authorizes the execution and delivery of all agreements, documents, certificates and instruments authorized by this Resolution to be executed and delivered (a) with electronic signatures using DocuSign, as the same may be permitted under the California Uniform Electronic Transactions Act, and (b) with digital signatures using DocuSign, as the same may be permitted under Section 16.5 of the California Government Code.



Section 6. All actions heretofore taken by the Authorized Officers and the officers and employees of the District with respect to the WIFIA Loan Term Sheet, the WIFIA Loan Agreement and the WIFIA Note, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

Section 7. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County on April 13, 2022.

RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A CONSTRUCTION INSTALLMENT SALE AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF FINANCIAL ASSISTANCE FROM THE CLEAN WATER STATE REVOLVING FUND PROVIDED BY THE STATE OF CALIFORNIA, ACTING BY AND THROUGH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD, TO FINANCE A PORTION OF THE COSTS OF THE JOINT WATER POLLUTION CONTROL PLANT EFFLUENT OUTFALL TUNNEL PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENTS, DOCUMENTS, CERTIFICATES AND INSTRUMENTS AND RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, in order to provide the funds necessary to pay a portion of the costs of the acquisition, construction, equipping and improvement of the Joint Water Pollution Control Plant Effluent Outfall Tunnel Project (the "Clearwater Tunnel Project"), County Sanitation District No. 2 of Los Angeles County (the "District") and the other County Sanitation Districts of Los Angeles County commonly referred to as the Joint Outfall Districts (collectively, the "JOS Districts") have sought financial assistance from the Clean Water State Revolving Fund provided by the State of California, acting by and through the California State Water Resources Control Board (the "State Water Board") pursuant to Section 13475 *et seq.* of the California Water Code;

WHEREAS, the JOS Districts and the State Water Board propose to enter into a construction installment sale agreement setting forth the rights and obligations of each thereof with respect to such financial assistance from the Clean Water State Revolving Fund for a portion of the Clearwater Tunnel Project (such construction installment sale agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Installment Sale Agreement");

WHEREAS, the JOS Districts and Zions Bancorporation, National Association, as master trustee, have entered into the Master Obligation Agreement, dated as of April 1, 2022 (the "Master Obligation Agreement"), which establishes the terms and conditions for the incurrence by a JOS District from time to time of obligations of such JOS District (except as otherwise specified herein, capitalized undefined terms used herein have the meanings ascribed thereto in the Master Obligation Agreement);

WHEREAS, the Master Obligation Agreement provides that a JOS District may incur such obligations to finance or refinance the acquisition, construction, equipping and improvement of Projects, and the Clearwater Tunnel Project constitutes such a Project;

WHEREAS, pursuant to the Master Obligation Agreement and the Installment Sale Agreement (a) the Installment Sale Agreement will be designated as a Senior Contract of the District, (b) the installment payments payable under the Installment Sale Agreement will constitute Senior Obligations of the District, and (c) the obligations of the JOS Districts under the Installment Sale Agreement will be several, and not joint, obligations;

WHEREAS, pursuant to the Master Obligation Agreement and the Installment Sale Agreement (a) the Clearwater Tunnel Project will be a Shared Project, (b) the installment payments payable under the Installment Sale Agreement will be Shared Project Obligations, (c) the District will be a member of the Shared Project Group with respect to the installment payments payable under the Installment Sale Agreement, (d) the installment payments payable under the Installment Sale Agreement will be Supported Obligations, (e) the District will be a member of the Support Group with respect to the installment payments payable under the Installment Sale Agreement, and (f) the Shared Project Percentage of the District with respect to the installment payments payable under the Installment Sale Agreement, for any period, will be equal to the percentage, specified in decimal form, of the quotient of (i) the number of Sewage Units attributable to the District for such period, divided by (ii) the aggregate number of Sewage Units attributable to all of the JOS Districts for such period;

WHEREAS, there has been prepared and submitted to this meeting a form of Installment Sale Agreement; and

WHEREAS, the Board of Directors of the District (the “Board of Directors”) desires to authorize the execution and delivery of the Installment Sale Agreement and such other documents and the performance of such acts as may be necessary or desirable to consummate the transactions contemplated thereby;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County, as follows:

Section 8. All of the recitals herein contained are true and correct and the Board of Directors so finds and determines.

Section 9. The Installment Sale Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Chairperson of the Board of Directors, the Chairperson *Pro Tem* of the Board of Directors, or such other member of the Board of Directors as the Chairperson may designate, the Chief Engineer and General Manager of the District and the Assistant Chief Engineer and Assistant General Manager of the District (each, an “Authorized Officer”) is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Installment Sale Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate amount of the installment payments comprising principal payable thereunder shall not exceed \$140,000,000, the interest rate on such installment payments comprising principal payable thereunder shall not exceed 2.00% *per annum*, and the final installment payment payable thereunder shall be due no later than July 1, 2054.

Section 10. The Authorized Officers and the officers and employees of the District are, and each of them is, hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and to execute and deliver any and all agreements, documents, certificates and instruments that they or any of them deem necessary or desirable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 11. The Board of Directors hereby authorizes the execution and delivery of all agreements, documents, certificates and instruments authorized by this Resolution to be executed and delivered (a) with electronic signatures using DocuSign, as the same may be permitted under the California Uniform Electronic Transactions Act, and (b) with digital signatures using DocuSign, as the same may be permitted under Section 16.5 of the California Government Code.

Section 12. All actions heretofore taken by the Authorized Officers and the officers and employees of the District with respect to the Installment Sale Agreement, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

Section 13. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County on April 13, 2022.

RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A CONSTRUCTION INSTALLMENT SALE AGREEMENT SETTING FORTH THE TERMS AND CONDITIONS OF FINANCIAL ASSISTANCE FROM THE CLEAN WATER STATE REVOLVING FUND PROVIDED BY THE STATE OF CALIFORNIA, ACTING BY AND THROUGH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD, TO FINANCE A PORTION OF THE COSTS OF THE 216TH STREET REPLACEMENT TRUNK SEWER PHASE 2 PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENTS, DOCUMENTS, CERTIFICATES AND INSTRUMENTS AND RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, in order to provide the funds necessary to pay a portion of the costs of the acquisition, construction, equipping and improvement of the 216th Street Replacement Trunk Sewer Phase 2 Project (the “216th Street Project”), County Sanitation District No. 2 of Los Angeles County (the “District”) and the other

County Sanitation Districts of Los Angeles County commonly referred to as the Joint Outfall Districts (collectively, the “JOS Districts”) have sought financial assistance from the Clean Water State Revolving Fund provided by the State of California, acting by and through the California State Water Resources Control Board (the “State Water Board”) pursuant to Section 13475 *et seq.* of the California Water Code;

WHEREAS, the JOS Districts and the State Water Board propose to enter into a construction installment sale agreement setting forth the rights and obligations of each thereof with respect to such financial assistance from the Clean Water State Revolving Fund for a portion of the 216th Street Project (such construction installment sale agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Installment Sale Agreement”);

WHEREAS, the JOS Districts and Zions Bancorporation, National Association, as master trustee, have entered into the Master Obligation Agreement, dated as of April 1, 2022 (the “Master Obligation Agreement”), which establishes the terms and conditions for the incurrence by a JOS District from time to time of obligations of such JOS District (except as otherwise specified herein, capitalized undefined terms used herein have the meanings ascribed thereto in the Master Obligation Agreement);

WHEREAS, the Master Obligation Agreement provides that a JOS District may incur such obligations to finance or refinance the acquisition, construction, equipping and improvement of Projects, and the 216th Street Project constitutes such a Project;

WHEREAS, pursuant to the Master Obligation Agreement and the Installment Sale Agreement (a) the Installment Sale Agreement will be designated as a Senior Contract of the District, (b) the installment payments payable under the Installment Sale Agreement will constitute Senior Obligations of the District, and (c) the obligations of the JOS Districts under the Installment Sale Agreement will be several, and not joint, obligations;

WHEREAS, pursuant to the Master Obligation Agreement and the Installment Sale Agreement (a) the 216th Street Project will be a Shared Project, (b) the installment payments payable under the Installment Sale Agreement will be Shared Project Obligations, (c) the District will be a member of the Shared Project Group with respect to the installment payments payable under the Installment Sale Agreement, (d) the installment payments payable under the Installment Sale Agreement will be Supported Obligations, (e) the District will be a member of the Support Group with respect to the installment payments payable under the Installment Sale Agreement, and (f) the Shared Project Percentage of the District with respect to the installment payments payable under the Installment Sale Agreement, for any period, will be equal to the percentage, specified in decimal form, of the quotient of (i) the number of Sewage Units attributable to the District for such period, divided by (ii) the aggregate number of Sewage Units attributable to all of the JOS Districts for such period;

WHEREAS, there has been prepared and submitted to this meeting a form of Installment Sale Agreement; and

WHEREAS, the Board of Directors of the District (the “Board of Directors”) desires to authorize the execution and delivery of the Installment Sale Agreement and such other documents and the performance of such acts as may be necessary or desirable to consummate the transactions contemplated thereby;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County, as follows:

Section 14. All of the recitals herein contained are true and correct and the Board of Directors so finds and determines.

Section 15. The Installment Sale Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Chairperson of the Board of Directors, the Chairperson *Pro Tem* of the Board of Directors, or such other member of the Board of Directors as the Chairperson may designate, the Chief Engineer and General Manager of the District and the Assistant Chief Engineer and Assistant General Manager of the District (each, an “Authorized Officer”) is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Installment Sale Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate amount of the installment payments comprising principal payable thereunder shall not exceed \$17,500,000, the interest rate on such installment payments comprising principal payable thereunder shall not exceed 2.00% *per annum*, and the final installment payment payable thereunder shall be due no later than March 31, 2054.

Section 16. The Authorized Officers and the officers and employees of the District are, and each of them is, hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and to execute and deliver any and all agreements, documents, certificates and instruments that they or any of them deem necessary or desirable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 17. The Board of Directors hereby authorizes the execution and delivery of all agreements, documents, certificates and instruments authorized by this Resolution to be executed and delivered (a) with electronic signatures using DocuSign, as the same may be permitted under the California Uniform Electronic Transactions Act, and (b) with digital signatures using DocuSign, as the same may be permitted under Section 16.5 of the California Government Code.

Section 18. All actions heretofore taken by the Authorized Officers and the officers and employees of the District with respect to the Installment Sale Agreement, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

Section 19. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County on April 13, 2022.

AYES: Directors Maloney, Taj, Saleh, Hu, Mendoza, Sharif, Blanca Pacheco, R. Garcia, N. Martinez, Buscaino, Cobos-Cawthorne, Ramirez, Cuellar Stallings, Ding, Davila, Ybarra, Mitchell, and Warner

NOES: None

ABSTAIN: None

ABSENT: Directors Pulido, Dunton, H. Lo, and Sanchez

RE: AMENDED AND RESTATED RESOLUTION DECLARING VARIOUS DISTRICTS' PROPERTIES TO BE EXEMPT SURPLUS LAND IN CALENDAR YEAR 2022 IN ACCORDANCE WITH CALIFORNIA SURPLUS LAND ACT ADOPT

A proposed *Amended and Restated Resolution Declaring Various Districts' Properties to be Exempt Surplus Land in Calendar Year 2022 in Accordance with California Surplus Land Act (SLA)*, was presented. In January 2022, the Board adopted a resolution declaring various properties that the Districts owns and may lease in 2022 to be "exempt surplus land," as allowed under

the SLA. Declaring properties exempt surplus land avoids the need to make these properties available to outside entities for development of affordable housing prior to lease since the properties involved are either buffer properties for the Districts' wastewater and solid waste facilities or are needed for potential future expansion of Districts' facilities. Subsequently, the California Department of Housing and Community Development (HCD) informed the Districts that the resolution adopted by the Board does not conform to the requirements of the SLA. Staff consulted with HCD and prepared the attached amended and restated resolution, which includes detailed written findings explaining why each property is exempt surplus land. Staff recommends that the Board adopt the resolution. Staff has determined that approval of the resolution is not a "Project" under the California Environmental Quality Act (CEQA) pursuant to the California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15378. This item is consistent with the Districts' Guiding Principle of commitment to continual improvement. A copy of the proposed Resolution was attached to the agenda. A recommendation was made to adopt the Resolution.

Upon motion of Director Taj, duly seconded and unanimously carried by a roll-call vote, the following Resolution was adopted:

RESOLUTION OF THE BOARD OF DIRECTORS OF  
COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY RESCINDING  
THE JANUARY 12, 2022 RESOLUTION AND ADOPTING AN AMENDED AND  
RESTATED RESOLUTION DECLARING VARIOUS PROPERTIES OWNED BY THE  
SANITATION DISTRICTS TO BE EXEMPT SURPLUS LAND IN CALENDAR YEAR  
2022 IN ACCORDANCE WITH SURPLUS LAND ACT

WHEREAS, County Sanitation District No. 2 of Los Angeles County (the “District”) and 23 other County Sanitation Districts of Los Angeles County, each organized and existing under the provisions of the County Sanitation District Act, California Health and Safety Code Section 4700 *et. seq.*, make up the Los Angeles County Sanitation Districts (“Sanitation Districts”); and

WHEREAS, the District is empowered to act as the administrative district for the Sanitation Districts, including on matters concerning the management and disposition of real property owned by each individual district; and

WHEREAS, pursuant to the California Surplus Land Act, codified at California Government Code Sections 54220-54233 (the “Act”), local agencies such as the Sanitation Districts must declare any real property they own as either “Surplus Land” or “Exempt Surplus Land” prior to any disposition, including certain leasing or options to lease transactions, of the property; and

WHEREAS, the Board of Directors of the District, during its regularly scheduled meeting on January 12, 2022, approved a *Resolution of the Board of Directors of County Sanitation District No. 2 of Los Angeles County Declaring Various Properties Owned by the Sanitation Districts to be Exempt Surplus Land in Calendar Year 2022 in Accordance with the Surplus Land Act* (the “January Resolution”). The Board of Directors of the District now seeks to rescind the January Resolution and replace it, in its entirety, with this Resolution; and

WHEREAS, exempt surplus land, pursuant to the Act, includes property that is necessary for use by the Sanitation Districts as buffer property near sensitive governmental uses including, but not limited to, wastewater treatment plants, solid waste management facilities, and other similar uses; and

WHEREAS, the Sanitation Districts are empowered to lease property declared as exempt surplus land if the planned lease and use of the property furthers the express purpose of the agency work or operations; and

WHEREAS, the Sanitation Districts are empowered to lease property declared as exempt surplus land to other governmental agencies for those agencies’ use; and

WHEREAS, all the leases covered by this Resolution are subject to separate review and consideration by the District and are not considered final or approved unless or until the District Board of Directors is presented with a separate hearing item for the lease that includes review, evaluation and clearances under all applicable District policies, procedures and the requirements of all applicable laws including, without limitation, the California Environmental Quality Act; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Numbers 7406-026-916, 7406-026-917, 7406-026-918, and 7406-026-921 located at 24721 S. Main Street in Carson, California, and commonly referred to as the former Fletcher Oil and Refining Company property (the “FORCO Site”). The FORCO Site meets the definition of “agency’s use” as that term is defined in California Government Code Sections 54221(c)(1) and (f)(1)(J) because the Sanitation Districts use the property as a buffer site for ongoing operations at the Sanitation Districts’ Joint Water Pollution Control Plant (the “JWPCP”), a publicly-owned wastewater treatment plant located immediately adjacent to the FORCO Site. In addition, pursuant to California Government Code Section 54221(c)(2)(B)(i) the Sanitation Districts are preparing a lease for the FORCO Site with The Metropolitan Water District of Southern California for industrial uses and activities including, without limitation, construction and operation of an advanced water treatment facility to further purify the effluent produced by the JWPCP; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Numbers 7414-002-903 and 7414-002-904 located at 1700 S. Figueroa Street, Wilmington, California, and commonly referred to as the Wilmington Athletic Complex buffer property (the “WAC Site”). The WAC Site meets the definition of “agency’s use” as that term is defined in California Government Code Sections 54221(c)(1) and 54221(f)(1)(J) because the Sanitation Districts need the WAC Site to act as a buffer between the JWPCP and adjacent residential uses. In addition, pursuant to California Government Code Section 54221(f)(1)(D), the Sanitation Districts are preparing a lease of the WAC Site with the City of Los Angeles. Leasing the WAC Site

would allow the City of Los Angeles to use and operate the WAC Site as a public park and recreational facility for area residents, which would further its purpose as a buffer for the JWPCP; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Number 7406-026-922 located at 23924 S. Figueroa Street, Carson, California, which is the location of a renewable compressed natural gas fueling station (the “CNG Station Site”). The CNG Station Site is located on the JWPCP property and meets the definition of “agency’s use” as that term is defined in California Government Code Sections 54221(c)(1), 54221(c)(2)(B)(i) and 54221(f)(1)(J) because the CNG Station Site acts as a buffer to the JWPCP property and leasing of the CNG Station Site directly furthers the express purposes of the Sanitation Districts work and operations because compressed natural gas produced at the JWPCP is piped to the CNG Station Site for dispensing and fueling vehicles used by the Sanitation Districts and other users. The Sanitation Districts are preparing a new lease for the CNG Station Site to a third-party operator who will operate and maintain facilities and related infrastructure which are used for the conditioning and preparation of gas produced by the anaerobic digestion of wastewater solids at the JWPCP for dispensing and fueling of vehicles at the CNG Station Site; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Numbers 7406-026-919 and 7406-026-920 located at 24501 S. Figueroa Street, Carson, California, which is the location of a planned food waste cake receiving station (the “Food Waste Cake Receiving Station Site”). The Food Waste Cake Receiving Station Site meets the definition of “agency’s use” as that term is defined in California Government Code Sections 54221(c)(1), 54221(c)(2)(B)(i) and 54221(f)(1)(J) because the Food Waste Cake Receiving Station Site acts as a buffer to the JWPCP property and leasing the Food Waste Cake Receiving Station Site directly furthers the express purposes of the Sanitation Districts work and operations because the lessee will be able to receive and process food waste cake at the JWPCP, which furthers compliance with the requirements of California Assembly Bill 1383 with respect to organic waste processing; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Number 8125-025-922 located at 13130 Crossroads Parkway South, City of Industry, California, and commonly referred to as the nuke hill communications tower farm site (the “Communications Tower Site”). The Communications Tower Site contains various communication towers and related infrastructure, owned and operated by private companies or public agencies, and is located within what was, at one time, the largest operating landfill in the United States known as the Puente Hills Landfill (the “PHLF”). The PHLF closed in 2013. The Communications Tower Site meets the definition of “agency’s use” as that term is defined in California Government Code Sections 54221(c)(1), 54221(c)(2)(B)(i) and 54221(f)(1)(J) because the Communications Tower Site acts as a buffer to the ongoing post-closure operations at the PHLF and leasing the Communications Tower Site directly furthers the express purposes of the Sanitation Districts work and operations because the lease generates revenue to fund the Sanitation Districts ongoing post-closure maintenance costs of the PHLF; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Numbers 8125-021-942, 8125-021-943, 8125-022-901, 8125-023-901, 8125-023-902, and 8125-025-922 located at 13130 Crossroads Parkway South, City of Industry, California. This is the entirety of the “PHLF Site” which originally opened in 1957 and operated continuously until it was closed in October 2013. Pursuant to the Conditional Use Permits issued by the County of Los Angeles for the PHLF, the PHLF Site is required to be made available to the County of Los Angeles for use as a public park. Pursuant to California Government Code Section 54221(f)(1)(G) use of the PHLF Site is expressly limited by California Public Resources Code Section 5600. In addition, pursuant to California Government Code Section 54221(f)(1)(D), the Sanitation Districts are party to a Joint Powers Agreement with the County of Los Angeles for the future construction and operation of a public park and recreational facility at the PHLF Site for area residents; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Numbers 8125-021-942, 8125-021-933, 8125-026-906, and 8125-026-905 located at 2808 Workman Mill Road, Whittier, California, and commonly referred to as the Puente Hills Materials Recovery Facility (the “PHMRF”). The PHMRF meets the definition of “agency’s use” as that term is defined in California Government Code Sections 54221(c)(1), 54221(c)(2)(B)(i) and 54221(f)(1)(J) because the PHMRF acts as a buffer to the PHLF and leasing the recyclables sorting line at the PHMRF to a third party operator directly furthers the express purposes of the Sanitation Districts work and operations because the lease generates revenue to fund the Sanitation Districts ongoing post-closure maintenance costs of the PHLF; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Numbers 6284-029-906, 6284-029-907, 6284-029-908, 6284-029-909, 6284-029-910, and 6284-029-911 located at 9770 E. Washburn Road, Downey, California, and commonly referred to as the Downey Area Recycling and Transfer Facility (“DART”). DART meets the definition of “agency’s use” as that term is defined in California Government Code Sections 54221(c)(1), 54221(c)(2)(B)(i) and 54221(f)(1)(J) because it directly furthers the

express purposes of the Sanitation Districts work and operations as it is used and operates as a municipal solid waste transfer station. The Sanitation Districts are preparing a lease of the DART facility to a third party operator to conduct municipal solid waste transfer operations that directly furthers the express purposes of the Sanitation Districts work and operations because the lease will generate revenue to support the operation and maintenance of the Sanitation Districts' solid waste management facilities; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Numbers 6232-016-902 and 6232-016-906 located at 9530 Garfield Avenue, South Gate, California, and commonly referred to as the South Gate Transfer Station ("SGTS"). SGTS meets the definition of "agency's use" as that term is defined in California Government Code Sections 54221(c)(1), 54221(c)(2)(B)(i) and 54221(f)(1)(J) because the SGTS directly furthers the express purposes of the Sanitation Districts work and operations because leasing a portion of the site to a third party will generate revenue to support the operation and maintenance of the Sanitation Districts' solid waste management facilities; and

WHEREAS, the Sanitation Districts are the owners of Los Angeles County Assessor Parcel Number 8125-017-900 located at 2845 Workman Mill Road, Whittier, California, which contains a connection road that provides access and connection between the Sanitation Districts' Puente Hills Intermodal Facility (the "PHIMF") and the PHMRF (the "PHIMF Connector Road"). The PHIMF Connector Road meets the definition of "agency's use" as that term is defined in California Government Code Sections 54221(c)(1), 54221(c)(2)(B)(i) and 54221(f)(1)(J) because it facilitates access between the Sanitation Districts' actively used facilities and leasing the PHIMF Connector Road directly furthers the express purposes of the Sanitation Districts work and operations because lease of unused portions of the PHIMF Connector Road to third parties generates revenue to support the operation and maintenance of the Sanitation Districts' solid waste management facilities; and

WHEREAS, the Sanitation Districts, during calendar year 2022, are negotiating leases of the FORCO Site, the WAC Site, the CNG Station Site, the Food Waste Cake Receiving Station Site, the Communications Tower Site, the PHLF Site, the PHMRF, the DART, the SGTS, and the PHIMF Connector Road (collectively, the "Properties") as more fully described in this Resolution. Each of the leases will continue to further the purposes of the Sanitation Districts work and operations for the reasons stated in this Resolution; and

WHEREAS, the District's Board of Directors has reviewed this Resolution and now desires to declare the Properties as "Exempt Surplus Land" as that term is defined in California Government Code Sections 54221(f)(1)(J) and 54221(f)(1)(D) based on the findings and justifications contained in this Resolution.

NOW, THEREFORE, the District's Board of Directors finds and resolved as follows:

SECTION 1. The above recitals are true, correct and are specifically incorporated in and made a substantive part of this Resolution.

SECTION 2. The District's Board of Directors hereby declares that the Properties are all "Exempt Surplus Land" in accordance with the terms, requirements and provisions of the Act, and based on the findings contained in this Resolution for each of the properties. If the Sanitation Districts elect to dispose of, by lease, additional properties not included in this Resolution, the Sanitation Districts will, in advance of any contemplated transactions, consider and vote on a subsequent resolution that includes the requisite property specific findings in conformance and compliance with the terms, requirements and provisions of the Act.

SECTION 3. The Secretary of the Board of Directors is hereby directed to send a copy of this Resolution to the California Department of Housing and Community Development in accordance with the requirements of Section 400(e) of the Surplus Land Act Guidelines, dated April 2021.

SECTION 4. This Resolution has been reviewed in accordance with the requirements of the California Environmental Quality Act (California Public Resources Code Section 21000 *et seq.* and Title 14 of the California Code of Regulations Section 15000 *et seq.*) ("CEQA" and the "CEQA Guidelines," respectively). The District's staff have determined that the designation of the Properties as "Exempt Surplus Land" does not have the potential for causing a significant effect on the environment and is, therefore, exempt from review under CEQA Section 21080 and CEQA Guidelines Section 15060(c)(3) because it is not a project as defined in CEQA Section 21065 and CEQA Guidelines Section 15378. Moreover, adoption of this Resolution does not have the potential to result in either a direct physical change or a reasonably foreseeable indirect physical change to the environment. If and when the Properties are leased for use by prospective tenants, and if the prospective tenants propose a use for the property that requires the issuance of a discretionary permit from an agency with land use authority and control over the property, that future use, and the associated discretionary permit(s) will be reviewed and analyzed in accordance with the requirements of CEQA and the CEQA Guidelines.

SECTION 5. The officers and staff of the District are hereby authorized, jointly and severally, to do all things which they may deem necessary and proper to effectuate the purposes of this Resolution, and any such actions previously taken are hereby ratified and confirmed.

SECTION 6. This Resolution supersedes and replaces, in its entirety, the January Resolution adopted by the Board of Directors of the District.

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County at its meeting on April 13, 2022.

AYES: Directors Maloney, Taj, Saleh, Hu, Mendoza, Sharif, Blanca Pacheco, R. Garcia, N. Martinez, Buscaino, Cobos-Cawthorne, Ramirez, Cuellar Stallings, Ding, Davila, Ybarra, Mitchell, and Warner

NOES: None

ABSTAIN: None

ABSENT: Directors Pulido, Dunton, H. Lo, and Sanchez

Upon motion of Director Davila, duly seconded and unanimously carried, the meeting was adjourned.

CATHY WARNER  
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN  
Secretary

/ee