

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 22

To be held at the OFFICE OF THE DISTRICT
1955 Workman Mill Road, Whittier, California

In response to concerns about the Novel Coronavirus (COVID-19), and in accordance with the provisions of California Government Code Section 54953(e), Directors will attend these meetings via teleconference. To join the meeting, click <https://us02web.zoom.us/j/8091438308> or enter the Meeting ID 809 143 8308 into the Zoom app on your smartphone or computer. Alternatively, you may join by phone by calling (669) 900-9128 and entering the Meeting ID. You may find further information at: <http://www.lacsd.org/agendas>

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY	April 27, 2022	At 1:30 P.M.
Governing Body	Director	Alternate
ARCADIA	TAY	-----
AZUSA	GONZALES	ALVAREZ
BALDWIN PARK	ESTRADA	M. GARCIA
BRADBURY	LEWIS	BARAKAT
COVINA	CORTEZ	ALLEN III
DUARTE	FINLAY (Chairperson)	PARAS-CARACCI
GLENDORA	K. DAVIS	ALLAWOS
IRWINDALE	BURROLA	AMBRIZ
LA VERNE	HEPBURN	M. DAVIS
MONROVIA	ADAMS	SHEVLIN
SAN DIMAS	BADAR	BERTONE
WALNUT	BOB PACHECO	CHING
WEST COVINA	CASTELLANOS	DIAZ
LOS ANGELES COUNTY	MITCHELL	BARGER

1. Public Comment
2. Receive and Order Filed as Follows:
 - (a) Certificate of Ms. Patricia Cortez, Presiding Officer of the City of Covina
 - (b) Action Appointing Mr. Walter Allen III as Alternate Director of the City of Covina
 - (c) Certificate of Mr. Dario Castellanos, Presiding Officer of the City of West Covina
 - (d) Action Appointing Ms. Rosario Diaz as Alternate Director of the City of West Covina
3. Approve Minutes of Regular Meeting Held March 23, 2022
4. Approve February 2022 Expenses in Amount of \$1,475,022.43

Summary: Local District expenses represent costs incurred for operations, maintenance, and capital projects that are the sole responsibility of the individual District. Allocated expenses represent the District's proportionate share of expenses made by District No. 2, the administrative District, on its behalf pursuant to either the Joint Administration Agreement or the Joint Outfall Agreement. These Agreements provide for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all of the shared facilities for all of the signatory Districts, along with the methodology for determining the proportionate costs for each District. A listing of Districts' payments and previously approved budgets can be found on the Districts' websites at lacsd.org/financial-documents. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

Local District Expenses:	
Operations & Maintenance (O & M)	\$ 82,735.98
Capital	26,191.96
Allocated Expenses:	
Joint Administration	206,476.13
Technical Support	125,840.08
Joint Outfall	1,033,778.28
Total Expenses	<u>\$1,475,022.43</u>

5. Approve *Resolution of the Board of Directors of County Sanitation District No. 22 of Los Angeles County Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency on March 4, 2020 by California Governor and Authorizing Remote Teleconference Meetings of the Legislative Body*

Summary: Remote teleconferenced meetings, during the continued existence of the Governor's proclaimed state of COVID-19 emergency, will be conducted under the provisions of AB 361 which added California Government Code Section 54953(e), to the Brown Act. Under the provisions of AB 361 and Government Code Section 54953(e), each District must adopt, by majority vote, a resolution making certain findings about the continuing COVID state of emergency and health and safety risks of conducting their meeting in person. By statute, this Resolution and its referenced findings, are only legally valid for 30 days. The Resolution is attached to the agenda.

6. Introduce *An Ordinance Prescribing the Connection Fee Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 22 of Los Angeles County*, and Waive Reading of Said Ordinance in its Entirety

Summary: 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 are attached. 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.

7. Re: State Revolving Fund (SRF) and Water Infrastructure Finance and Innovation Act (WIFIA) Financing

- (a) Adopt *Resolution of the Board of Directors of County Sanitation District No. 22 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*
- (b) Adopt *Resolution of the Board of Directors of County Sanitation District No. 22 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*
- (c) Adopt *Resolution of the Board of Directors of County Sanitation District No. 22 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*

Summary: 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 SRF and for a loan from the US Environmental Protection Agency's 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

7. Contd.

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.

Adjourn

Status Report: Prior to or during the meeting session, the Chief Engineer and General Manager may update the Directors on various matters concerning the Districts that may be of current interest to the Directors.

Public Comment: Members of the public may address the Board of Directors on any item shown on the agenda or matter under the Board’s authority. A “Request to Address Board of Directors” form is available. In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Secretary to the Boards’ Office (562) 908-4288, extension 1100. Notification of 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.101 et seq. ADA Title II).

Document Requests: Links to supporting documents are available online at the time of posting. Agendas and supporting documents or other writings that will be distributed to Board members in connection with matters subject to discussion or consideration at this meeting that are not exempt from disclosure under the Public Records Act are available for inspection following the posting of this agenda at the office of the Secretary to the Boards of Directors located at the Districts’ Joint Administration Building, 1955 Workman Mill Road, Whittier, California, 90601, or at the time of the meeting at the address posted on this agenda.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE COUNTY SANITATION
DISTRICT NO. 22 OF LOS ANGELES COUNTY PROCLAIMING A LOCAL EMERGENCY,
RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY
ON MARCH 4, 2020 BY CALIFORNIA GOVERNOR AND AUTHORIZING
REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODY

WHEREAS, the County Sanitation District No. 22 of Los Angeles County (“District”) is committed to preserving and nurturing public access and participation in meetings of the District’s Board of Directors and committees; and

WHEREAS, all meetings of the District’s Board of Directors are open and public, pursuant to the requirements of the Ralph M. Brown Act (California Government Code Sections 54950-54963) (the “Brown Act”), so that any member of the public may attend, participate, observe and watch the District’s Board of Directors conduct business; and

WHEREAS, the Brown Act, Section 54953(e), allows for conducting and participating in meetings by members of a legislative body, without compliance with the requirements of the Brown Act Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition under the Brown Act Section 54953(e) is the declaration of a state of emergency by the Governor pursuant to California Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within California caused by the conditions outlined and described in California Government Code Section 8558; and

WHEREAS, a proclamation of a state of emergency is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological, or human-induced disasters; and

WHEREAS, it is further required that the state or local officials have imposed or recommended measures to promote social distancing, or the Board of Directors of the District have held a meeting where it considered and determined that meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, such conditions now exist in the District as Governor Newsom declared a State of Emergency on March 4, 2020 as a result of the threat of COVID-19; and

WHEREAS, the County of Los Angeles Department of Public Health Order of the Health Officer issued March 3, 2022 (the “County Order”) includes recommendations that all persons within the jurisdiction of the County of Los Angeles public health agency always practice required and recommended infection control measures when among others, especially in an indoor setting; and

WHEREAS, the District’s Board of Directors does hereby find that the ongoing and significant risks associated with COVID-19 infection, especially in the absence of capacity limits and physical distancing requirements for indoor activities, on those individuals with underlying health conditions that make them susceptible to severe COVID-19 illness and individuals who are not and cannot be vaccinated, that COVID-19 infection remains a significant health hazard to all residents, and desires to proclaim a local emergency and ratify the proclamation of a state of emergency by the Governor of the State of California, and further, ratify the County Order findings related to the ongoing health hazards of COVID-19; and

WHEREAS, as a consequence of the declared state of emergency and the local emergency, the Board of Directors of the District does hereby find that the District shall continue to conduct its meetings in accordance with the provisions and requirements of the Brown Act Section 54953(e), and that the legislative bodies of the District shall comply with the requirements to provide the public with access to, and an opportunity to comment at all meetings of the District’s legislative bodies in accordance with the requirements of the Brown Act Section 54953(e)(2); and

WHEREAS, the District will continue its practice of live streaming its meetings via the Zoom software platform which allows members of the public to observe and participate in the meetings via video or call-in options and will continue to offer members of the public an opportunity to make oral comments during the meetings and/or submit written comments before the meetings.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES COUNTY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true, correct, and are incorporated in this Resolution by reference.

Section 2. Proclamation of Local Emergency. The Board of Directors of the District does hereby proclaim that a local emergency now exists throughout the territory of the District and, as described in the County Order, recommendations from health officers include ongoing masking, and social distancing practices especially for indoor settings and particularly for individuals who, due to vaccine status or underlying health conditions, continue to be at risk for severe illness, and COVID-19 infection remains a significant health hazard to all residents of the District.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The District's Board of Directors hereby ratifies the Governor of the State of California's Proclamation of a State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The Chief Engineer and General Manager, staff and legislative bodies are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, without limitation, conducting open and public meetings in accordance with the Brown Act Section 54953(e) and all other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of 30 days after the date of this resolution, or such time that the District's Board of Directors adopts a subsequent resolution in accordance with the Brown Act Section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with the requirements of the Brown Act Section 54953(b)(3).

PASSED AND ADOPTED by the Board of Directors of the County Sanitation District No. 22 of Los Angeles County this 27th day of April 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chairperson



**LOS ANGELES COUNTY
SANITATION DISTRICTS**
Converting Waste Into Resources

Robert C. Ferrante
Chief Engineer and General Manager

1955 Workman Mill Road, Whittier, CA 90601-1400
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998
(562) 699-7411 • www.lacsd.org

April 8, 2022

Boards of Directors
Joint Outfall Districts
Los Angeles County Sanitation Districts

Directors:

Connection Fee Program for FY 2022-23 through FY 2025-26

The agendas for the upcoming meetings of the Joint Outfall System (JOS) Districts' Boards of Directors contain an item regarding proposed changes to the Districts' Connection Fee Rate Ordinances (Ordinances). Wastewater connection fees are paid by new users or existing dischargers who increase their discharge.

In 2020, the connection fee program was modified from a system whereby users would pay for the estimated cost of facilities necessary to serve their new or increased discharge to a "buy-in" methodology whereby users would buy-in to the facilities and funds already in place. The rates adopted in 2020 using the new methodology were, in most cases, significantly less than the previous rates.

Revisions to the Ordinances are now needed to reflect the JOS financial consolidation that will become effective July 1, 2022. The proposed rates reflect: the new service charge rates (since the connection fee includes one year of service charge); conversion of local District facilities to JOS facilities; and the creation of JOS funds. The three subsequent annual increases incorporate the impact of increasing service charge rates.

Copies of the proposed Connection Fee Rate Ordinances are attached to the agendas for those Districts considering adopting the proposed changes. If approved, the new Ordinances would take effect July 1, 2022.

Very truly yours,

Robert C. Ferrante

RCF:gc
Enclosures

Table 1. Current and Proposed Connection Fee Rates

	Current	Proposed July 1, 2022	Proposed July 1, 2023	Proposed July 1, 2024	Proposed July 1, 2025
District 1	1,639	1,766	1,769	1,772	1,775
District 2	1,630	1,755	1,759	1,763	1,767
District 3	1,526	1,754	1,763	1,772	1,781
District 5	1,527	1,741	1,745	1,749	1,753
District 8	1,555	1,773	1,778	1,783	1,788
District 15	1,551	1,737	1,741	1,745	1,749
District 16	1,687	1,730	1,730	1,730	1,730
District 17	1,680	1,735	1,739	1,743	1,747
District 18	1,566	1,755	1,758	1,761	1,764
District 19	1,576	1,745	1,747	1,749	1,751
District 21	1,654	1,752	1,755	1,758	1,761
District 22	1,660	1,747	1,750	1,753	1,756
District 23	2,059	1,570	1,570	1,570	1,570
District 28	3,979	1,570	1,570	1,570	1,570
District 29	3,829	4,825	4,834	4,843	4,852
South Bay Cities	1,926	1,645	1,645	1,645	1,645

**AN ORDINANCE PRESCRIBING THE CONNECTION FEE RATE
AND MEAN LOADINGS PER UNIT OF USAGE FOR
COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES COUNTY**

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES COUNTY ORDAINS AS FOLLOWS:

SECTION 1.0 - USER CATEGORIES AND MEAN LOADINGS

Pursuant to Section 3.04(2) of the *Master Connection Fee Ordinance of County Sanitation District No. 22 of Los Angeles County*, the following shall constitute the user categories and mean loadings per unit of usage for flow, chemical oxygen demand (COD), and suspended solids:

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
RESIDENTIAL				
Single Family Home	Dwelling Unit	260	1.22	0.59
Condominiums	Dwelling Unit	195	0.92	0.44
Multi-Unit Residential	Dwelling Unit	156	0.73	0.35
Mobile Home Parks	No. of Spaces	156	0.73	0.35
COMMERCIAL				
Hotel/Motel/Rooming House	Room	125	0.54	0.28
Store	1000 ft ²	100	0.43	0.23
Supermarket	1000 ft ²	150	2.00	1.00
Shopping Center	1000 ft ²	325	3.00	1.17
Regional Mall	1000 ft ²	150	2.10	0.77
Office Building	1000 ft ²	200	0.86	0.45
Medical, Dental, Veterinary Clinic or Building	1000 ft ²	300	1.29	0.68
Restaurant	1000 ft ²	1,000	16.68	5.00
Indoor Theatre	1000 ft ²	125	0.54	0.28
Car Wash				
Tunnel - No Recycling	1000 ft ²	3,700	15.86	8.33
Tunnel - Recycling	1000 ft ²	2,700	11.74	6.16
Wand	1000 ft ²	700	3.00	1.58
Bank, Credit Union	1000 ft ²	100	0.43	0.23
Service Shop, Vehicle Maintenance & Repair Shop	1000 ft ²	100	0.43	0.23
Animal Kennels	1000 ft ²	100	0.43	0.23
Gas Station	1000 ft ²	100	0.43	0.23
Auto Sales	1000 ft ²	100	0.43	0.23
Wholesale Outlet	1000 ft ²	100	0.43	0.23
Nursery/Greenhouse	1000 ft ²	25	0.11	0.06
Light Manufacturing	1000 ft ²	25	0.23	0.09
Lumber Yard	1000 ft ²	25	0.23	0.09
Warehousing	1000 ft ²	25	0.23	0.09
Open Storage	1000 ft ²	25	0.23	0.09

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
Drive-in Theatre	1000 ft ²	20	0.09	0.05

COMMERCIAL

Night Club	1000 ft ²	350	1.50	0.79
Bowling/Skating	1000 ft ²	150	1.76	0.55
Club & Lodge Halls	1000 ft ²	125	0.54	0.27
Auditorium, Amusement	1000 ft ²	350	1.50	0.79
Golf Course and Park (Structures and Improvements)	1000 ft ²	100	0.43	0.23
Campground, Marina, and Recreational Vehicle Park	Sites, Slips, or Spaces	55	0.34	0.14
Convalescent Home	Bed	125	0.54	0.28
Laundromat	1000 ft ²	3,825	16.40	8.61
Mortuary, Funeral Home	1000 ft ²	100	1.33	0.67
Health Spa, Gymnasium	1000 ft ²	600	2.58	1.35
With Showers	1000 ft ²	300	1.29	0.68
Without Showers	1000 ft ²	300	1.29	0.68
Convention Center, Fairground, Racetrack, Sports Stadium/Arena	Average Daily Attendance	10	0.04	0.02

INSTITUTIONAL

College/University	Student	20	0.09	0.05
Private School	1000 ft ²	200	0.86	0.45
Library, Museum	1000 ft ²	100	0.43	0.23
Post Office (Local)	1000 ft ²	100	0.43	0.23
Post Office (Regional)	1000 ft ²	25	0.23	0.09
Church	1000 ft ²	50	0.21	0.11

SECTION 2.0 - CONNECTION FEE RATE

Pursuant to Section 3.03 of the *Master Connection Fee Ordinance of County Sanitation District No. 22 of Los Angeles County*, the following, to be effective on the dates given, shall constitute the Connection Fee Rate per capacity unit:

COST COMPONENT	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
District Capital	\$0	\$0	\$0	\$0
Joint Outfall Capital	\$1,570	\$1,570	\$1,570	\$1,570
Operational	\$177	\$180	\$183	\$186
Total	\$1,747	\$1,750	\$1,753	\$1,756

SECTION 3.0 - COST ALLOCATION FACTORS

Pursuant to Section 3.04(1) of the *Master Connection Fee Ordinance of County Sanitation District No. 22 of Los Angeles County*, the proportions of the total capital costs required to construct the sewerage system including, conveyance, treatment, and disposal of wastewater which are attributable to flow, COD, and suspended solids, designated as X, Y, and Z, respectively, to be effective on the dates given, shall be:

$X = 0.6645$

$Y = 0.1275$

$Z = 0.2080$

SECTION 4.0 - VALIDITY

If any part, section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is held invalid or unconstitutional for any reason by any court, that decision does not affect the validity or constitutionality of the remainder of this Ordinance. The Board of Directors declares that it would have adopted each provision of this Ordinance irrespective of the validity of any other provision.

SECTION 5.0 - EFFECTIVE DATE

This Ordinance shall become effective July 1, 2022.

ATTEST:

Clerk, Board of Directors
County Sanitation District No. 22
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 22
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 22 of Los Angeles County on _____ by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Secretary of the Board of Directors
County Sanitation District No. 22
of Los Angeles County



April 8, 2022

Board of Directors
Joint Outfall Districts
Los Angeles County Sanitation Districts

Directors:

**State Revolving Fund (SRF) and
Water Infrastructure Finance and Innovation Act (WIFIA) Financing**

In order to finance the Joint Outfall System's (JOS) Clearwater Tunnel Project (Tunnel Project), District No. 2, acting on behalf of the JOS Districts, applied for financial assistance (essentially a low-cost loan) from the State Water Resources Control Board's Clean Water SRF program and for a loan from the US Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) program. Both agencies have approved partial funding for the Tunnel Project, and the maximum loan amounts are approximately \$140 million and \$441 million, respectively.

In addition, District No. 8 also applied for SRF financial assistance for the 216th Street Replacement Trunk Sewer Phase 2 Project (216th Street Project) and has received approval for at least partial funding, with a maximum loan amount of \$17.5 million. Although the 216th Street Project has been a District No. 8 project, with the pending changes from the recently adopted Joint Outfall Agreement, the 216th Street Project will become a JOS Project effective July 1, 2022.

As discussed with and approved by the Boards in February, one of the steps required for the new loans was to pay off or refund existing SRF loans. Thirty-five existing SRF loans (totaling \$46 million) were paid off in March and the remaining seven SRF loans (totaling \$106 million) were refunded through a sale of bonds that was completed on April 7. These actions have allowed the Districts to move forward with finalizing the WIFIA and SRF loans.

The final Board actions required to finalize the loans is to approve Resolutions that authorize execution and delivery of a Term Sheet, Loan Agreement, and Promissory Note for the WIFIA loan; and execution and delivery of Installment Sale Agreements for the SRF financial assistance. The Resolutions also authorize execution and delivery of agreements, documents, certificates and instruments, and related actions in connection therewith. The proposed Resolutions are attached along with the WIFIA documents and SRF Installment Sale Agreements, which are in substantially final form. Approval by all the JOS boards is required.

As stated above, this matter will be on the agenda of the upcoming JOS Boards.

Very truly yours,

Robert Ferrante

RF:av
Enclosures

DOC 6501019