

Allocated Expenses	912,979.81
Capital	1,588,998.90
Stormwater Expenses:	
Operations & Maintenance	12,364.59
Total Expenses	<u>\$16,477,148.52</u>

REGULAR AGENDA

RE: WASTEWATER MANAGEMENT
THREE REPLACEMENT PUMPS AT
SPRING STREET PUMPING PLANT
AUTHORIZE ISSUANCE OF
PURCHASE ORDER TO - XYLEM
WATER SOLUTIONS USA, INC.

The three existing pumps at the Spring Street Pumping Plant (SSPP) have exceeded their service life and do not have sufficient capacity to meet current peak flow rates. The three proposed replacement pumps are uniquely designed to be non-clogging and non-ragging, will increase pumping capacity to meet peak flow rates, and have proven to be reliable at other Districts' pumping

plants. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; 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 purchase order to Xylem Water Solutions USA, Inc., in the amount of approximately \$142,000 for three replacement pumps at the Spring Street Pumping Plant.

Upon motion of Director Frometa, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to Xylem Water Solutions USA, Inc., for three replacement pumps at the Spring Street Pumping Plant, at a cost of approximately \$142,000.

RE: FINANCIAL MANAGEMENT
INTRODUCE SCHOLL CANYON LANDFILL
SOLID WASTE RATE ORDINANCE

A proposed *Scholl Canyon Landfill Solid Waste Rate Ordinance* (Ordinance) was presented to the Board for consideration and introduction. A letter describing the recommended Board action and rate increases planned

for other District facilities and a copy of the proposed Ordinance accompanied the agenda. The Ordinance would increase the municipal solid and inert waste (MSW) rate at the Scholl Canyon Landfill from \$56.57 per ton to \$61.10 per ton effective July 1, 2022. Changes to the rates for hard-to-handle and bulky items, tires, special handling, pull-offs, uncovered loads capable of producing litter, and non-manifested tire loads are also proposed. The proposed rate increases are necessary to offset increasing operational and capital costs. The City of Glendale and Los Angeles County have concurred with the increases. 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 waive the reading of the Ordinance in its entirety.

Upon motion of Director Frometa, duly seconded and unanimously carried by a roll-call vote, a *Scholl Canyon Landfill Solid Waste Rate Ordinance* (Ordinance) was introduced, and after reading of the title thereof, further reading of the Ordinance was waived.

RE: SERVICE CHARGE PROGRAM - HOLD
COMBINED PUBLIC HEARING ON SERVICE
CHARGE REPORT, PROPOSED SERVICE
CHARGE AND INDUSTRIAL WASTEWATER
SURCHARGE RATE ORDINANCES AND
COLLECTION ON TAX ROLL

Prior to meeting in regular session, as recorded in the Status Report presented to the Boards on this date, the Chief Engineer and General Manager discussed matters pertaining to the wastewater rates and the proposed ordinances. He stated that all Boards meeting today have an item on their agendas to hold a public hearing. All Districts are setting new rates. There are rate increases in

some Districts and other Districts either have no change or a decrease in rates. Many ratepayers received Proposition 218 notices that includes a protest form. In aggregate, approximately 1,093,000 notices were mailed and 46 protests were received, which is a relatively low amount.

In regular session, upon motion of Director Frometa, duly seconded and unanimously carried by a roll-call vote, the Chairperson opened a combined public hearing scheduled at this time and place on the Service Charge Report, service charge rates, industrial wastewater surcharge rates, connection fee rates, and collection of service charge on property tax roll for County Sanitation District No. 2 of Los Angeles County. Proposition 218 notices regarding the service charge rates were mailed to 129,742, residential, commercial, small industrial parcels, and large industrial customers, and the District was contacted by three property owners, which submitted

Proposition 218 protest forms. Copies of the forms in opposition to the proposed increase were distributed to the Directors.

In accordance with Section 5473 of the Health and Safety Code of the State of California, the *County Sanitation District No. 2 Service Charge Report for Fiscal Year 2022-23*, was filed on February 9, 2022, and publication of two newspaper notices for today's public hearing were published in the *Montebello News*, a weekly newspaper. The Service Charge Report addresses the continued collection of the service charge for the District on the tax roll. These charges are needed to supplement the District's existing revenue sources for the forthcoming fiscal year, as discussed in a letter to the Board, dated February 4, 2022, attached to the agenda, which also included copies of the proposed ordinances prescribing the service charge rates and mean loadings and providing for the collection of the service charge on the tax roll, industrial wastewater surcharge rates, and connection fee rates and mean loadings for fiscal year 2022-23.

The Chairperson announced this was the time for any questions or comments by members of the public. There being none, the Chairperson closed the public hearing.

RE: SERVICE CHARGE PROGRAM
ADOPT SERVICE CHARGE REPORT

Following the public hearing, upon motion of Director Frometa, duly seconded and unanimously carried by a roll-call vote, the Board of Directors of County Sanitation

District No. 2 of Los Angeles County approved and adopted the *County Sanitation District No. 2 Service Charge Report for Fiscal Year 2022-23*, which was filed with the Clerk of the Board on February 9, 2022.

RE: WASTEWATER RATES
SERVICE CHARGE, INDUSTRIAL
WASTEWATER SURCHARGE, AND
CONNECTION FEE ORDINANCES
ADOPT - FIND EXEMPT FROM CEQA

The *Service Charge, Industrial Wastewater Surcharge, and Connection Fee Ordinances* (Ordinances) were presented for the Board's consideration. A recommendation was made to adopt the Ordinances. Copies of the proposed Ordinances prescribing the service charge rate and mean loadings and providing for collection of

the service charge on the tax roll, prescribing the industrial wastewater surcharge rates, and prescribing the connection fee rates accompanied the agenda.

Upon motion of Director Frometa, duly seconded and unanimously carried, the following Ordinances were adopted by the following vote:

AYES: Directors Maloney, Taj, Saleh, Dunton, Barrows, Sharif, Frometa, R. Garcia, Buscaino, Cobos-Cawthorne, Ramirez, Cuellar Stallings, Ding, Davila, Lopez, Solis, and Warner

NOES: None

ABSTAIN: None

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

An Ordinance Prescribing the Service Charge Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 2 of Los Angeles County and Providing for the Collection of Such Charges on the Tax Roll.

An Ordinance Prescribing Industrial Wastewater Surcharge Rates for County Sanitation District No. 2 of Los Angeles County.

An Ordinance Prescribing the Connection Fee Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 2 of Los Angeles County.

Furthermore, the Board found that adoption of the Ordinance is exempt from the California Environmental Quality Act under Section 15273 of State Guidelines for Implementation of CEQA on the basis that CEQA does not apply to the modification of rates or other charges by the District which are for the purpose of meeting operating expenses, purchasing equipment, and funding capital projects necessary to maintain services within existing service areas; and that the proposed rate increases are for the purpose of (1) meeting operating expenses, including employee wage rates and fringe benefits, (2) purchasing or leasing supplies, equipment, or materials, (3) meeting financial reserve needs and requirements, or (4) obtaining funds for capital projects necessary to maintain service within existing service areas, as reported to the Board of Directors by the Chief Engineer and General Manager and as reflected in the official minutes of the District on file at the office of the District.

RE: ENGINEERING DEPARTMENT
ON-CALL SUBSTRUCTURE VERIFICATION
SERVICES - KEC ENGINEERING, MLADEN
BUNTICH CONSTRUCTION CO., INC., MIKE
BUBALO CONSTRUCTION CO., INC., AND
STEVE BUBALO CONSTRUCTION CO.
CONTRACT NOS. 5441, 5442, 5443 AND 5444
APPROVE

During the design phase of a project, it is necessary to establish the exact location of existing underground utilities and structures to avoid potential conflicts that could result in significant additional costs during the construction phase. It is more cost and time effective to use an experienced contractor to perform these services on an on-call basis rather than performing separate qualification and selection processes each time the service is needed. Due to the number of upcoming

projects, having multiple on-call contractors would ensure that there would be a contractor with the necessary availability to complete the work in a timely manner. Proposals were solicited and received from five construction contractors. Mladen Buntich Construction Co., Inc., (Mladen Buntich), KEC Engineering (KEC), Mike Bubalo Construction Co., Inc., (Mike Bubalo), and Steve Bubalo Construction Co. (Steve Bubalo) were ranked as the most qualified to provide the required services at competitive rates. Services will be used on an as-needed basis for potentially all Districts. In accordance with the Purchasing Policy, District No. 2 will issue and administer the proposed agreement and expenditures will be allocated according to actual costs attributable to each District. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship. A recommendation was made to approve and order executed the Agreements for *On-Call Substructure Verification Services* each in the amount of \$1,000,000 for a three-year period.

Upon motion of Director Frometa, duly seconded and unanimously carried by a roll-call vote, the Board of Directors of County Sanitation District No. 2 of Los Angeles County found and determined that it would be to the advantage of the District to enter into an *On-Call Substructure Verification Services* with Mladen Buntich Construction Co., Inc., KEC Engineering, Mike Bubalo Construction Co., Inc., and Steve Bubalo Construction Co. providing to establish the exact location of existing underground utilities and structures to avoid potential conflicts that could result in significant additional costs during the construction phase, as set forth in the Agreement and under terms and conditions contained therein. All the terms and conditions of the *On-Call Substructure Verification Services* for each vendor, Contract Nos. 5441, 5442, 5443, and 5444, dated May 11, 2022, were accepted and approved, and the Chairperson and Secretary were authorized to execute the Agreement on behalf of the District.

RE: SOLID WASTE MANAGEMENT
MUNICIPAL SOLID WASTE IMPORTATION
CAPACITY TRANSFER AND RECIPROCITY
AGREEMENT AND TERMINATION
AGREEMENT AND MUTUAL RELEASE
ARAKELIAN ENTERPRISES, INC.,
DBA ATHENS SERVICES
CONTRACT NOS. 5445 AND 5446 - APPROVE

The Districts previously entered into an agreement to dispose of Municipal Solid Waste (MSW) at Orange County landfills (OC MSW Agreement). The terms of the OC MSW Agreement give the Districts the ability to assign, with the written consent of Orange County, all or a portion of its rights under the OC MSW Agreement to another party. Arakelian Enterprises, Inc., dba Athens Services (Athens) is party to an agreement to dispose of MSW at San Bernardino County landfills (SB MSW

Agreement). Both parties desire to work cooperatively under the proposed *Municipal Solid Waste Importation Capacity Transfer and Reciprocity Agreement* (Reciprocity Agreement) to minimize costs and maximize efficiency for disposal of MSW. The proposed Reciprocity Agreement would allow each party the ability to dispose of solid waste at either the San Bernardino or Orange County landfills at cost without markup for the term of the agreements. The proposed Reciprocity Agreement will result in cost savings for both parties with the Districts, potentially saving hundreds of thousands of dollars each year. In February 2022, the Districts entered into a Waste Disposal Agreement with Athens for disposing acceptable loads from Districts' facilities at San Bernardino County landfills. The execution of the proposed Reciprocity Agreement will supersede the Waste Disposal Agreement; thus, the agreement will be cancelled. Staff has determined that the approval of the agreements 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 Principle of commitment to fiscal responsibility and prudent financial stewardship. A recommendation was made to approve and order executed Agreements with Athens for *Municipal Solid Waste Importation Capacity Transfer and Reciprocity Agreement* and *Termination Agreement and Mutual Release* with Athens for Waste Disposal.

Upon motion of Director Frometa, duly seconded and unanimously carried by a roll-call vote, the Board of Directors of County Sanitation District No. 2 of Los Angeles County found and determined that it would be to the advantage of the District to enter into a *Municipal Solid Waste Importation Capacity Transfer and Reciprocity Agreement* and *Termination Agreement and Mutual Release* with Athens providing for each party the ability to dispose of solid waste at either the San Bernardino or Orange County landfills at cost without markup for the term of the agreements, as set forth in the Agreement and under terms and conditions contained

therein. All the terms and conditions of the *Municipal Solid Waste Importation Capacity Transfer and Reciprocity Agreement* and *Termination Agreement and Mutual Release*, Contract Nos. 5445 and 5446, respectively, dated May 11, 2022, were accepted and approved, and the Chairperson and Secretary were authorized to execute the Agreement on behalf of the District.

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

CATHY WARNER
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN
Secretary

/ee