

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 5

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	May 18, 2022	At 1:30 P.M.
Governing Body	Director	Alternate
CULVER CITY	LEE	VERA
EL SEGUNDO	BOYLES	PIMENTEL
GARDENA	CERDA	FRANCIS
HAWTHORNE	VARGAS	MONTEIRO
INGLEWOOD	BUTTS	-----
LAWNDALE	PULLEN-MILES	KEARNEY
LOMITA	SEGAWA	GAZELEY
LOS ANGELES CITY	N. MARTINEZ	BUSCAINO
MANHATTAN BEACH	STERN	NAPOLITANO
PALOS VERDES ESTATES	LOZZI	MCGOWAN
RANCHO PALOS VERDES	BRADLEY	FERRARO
REDONDO BEACH	BRAND	OBAGI
ROLLING HILLS	PIEPER	WILSON
ROLLING HILLS ESTATES	ZERUNYAN	HUFF
TORRANCE	FUREY (Chairperson)	ASHCRAFT
LOS ANGELES COUNTY	MITCHELL	HAHN

1. Public Comment
2. Approve Minutes of Regular Meeting Held April 20, 2022
3. Approve March 2022 Expenses in Amount of \$4,595,996.43

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	\$ 375,779.09
Contract Disposal	76,103.00
Capital	94,201.85
Capital - Disposal to City of Los Angeles	30,454.00
Allocated Expenses:	
Joint Administration	502,761.10
Technical Support	505,140.96
Joint Facilities	2,883,061.95
Allocated Capital Expenses:	
Joint Administration	116,113.57
Technical Support	12,380.91
Total Expenses	<u>\$4,595,996.43</u>

4. Approve *Resolution of the Board of Directors of County Sanitation District No. 5 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.

5. Re: Contract with Insituform Technologies, LLC, in Amount of Approximately \$638,680, for [Manchester-Vermont Diversion Extension Trunk Sewer Rehabilitation](#) (Project)

(a) Report on Bids and Award and Order Executed Contract

(b) Order Staff to Review Insurance and Surety Bonds for Performance and Payment and, if Sufficient, Order Secretary to Sign Contract Evidencing Approval of Bonds and Insurance

Summary: The Project will consist of rehabilitation of approximately 6,109 feet of existing 15-inch-diameter cracked vitrified clay pipe and appurtenant structures that were constructed in 1949. The work is located within the City of Los Angeles as shown on the attached map. The bid summary/recommendation to award is attached. Staff has determined that the Project is 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 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).

6. Re: Wastewater Revenue Program

(a) Hold Combined Public Hearing on Service Charge Report, Service Charge Rates, Industrial Wastewater Surcharge Rates, Connection Fee Rates, and Collection of Service Charge on Property Tax Roll

Summary: A copy of letters describing the required Board actions that were previously included with the February and April agendas, together with a copy of the Service Charge Report; the preliminary budget; the proposed service charge rate and industrial wastewater surcharge rate ordinances; the proposed connection fee rate ordinance; and a budget explanation and glossary accompany the agenda.

(b) Adopt Service Charge Report

(c) Adopt *An Ordinance Prescribing the Service Charge Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 5 of Los Angeles County* and Providing for the Collection of Such Charges on the Tax Roll and Find that Adoption of Ordinance is Exempt from California Environmental Quality Act (CEQA) Under Section 15273 of State Guidelines for Implementation of CEQA

Summary: In this District, the current service charge rate per single-family home (SFH) is \$13.92 per month (\$167 per year). The proposed rates for fiscal years 2022-23, 2023-24, 2024-25, and 2025-26 are \$14.25 per month (\$171 per year), \$14.58 per month (\$175 per year), \$14.92 per month (\$179 per year), and \$15.25 per month (\$183 per year), respectively. Owners of multiple dwelling units and commercial properties are charged in proportion to their use compared to an SFH. In February, the Board took actions to begin the process of adopting the proposed ordinances and adopting the service charge report. Since that meeting, Proposition 218 notices were mailed to every parcel served by the District; notices announcing the public hearing were published in newspapers; and public information meetings and virtual tours were held.

(d) Adopt *An Ordinance Prescribing Industrial Wastewater Surcharge Rates for County Sanitation District No. 5 of Los Angeles County* and Find that Adoption of Ordinance is Exempt from California Environmental Quality Act (CEQA) Under Section 15273 of State Guidelines for Implementation of CEQA

(e) Adopt *An Ordinance Prescribing the Connection Fee Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 5 of Los Angeles County*, and Find that Adoption of Ordinance is Exempt from California Environmental Quality Act (CEQA) Under Section 15273 of State Guidelines for Implementation of CEQA

Summary: Wastewater connection fees are paid by new dischargers 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

6. Contd.

Joint Outfall System financial consolidation that will become effective July 1, 2022, and the proposed service charge rates presented to the Board in February 2022. Copies of the proposed Connection Fee Rate Ordinance is attached.

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. 5 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. 5 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. 5 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. 5 of Los Angeles County this 18th day of May 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chairperson

TO: BOARD OF DIRECTORS OF LOS ANGELES
COUNTY SANITATION DISTRICT NO. 5

RE: AGENDA ITEM NO. 5

FOR BOARD MEETING May 18, 2022

BIDS were received at the District Office on March 29, 2022

FOR Manchester-Vermont Diversion Extension Trunk Sewer Rehabilitation

No. of Bids Received: 5

<u>BIDDER</u>	<u>TOTAL BID</u>
Insituform Technologies, LLC	\$638,680.00
Sancon Technologies, Inc.	\$783,682.00
Nor-Cal Pipeline Services	\$820,323.00
Nu Line Technologies, LLC	\$837,663.00
Southwest Pipeline and Trenchless Corp.	\$977,602.00

RECOMMENDATION:

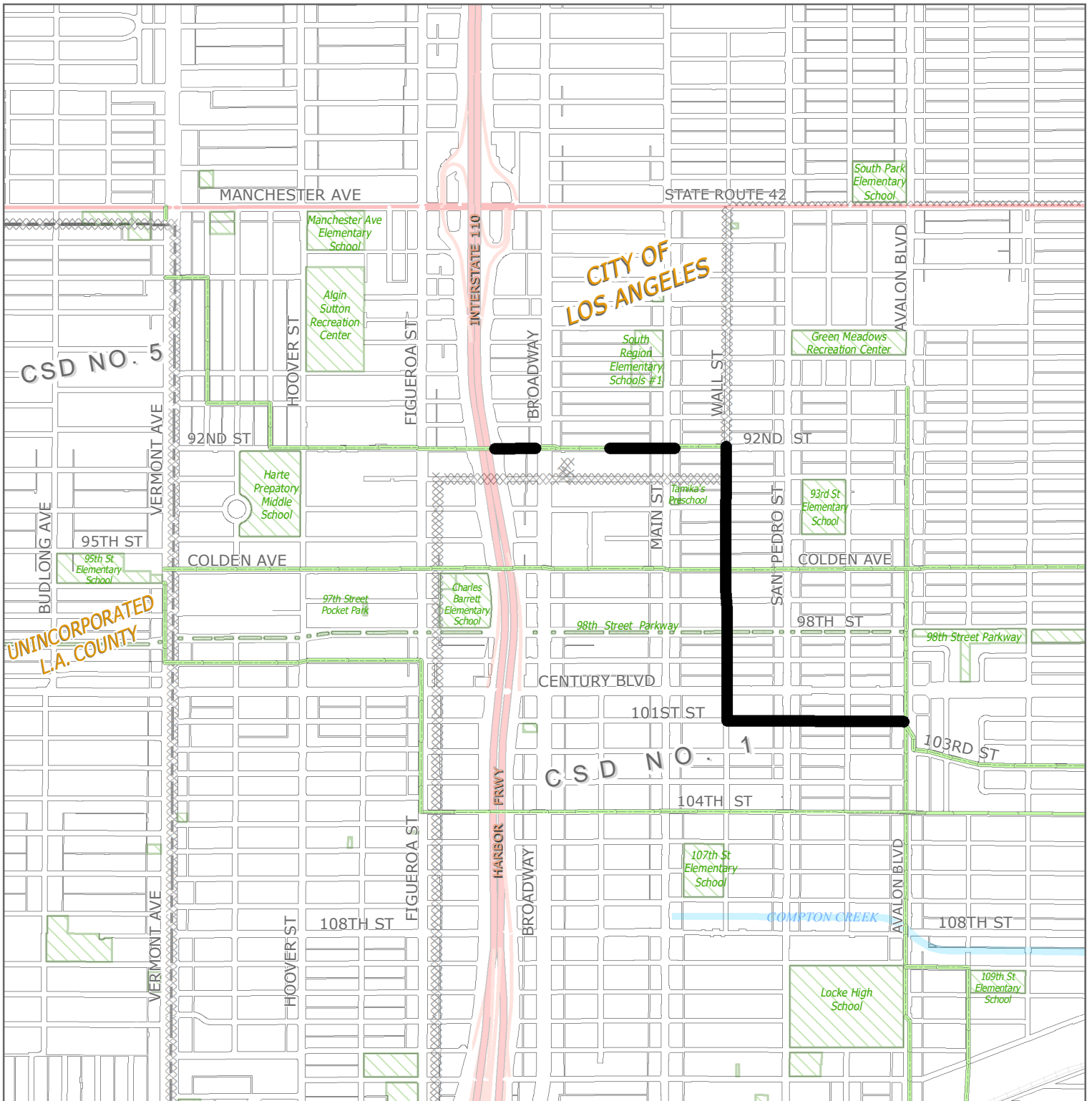
Award contract to Insituform Technologies, LLC, low bidder, in the amount of \$638,680.00.

Engineer's Estimate: \$725,000.00

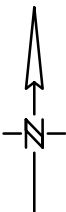


Robert C. Ferrante
Chief Engineer and
General Manager

MANCHESTER-VERMONT DIVERSION EXTENSION TRUNK SEWER REHABILITATION



 PROJECT ROUTE





February 4, 2022

Boards of Directors
Los Angeles County Sanitation
Joint Outfall System Districts (JOS)
of Los Angeles County

Directors:

Wastewater Revenue Program for FY 2022-23 through FY 2025-26

The agendas for the upcoming meetings of the JOS Districts' Boards of Directors contain an item regarding the District's wastewater revenue program. This program requires residential, commercial, and industrial dischargers to pay an annual user charge based upon their use of the Districts' sewerage facilities. Residential, commercial, and small industrial dischargers are covered by the service charge program, which collects user charges on the property tax roll. Large industrial dischargers are required to file surcharge statements and to pay their user charge under the industrial wastewater surcharge program.

In 2017, the Boards adopted ordinances setting service charge and industrial wastewater surcharge rates for fiscal years 2017-18 through 2020-21. Rates remained flat in fiscal year 2021-22. Staff recommends the Boards consider adopting new rates beginning with the 2022-23 fiscal year.

In order to implement new rates and to continue to collect the service charges on the property tax roll, the Board must take certain actions. Specifically, pursuant to state law, the Board must: (1) order a Service Charge Report be filed with the District Clerk, (2) establish the date, time, and place for a public hearing on the report, and (3) direct the publication of the required notices. The Board should also consider introducing the following ordinances at the same time: an ordinance prescribing the service charge rates and mean loadings and providing for the collection of the service charge on the tax roll and an ordinance prescribing industrial wastewater surcharge rates.

This matter was discussed with the Personnel Committee (comprised of the Chairpersons of all of the Districts) on January 26, 2022, which concurred with staff recommendations as outlined below.

JOS AD HOC COMMITTEE

In September 2020, a recommendation was made to the Personnel Committee that a Director Ad Hoc Committee be formed to explore opportunities to improve how sharing of ownership and costs of the JOS are managed. The Committee met five times and a report summarizing the issues and presenting the recommendations was finalized in June 2021. Based on the recommendations of the Committee, a new Joint Outfall Agreement (JO Agreement) was approved by the Boards. Under the JO Agreement, each household and commercial business pays essentially the same amount for service when including the total of Ad Valorem (AV) tax, Service Charge, and use of reserves. Each District sets its own Service Charge to supplement its AV tax revenue and use of reserves in order to meet its financial obligations.

In addition, the JO Agreement requires consolidation of most of each Districts' reserve funds in order to provide reserves for the JOS, since virtually all JOS Districts' expenses will be managed as part of the system. This will require the transfer of approximately \$500 million from individual Districts' reserves into the JOS reserves over a five-year period. Consolidating reserves will lead to additional rate stability and financial resiliency.

SERVICE CHARGE RATES

The proposed service charge rates for the fiscal years 2022-23 through 2025-26 for the JOS Districts are shown in the table below. Multi-family residential units will pay 60% of the adopted single-family home rate and condominiums will pay 75% of the adopted single-family home rate. Likewise, commercial and industrial dischargers will pay in proportion to their use of the wastewater management system compared to a single-family home. Dischargers with verified low water usage (particularly seniors and retirees) may also qualify for a reduced charge.

The recommended service charge increases will help lead to long-term service charge rate stability and ensure reserves approach target levels. For some Districts that have high reserves, their service charge rates drop significantly for several years.

Proposed Service Charge Rates

District	Current	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
District 1	193	196	199	202	205
District 2	181	185	189	193	197
District 3	175	184	193	202	211
District 5	167	171	175	179	183
District 8	198	203	208	213	218
District 15	163	167	171	175	179
District 16	160	160	160	160	160
District 17	161	165	169	173	177
District 18	182	185	188	191	194
District 19	173	175	177	179	181
District 21	179	182	185	188	191
District 22	174	177	180	183	186
District 23	132	0	0	0	0
District 28	144	0	0	0	0
District 29	339.75	349	358	367	376
South Bay Cities	136	75	75	75	75

SURCHARGE RATES

In establishing the industrial wastewater surcharge program, the member Districts of the JOS all concurred that the industrial wastewater surcharge rates should not influence where industries decide to locate. Consequently, they agreed that they would all adopt the same industrial wastewater surcharge rates based on the average cost of operating the JOS. As required by the JO Agreement, each District will adopt an ordinance with this rate and the revenues will be used to offset JOS expenses. In addition to adjusting rates to meet financial needs, the loading factors have also been adjusted based on current estimates of industrial discharge and treatment costs. The recommended industrial wastewater surcharge rates for the next four fiscal years are shown below.

Proposed Surcharge Rates

Parameter	Current	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
Flow (\$ per MGD per year)	923.00	811.00	839.00	865.00	891.00
COD (\$ per 1,000 lb)	163.00	162.40	167.80	173.00	178.20
SS (\$ per 1,000 lb)	461.10	388.10	401.30	413.90	426.20
Peak Flow (\$ per gpm)	122.10	111.00	114.80	118.40	121.90

CONNECTION FEE RATES

The Connection Fee rates will also be revised for fiscal years 2022-23 through 2025-26. The actions related to the Connection Fee will occur in March or April.

BUDGET FOR FISCAL YEAR 2022-23

Enclosed for your review is the preliminary budget for fiscal year 2022-23; a list of proposed capital projects (if any); a list of user fees; information on the monies set aside in various funds/reserves; and an explanation of terms used in the budget. The funds and reserves were established and funded in accordance with the Districts' Wastewater Financial Reserve Policies. A preliminary budget for the JOS for fiscal year 2022-23, a list of proposed JOS capital projects, and information on JOS reserves has also been included to provide more detail on each District's share of JO expenses.

A final budget will be presented to the Board for consideration in June as part of the overall budgetary process, adoption of which will authorize budget appropriations.

LOW WATER REBATE PROGRAM

Because the cost of metering wastewater discharges from individual parcels is impractical and cost prohibitive, discharges are estimated using standard loading factors based on the size and types of facilities located on the parcel. With the ongoing efforts by local communities to conserve water and install low-flow plumbing fixtures, many parcels may be discharging at lower rates than is currently estimated. The Districts' low water rebate program allows parcel owners to apply for a reduction in their service charge rate based on their actual water usage. Staff has conducted a concerted public outreach program, including information on the program in our Proposition 218 notices, newspaper advertisements, and the Districts' website, to ensure that parcel owners are aware of the program.

SUMMARY OF REQUIRED ACTIONS

In order to implement new rates, the District must comply with the requirements of both Proposition 218 and the California Health & Safety Code. The first step is to order a Service Charge Report (copy attached) to be filed with the District Clerk. This report contains a description and the amount of the proposed service charge for each parcel, serving as the initial notification to rate payers that new rates are being considered. It also acts as the starting point for the Proposition 218 process in which individual notices are mailed to every property owner in the District. By law, the notice must provide information about the proposed rates and the date, time, and place for a public hearing on those rates. In addition to these minimum requirements, the notice also gives background information about the services being provided, details about a notice through which dischargers can save money (the low-water rebate program), the process for protesting the rates, and a variety of methods by which they can contact Districts' staff for more information. At the same time the Service Charge Report is filed, the Board will be asked to introduce new service charge and industrial wastewater surcharge rate ordinances for the public's review.

At least 45 days after the Prop. 218 notices are mailed, the Board must hold a public hearing on the proposed rates. It is recommended that the public hearing be set for the date, time and location listed on the agenda. After the public hearing is closed, the Board will consider adoption of the Service Charge Report and adoption of the service charge and industrial wastewater surcharge rate ordinances to ensure the new rates become effective on July 1,

2022. Adoption of the Service Charge Report, as is required under the California Health and Safety Code, is necessary in order for the District to continue to collect the approved wastewater service charge as a separate line item on the property tax roll. This is the most cost-effective and efficient means of collecting the service charges.

During the 45-day noticing period the Districts will undertake an extensive public outreach program. As in past years, staff will hold a number of information meetings. A video of the same presentation made at the information meetings will be made available on the Districts website. In addition, virtual tours of Districts' treatment facilities will be conducted for members of the community who have a greater desire to see exactly how their money is being spent. The Districts website has information and documents pertaining to the Districts' finances and will have detailed information about the proposed rate increase. The website also provides information on each owner's specific parcel and charges and explains the low-water rebate program and opportunities for reducing their charges. Lastly, the Districts have a dedicated toll-free telephone number with staff available to answer any questions the public may have.

At the June Board meetings, final budgets will be presented to the Boards of Directors for consideration as part of the overall budgetary process, adoption of which will authorize budget appropriations. In addition, the Boards must take certain administrative actions that are required of all agencies that receive ad valorem taxes. These include establishing by resolution the amount of the tax levy Districts will request from the Los Angeles County Tax Collector and adopting a limit on authorized expenditures of tax proceeds.

Very truly yours,



Robert C. Ferrante

RCF:gc
Enclosures

COUNTY SANITATION DISTRICT NO. 5 SERVICE CHARGE REPORT FOR FISCAL YEAR 2022-23

INTRODUCTION

County Sanitation District No. 5 of Los Angeles County encompasses all or portions of the cities of Culver City, El Segundo, Gardena, Hawthorne, Inglewood, Lawndale, Lomita, Los Angeles, Manhattan Beach, Palos Verdes Estates, Rancho Palos Verdes, Redondo Beach, Rolling Hills, Rolling Hills Estates, and Torrance and unincorporated Los Angeles County.

District No. 5 is one of seventeen (17) contiguous sanitation districts within the urbanized Los Angeles Basin signatory to the Amended Joint Outfall Agreement. These Districts, known as the Joint Outfall Districts, have formed a regional wastewater management system known as the Joint Outfall System. This regional system provides for operation and maintenance of large sewers, pumping plants, inland water reclamation plants, and the Joint Water Pollution Control Plant. These services are essential to protect the public health of the people served by the system.

District No. 5, as a member of the Joint Outfall System, must provide a proportionate share of the revenue required to operate and maintain the facilities. Additionally, District No. 5 is responsible for any costs associated with the local sewers and pumping plants that are owned by District No. 5 and are solely for its benefit. The general revenue sources currently available to the District include a pro rata share of the ad valorem (property) taxes, service charges, industrial wastewater surcharges, grants, state low-interest loans, interest income, contract revenue and reserves. Any surplus will be transferred to designated reserves to meet targeted reserve requirements.

PROPOSED SYSTEM DESCRIPTION

The supplemental revenue required under the *Master Service Charge Ordinance of County Sanitation District No. 5 of Los Angeles County* will be allocated among classes of developed parcels of real property on the basis of use of the sewerage system. The revenue derived from the service charge will be used for operation and maintenance and capital costs.

All industrial dischargers in District No. 5 discharging more than 1.0 million gallons per year are required to file a wastewater surcharge statement as prescribed in the Wastewater Ordinance to pay their appropriate share of the costs based on their use of the sewerage system. All other users of the sewerage system, except for contractual and local government users, will pay service charges.

The basic term used to define the service charge is a sewage unit. A sewage unit represents the average daily quantity of sewage flow and strength from a single-family home measured in terms of flow, chemical oxygen demand, and suspended solids. The number of sewage units (SU) per unit of measure shall be determined by the following formula:

$$\text{SU} = A \left(\frac{\text{FLOW}_{\text{avg}}}{\text{FLOW}_{\text{sfh}}} \right) + B \left(\frac{\text{COD}_{\text{avg}}}{\text{COD}_{\text{sfh}}} \right) + C \left(\frac{\text{SS}_{\text{avg}}}{\text{SS}_{\text{sfh}}} \right)$$

where:

- A = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to flow;
- B = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to COD;

- C = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to suspended solids;
- FLOW_{sfh} = Average flow of wastewater from a single-family home in gallons per day;
- COD_{sfh} = Average loading of COD in the wastewater from a single-family home in pounds per day;
- SS_{sfh} = Average loading of suspended solids in the wastewater from a single-family home in pounds per day;
- FLOW_{avg} = Estimated flow of wastewater which will enter the sewerage system from a user in gallons per day;
- COD_{avg} = Estimated loading of COD which will enter the sewerage system from a user in pounds per day;
- SS_{avg} = Estimated loading of suspended solids which will enter the sewerage system from a user in pounds per day.

For fiscal year 2022-23, the proportions of the total operation and maintenance and capital costs attributable to flow, chemical oxygen demand, and suspended solids have been assigned the following values:

A	=	0.3049
B	=	0.3348
C	=	0.3603

The service charge for each sewage unit is determined by dividing the total required supplemental revenue by the total number of sewage units in the District. The service charge for each parcel is determined by multiplying the service charge for each sewage unit by the number of sewage units attributable to the parcel, which in turn, is determined by the class of real property and the sewage unit formula and the flow, COD and SS loadings from Table 1, which shows the corresponding value for each class of real property in District No. 5.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2022-23 is \$171 per sewage unit. Parcels with significantly lower water usage may be eligible for a reduced rate pursuant to the terms of the *Master Service Charge Ordinance of County Sanitation District No. 5 of Los Angeles County*.

DESCRIPTION OF PARCELS RECEIVING SERVICES AND IDENTIFICATION OF AMOUNT OF CHARGE FOR EACH PARCEL

All parcels of real property within the 2022-23 Tax Rate Areas as shown in Table 2 are receiving or benefiting from the services and facilities of District No. 5. Additionally, the parcels listed in Table 3, which do not fall within the Tax Rate Areas shown in Table 2, are receiving or benefiting from the services and facilities of District No. 5. Said parcels are more particularly described in maps prepared in accordance with Section 327, Revenue and Taxation Code, which are on file in the office of the County Assessor, which maps are hereby incorporated herein by reference.

All commercial and institutional parcels assessed a service charge based on the Los Angeles County Assessor's current tax roll shall be charged on the basis of not less than one (1.0) sewage unit.

No charge shall be imposed on the owner or owners of any parcels as to which the fair market value of improvements is less than \$1,000 as determined on the basis of the Assessor's current tax roll. This assumption is predicated on the fact that this type of parcel would be a vacant piece of land; however, should subsequent evaluation reveal that the property is not vacant, then an appropriate service charge would be levied.

**TABLE 1
LOADINGS FOR EACH CLASS OF LAND USE**

DESCRIPTION	UNIT OF MEASURE	FLOW (Gallons per Day)	COD (Pounds per Day)	SUSPENDED SOLIDS (Pounds per Day)
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
Manufacturing	1000 ft ²	200	1.86	0.70
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
Drive-in Theatre	1000 ft ²	20	0.09	0.05
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, Recreational Vehicle Park	Sites, Slips, or Spaces	55	0.34	0.14
Convalescent Home	Bed	125	0.54	0.28
Horse Stables	Stalls	25	0.23	0.09
Laundromat	1000 ft ²	3,825	16.40	8.61

<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>
COMMERCIAL				
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	10	0.04	0.02
Convention Center, Fairground, Racetrack, Sports Stadium/Arena	Average Daily Attendance			
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

**TABLE 2
TAX RATE AREAS IN SANITATION DISTRICT NO. 5**

00019	00020	00025	00061	00063
00066	00070	00071	00072	00107
00108	00129	00131	00132	00133
00134	00135	00136	00149	00151
00158	00159	00160	00161	00164
00179	00180	00189	00190	00192
00197	00234	00263	00296	00302
00303	00309	00366	00367	00470
00487	00489	00497	00500	00502
00562	00565	00574	00576	00578
00580	00581	00582	00583	00759
00763	00765	01203	01204	01208
01220	01221	01224	01226	01228
01229	01236	01242	01314	01352
01371	01372	01381	01382	01383
01384	01385	01386	01387	01388
01389	01391	01395	01400	01423
01465	01468	01470	01474	01476
01481	01483	01484	01485	01486
01488	01490	01491	01492	01494
01495	01496	01498	01500	01505
01528	01530	01531	01541	01544
01546	01548	01550	01551	01552
01554	01556	01558	01559	01560
01564	01565	01566	01568	01570
01577	01584	01585	01587	01588
01590	01592	01595	01597	01600
01624	01626	01636	01647	01657
01658	01661	01666	01669	01674

01684	01691	01741	01780	01781
01782	01801	02397	03712	03800
03918	03919	04251	04253	04254
04255	04256	04258	04259	04260
04261	04262	04263	04264	04265
04285	04290	04291	04295	04317
04329	04335	04559	04560	04561
04563	04564	04565	04566	04567
04568	04569	04570	04571	04573
04574	04575	04577	04578	04579
04580	04581	04586	04588	04589
04590	04591	04592	04593	04594
04595	04596	04599	04602	04604
04607	04609	04611	04612	04617
04620	04625	04628	04633	04644
04648	04649	04650	05143	05144
05146	05147	05148	05150	05154
05163	05164	05165	05167	05171
05173	05175	05176	05177	05178
05180	05182	05197	05207	05208
05209	05210	05219	05223	05224
05225	05230	05232	05236	05237
05241	05791	06155	06156	06165
06166	06276	06408	06420	06504
06607	06610	06861	06862	07084
07087	07088	07089	07090	07091
07092	07095	07097	07100	07102
07103	07107	07109	07110	07113
07114	07115	07116	07121	07124
07125	07127	07128	07130	07131
07132	07133	07135	07136	07145
07146	07147	07148	07155	07164

07177	07188	08051	08058	08059
08060	08061	08062	08064	08066
08084	08398	09325	09326	09327
09328	09329	09330	09331	09333
09334	09335	09337	09338	09339
09340	09346	09350	09364	09382
09384	09833	09851	09852	09853
09854	09855	09860	09861	09868
09869	09872	09873	09878	09880
09882	09885	09887	09888	09891
09892	09896	09897	09898	09899
10550	10583	10584	10585	10586
10587	10588	10788	10789	10839
11525	11597	11598	11712	11713
11714	11715	11716	11719	11852
11921	11922	11923	11924	11925
11926	11927	11929	11963	12049
12050	12051	12052	12416	12417
12420	12507	12508	12509	12510
12511	12546	12631	12708	12709
12711	12852	12855	12865	12866
12867	12884	12908	13167	13169
13175	13265	13266	13267	13268
13269	13270	13271	13455	13541
13811	14122	14349	14384	14520
14589	14590	14680	14681	14682
14755	14756	14757	14790	14943
14945	14991	14992	14993	14996
15019	15255	15263	15316	15486
15803	15804	15827	15932	15935
15936	15937	15938	16113	16115
16116	16117	16118	16171	16183

16213	16214	16215	16284	16428
16429	16430	16431	16432	16475
16479	16480	16497	16563	16564
16592	16593	16718	16737	16738
16739	16802	16803	16804	16805
16806	16807	16808	16809	16864
16910	16912	16913	16914	16915
16916	16917	16977	16978	

**TABLE 3
PARCEL NUMBERS SERVED BY SANITATION DISTRICT NO. 5
OUTSIDE OF TAX RATE AREAS**

4012021045	4150004024	4150004025	5011005005	5015034001	5015034002
5015034003	5015034004	5015034005	5015034006	5015034007	5015034008
5015034009	5015034010	5015034011	5015034012	5015034013	5015034014
5015034015	5015034016	5015034017	5015034018	5015034019	5015034020
5015034021	5015034022	5015034023	6090009031	7562002005	7562002006
7562002007	7562002008	7562002009	7562002010	7562002011	7562002012
7562002013	7562002014	7562002015	7562002016	7562002017	7562002018
7562002019	7562002020	7562002021	7562002022	7562002023	7562002024
7562003001	7562003002	7562003003	7562003004	7562003005	7562003006
7562003007	7562003008	7562003009	7562003010	7562003011	7562003012
7562003013	7562003014	7562003015	7562003016	7562003017	7562003018
7562003020	7562003021	7562003022	7562003023	7562003024	7562003025
7562003026	7562003027	7562004001	7562004002	7562004003	7562004004
7562004005	7562004006	7562004007	7562004008	7562004009	7562004010
7562004011	7562004012	7562004013	7562004014	7562004015	7562004016
7562004017	7562004018	7562004019	7562004020	7562005001	7562005002
7562005003	7562005004	7562005005	7562005006	7562005007	7562005008
7562005009	7562005010	7562005011	7562005012	7562005013	7562005014
7562006001	7562006002	7562006003	7562006004	7562006005	7562006006
7562006007	7562006008	7562006009	7562006010	7562006011	7562006012
7562006014	7562006015	7562006016	7562006017	7562006018	7562007001
7562007002	7562007003	7562007004	7562007005	7562007006	7562007007
7562007008	7562007009	7562007010	7562007011	7562007012	7562007013
7562008002	7562008003	7562008004	7562008005	7562008006	7562008007
7562008008	7562008009	7562008010	7562008011	7562008012	7562008013
7562008014	7562008015	7562008016	7562008017	7562008018	7562008019
7562008020	7562008021	7562008022	7562008025	7562008026	7562008027
7562008028	7562008029	7562008030	7562008031	7562008032	7562008033
7562008034	7562008035	7562008036	7562008037	7562008038	7562008039

7562009001	7562009002	7562009003	7562009004	7562009005	7562009006
7562009007	7562009008	7562009009	7562009010	7562009011	7562009012
7562009013	7562009014	7562009015	7562009016	7562009017	7562009018
7562009019	7562009020	7562009021	7562009022	7562009023	7562009024
7562009025	7562009026	7562009027	7562009028	7562009029	7562009030
7562009031	7562009032	7562009033	7562009034	7562009035	7562009036
7562009037	7562009038	7562010001	7562010002	7562010003	7562010004
7562010005	7562010006	7562010007	7562010008	7562010009	7562010010
7562010013	7562010014	7562010015	7562010016	7562010017	7562010018
7562010019	7562010020	7562010021	7562010022	7562010023	7562011001
7562011002	7562011003	7562011004	7562011005	7562011006	7562011007
7562011008	7562011009	7562011015	7562011016	7562011017	7562011018
7562011019	7562011020	7562011021	7562011022	7562011023	7562011024
7562011025	7562012001	7562012002	7562013011	7562014007	7562014008
7562015001	7562015002	7562015003	7562015004	7562015005	7562015006
7562015007	7562015008	7562015009	7562016001	7562016002	7562016003
7562016005	7562016006	7562016007	7562016008	7562016009	7562016010
7562016011	7562016012	7562016013	7562016014	7562016015	7562016016
7562016017	7562016018	7562016019	7562017004	7562017005	7562017006
7562017007	7562017008	7562017009	7562017010	7562017011	7562017012
7562017013	7562017016	7562017017	7562018001	7562018002	7562018003
7562018004	7562018005	7562018006	7562018007	7562018008	7562018009
7562018010	7562018011	7562018012	7562018013	7562018014	7562018015
7562018016	7562018017	7562018018	7562018019	7562018020	7562018021
7562018022	7562018023	7562018024	7562018025	7562018026	7562019001
7562019002	7562019003	7562019004	7562019005	7562019006	7562019007
7562019008	7562019009	7562019010	7562019011	7562019012	7562019013
7562019014	7562019015	7562019016	7562019017	7562019018	7562019019
7562019020	7562019021	7562019022	7562019023	7562019024	7562019025
7562019026	7562019027	7562019028	7562019029	7562019030	7562019031
7562019032	7562019033	7562019034	7562019035	7562019036	7562019037
7562020001	7562020002	7562020003	7562020004	7562020005	7562020006

7562020007	7562020008	7562020009	7562020010	7562020011	7562020012
7562020013	7562020014	7562020015	7562020016	7562020017	7562020018
7562020024	7562020025	7562020026	7562020027	7562020028	7562020029
7562020030	7562020031	7562020032	7562020033	7562020034	7562020035
7562020036	7562020037	7562020038	7562021002	7562021003	7562021004
7562021005	7562021006	7562021007	7562021008	7562021011	7562021012
7562021013	7562021014	7562021015	7562021016	7562021017	7562021018
7562021019	7562021020	7562021021	7562021022	7562021023	7562021024
7562021025	7562021026	7562021027	7562022001	7562022002	7562022003
7562022004	7562022005	7562022006	7562022007	7562022008	7562022009
7562022010	7562022011	7562022012	7562022013	7562022014	7562022015
7562022016	7562022017	7562022018	7562022019	7562022020	7562022021
7562022022	7562022023	7562022024	7562022025	7562022026	7562022027
7562022028	7562022029	7562022030	7562022031	7562023001	7562023002
7562023003	7562023004	7562023005	7562023006	7562023007	7562023008
7562023009	7562023010	7562023011	7562023012	7562023013	7562023014
7562023015	7562023016	7562023017	7562023018	7562023019	7562023020
7562023021	7562023022	7562023023	7562023024	7562023025	7562023026
7562023027	7562023028	7562023029	7562023030	7562023031	7562023032
7562023033	7562023034	7562024001	7562024002	7562024003	7562024004
7562024005	7562024006	7562024007	7562024008	7562024009	7562024010
7562024011	7562024012	7562024013	7562024014	7562024015	7562024016
7562024017	7562024018	7562024019	7562024020	7562024021	7562024022
7562024023	7562024024	7562024025	7562024026	7562024027	7562024028
7562024029	7562024030	7562024031	7562024032	7562024033	7562024034
7562024035	7562024036	7562025001	7562025002	7562025003	7562025004
7562025007	7562025008	7562025009	7562025010	7562025011	7562025012
7562025013	7562025014	7562025015	7562025016	7562025017	7562025018
7562025019	7562025020	7562025021	7562025022	7562025023	7562025024
7562025025	7562025026	7562025027	7562025028	7562025029	7562025030
7562025031	7562025032	7562025033	7562025034	7562025035	7562025036
7562025037	7562025038	7562025039	7562025040	7562025041	7562025042

7562025043	7562025044	7562025049	7562025050	8940345001	8940345159
8940345160	8940345162	8940345163	8940345164	8940345165	8940345166
8940345167	8940345168	8940345169	8940345170	8940345171	8940345172
8940345173	8940345174	8940345180	8940345183	8940345184	8940345185
8940345186	8940345187	8940345188	8940345189	8940345190	8940345191
8940345192	8940345193	8940345194	8940345195	8940345196	8940400101

**County Sanitation District No. 5 of Los Angeles County
Preliminary Operating Fund Budget (\$000)
Fiscal Year 2022-23**

	Adopted 2021-22	Proposed 2022-23 ⁽¹⁾
<u>Starting Balance</u>	\$ 46,270	\$ 47,189
 <u>Sources of Funds</u>		
Service Charge	\$ 45,057	\$ 45,374
Industrial Waste Charges	4,884	-
Total Operating Revenue	49,941	45,374
 Ad Valorem Tax Revenue	 13,866	 14,911
Interest ⁽²⁾	789	48
Total Non-Operating Revenue	14,655	14,959
 Transfers from Restricted Funds	 4,046	 -
Total Transfers In	4,046	-
 Total Sources of Funds	\$ 68,642	\$ 60,334
 <u>Use of Funds</u>		
Joint Administration Operations	\$ 13,678	-
Joint Outfall Operations	29,574	40,231
Sewer System Operations	2,968	-
Contract Disposal Operations	636	-
Other Operational Expenditures	106	48
Operations and Maintenance Expense	46,963	40,280
 Joint Administration Capital	 1,151	 -
Joint Outfall Capital	-	17,746
Sewer System Capital	2,665	-
Contract Disposal Capital	229	-
Capital Expense	4,046	17,746
 Share of Joint Outfall Debt Service	 4,105	 -
Debt Service	4,105	-
 Transfers to Joint Outfall System	 -	 37,536
Transfers to Designated Reserves	12,290	-
Transfers Out	12,290	37,536
 Total Use of Funds	\$ 67,404	\$ 95,561
 <u>Ending Balance</u>	\$ 47,508	\$ 11,962

(1) As a result of the Joint Outfall Consolidation effective July 1, 2022, some budget items previously shown on individual District budgets will now be included on the Joint Outfall budget (i.e, industrial waste revenue and sewer system O&M and capital expenses).

(2) Interest revenue in the FY21-22 budget included revenues from designated funds. For FY22-23, interest revenue displayed is only generated by monies in the operating fund.

**County Sanitation District No. 5 of Los Angeles County
Reserve Funds Proposed Budget (\$000)
Fiscal Year 2022-23**

	Unrestricted	Designated			Restricted	Total
	Operating Fund	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Capital Improvement	
Starting Reserve Balance	\$ 47,189	1,869	30,650	574	3,557	83,840
Operating Revenue	45,374	-	-	-	-	45,374
Non-Operating Revenue	14,959	-	-	-	-	14,959
Operations and Maintenance Expense	40,280	-	-	-	-	40,280
Capital Expense	17,746	-	-	-	-	17,746
Transfers Out ⁽¹⁾	37,536	1,869	30,650	574	3,557	74,186
Ending Balance	11,962	-	-	-	-	11,962

(1) Transfers Out represent transfers to fund Joint Outfall Reserves pursuant to the Joint Outfall Agreement effective July 1, 2022.

**County Sanitation District No. 5 of Los Angeles County
Wastewater Budget Rate and Other Information Summary
Fiscal Year 2022-23**

	<u>Adopted 2021-22</u>	<u>Proposed 2022-23</u>
<u>Service Charge Rate</u>	167.00	171.00
<u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per MGY)	923.00	811.00
COD (\$ per 1000 lbs)	163.00	162.40
SS (\$ per 1000 lbs)	461.10	388.10
Peak Flow (\$ per gpm)	122.10	111.00
<u>Projected Sewage Units</u>		
Residential/Commercial	269,803	265,347
Industrial Waste	16,785	-
Contract Out	-2,407	-2,411
Total Served Sewage Units	<u>284,180</u>	<u>262,936</u>

**Joint Outfall System
Preliminary Operating Fund Budget (\$000)
Fiscal Year 2022-23**

	<u>Adopted 2021-22</u>	<u>Proposed 2022-23 ⁽¹⁾</u>
<u>Starting Balance</u>	\$ 34,590	\$ 16,693
<u>Sources of Funds</u>		
Industrial Waste Charges	\$ 13,609	\$ 73,486
Operating Payments by Districts	194,695	260,060
Contract Revenue	4,746	3,651
Agricultural and Recycled Water Sales	7,970	9,767
Total Operating Revenue	<u>221,020</u>	<u>346,965</u>
Interest ⁽²⁾	-	828
Total Non-Operating Revenue	<u>-</u>	<u>828</u>
Grants	1,337	-
Loan Proceeds	58,593	64,000
Capital Payments by Districts	-	114,712
Loan Payments by Districts	27,027	-
Total Capital Revenue	<u>86,957</u>	<u>178,712</u>
Transfers from Designated Funds	-	109,295
Transfers from Restricted Funds	187,945	234,303
Transfers From Districts	-	148,933
Total Transfers In	<u>187,945</u>	<u>492,531</u>
Total Sources of Funds	<u>\$ 495,922</u>	<u>\$ 1,019,036</u>
<u>Use of Funds</u>		
Joint Administration Operations	-	\$ 102,781
Sewer System Operations ⁽¹⁾	33,640	48,373
Treatment Plant Operations	170,583	174,694
Composting Facility Operations	8,800	7,118
Contract Disposal Operations	-	1,514
Other Operational Expenditures	7,997	11,914
Operations and Maintenance Expense	<u>221,020</u>	<u>346,396</u>
Joint Administration Capital	-	7,155
Pumping Plant Capital	-	12,090
Sewer System Capital	13,729	78,503
Treatment Plant Capital	227,253	198,843
Composting Facility Capital	1,310	1,310
Field Office Capital	5,582	750
Contract Disposal Capital	-	642
Capital Expense ⁽¹⁾	<u>247,874</u>	<u>299,293</u>
Loan Repayment	27,027	-
Bond Repayment	-	9,781
Debt Service	<u>27,027</u>	<u>9,781</u>
Total Use of Funds	<u>\$ 495,922</u>	<u>\$ 655,470</u>
<u>Ending Balance</u>	<u>\$ 34,590</u>	<u>\$ 380,259</u>

(1) As a result of the Joint Outfall Consolidation effective July 1, 2022, some budget items previously shown on individual District budgets will now be included on the Joint Outfall budget (i.e., industrial waste revenue and sewer system O&M and capital expenses)

(2) Interest revenue was not included in the FY21-22 budget.

**Joint Outfall System
Capital Project Wastewater Budget (\$000)**

Project	Description	2022-23 Budget	Expected Completion	Total Budget (1)
Sewer Repair and Rehabilitation Projects	Rehabilitation of corroded sewer	\$ 78,503	Various	N/A
Pumping Plant Projects	Pumping plant improvements at various locations	12,090	Various	N/A
Joint Outfall Conveyance System		\$ 90,593		
Tunnel and Ocean Outfall Projects	Construction of a third tunnel to convey the effluent from the Joint Water Pollution Control Plant (JWPCP) in Carson to the ocean	\$ 100,200	2026-27	804,000
Secondary Treatment Projects	Capital expenses related to repairs and general improvements to the Secondary Treatment Systems at various facilities	12,800	2024-25	55,150
Power Distribution System Improvements	Modernization of the power distribution systems at the various treatment plants to include redundant power feeds to improve the maintainability and reliability of those systems	19,620	2024-25	43,380
Contingency for Treatment Plant Projects	Contingency funding for unplanned capital projects at the various treatment plants	3,806	Various	N/A
Treatment Plant Concrete Protection Projects	Replacement of protective liners at the various treatment plants that have been subjected to significant corrosion	13,740	2024-25	72,500
Solids Handling Projects	Capital expenses related to repairs and general improvements to the Solids Handling Systems at various facilities	7,000	2024-25	40,500
Primary Treatment Projects	Capital expenses related to repairs and general improvements to the Primary Treatment Systems at various facilities	8,385	2025-26	49,200
MWD Advanced Water Treatment Projects	Remediation of contaminated soil on undeveloped land slated for future AWTF project being pursued with MWD and project planning	8,515	2025-26	87,400
Treatment Plant Security Improvements	Improvements to security at various treatment plants	3,295	2023-24	6,020
Process Air Compressor Replacement	Replacement of outdated PACs to improve efficiency and reduce energy costs at various facilities	13,445	2025-26	47,900
Laboratory Improvements	Improvements to various Laboratory facilities	4,053	Various	N/A
Treatment Plant Optimization Analysis	Technical analysis of WRPs to optimize operations in order to meet current and future permit requirements and optimize recycled water production	950	2022-23	2,600
JWPCP Flare Station Expansion	Replacement of outdated flares and installation of additional flares and necessary electrical upgrades to accommodate additional gas from the Food Waste Receiving Facility	1,680	2022-23	8,300
Filtration Projects	Capital expenses related to repairs and general improvements to the Filter Systems at various facilities	1,355	2022-23	1,400
Treatment Plants		\$ 198,843		
Tulare Lake Compost Projects	Improvements to the Tulare Lake Composting facility	1,310	Various	N/A
Composting Facilities		\$ 1,310		
Field Office Improvements	Renovations to Compton Field Office	750	2025-26	70,000
Field Offices		\$ 750		
Contract Disposal Capital	Capital expenses for disposal contracts	642	Various	N/A
Contract Disposal		\$ 642		
Total Capital Projects		\$ 292,138		

**Joint Outfall System
Reserve Funds Proposed Budget (\$000)
Fiscal Year 2022-23**

	Unrestricted	Designated			Restricted		Total
	Operating Fund	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Capital Improvement	Closure / Postclosure Reserves	
Starting Reserve Balance	\$ 16,693	-	-	-	214,248	411	231,353
Operating Revenue	346,965	-	-	-	-	-	346,965
Non-Operating Revenue	828	50	989	648	1,561	2	4,079
Capital Revenue	178,712	-	-	-	5,972	-	184,684
Transfers In	492,531	12,434	197,857	129,584	97,903	-	930,308
Operations and Maintenance Expense	346,396	-	-	-	-	-	346,396
Capital Expense	299,293	-	-	-	-	-	299,293
Debt Service	9,781	-	-	-	-	-	9,781
Transfers Out	-	-	8,548	103,103	234,303	-	345,954
Ending Balance	380,259	12,484	190,298	27,129	85,381	413	695,964

**AN ORDINANCE PRESCRIBING THE SERVICE CHARGE RATE
AND MEAN LOADINGS PER UNIT OF USAGE FOR
COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY,
AND PROVIDING FOR THE COLLECTION OF SUCH
CHARGES ON THE TAX ROLL**

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY ORDAINS AS FOLLOWS:

SECTION 1.0 - USER CATEGORIES AND MEAN LOADINGS

Pursuant to Section 3.04(1) of the *Master Service Charge Ordinance of County Sanitation District No. 5 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

<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>
COMMERCIAL				
Manufacturing	1000 ft ²	200	1.86	0.70
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
Drive-in Theatre	1000 ft ²	20	0.09	0.05
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, Recreational Vehicle Park	Sites, Slips, or Spaces	55	0.34	0.14
Convalescent Home	Bed	125	0.54	0.28
Horse Stables	Stalls	25	0.23	0.09
Laundromat	1000 ft ²	3,825	16.40	8.61
Mortuary, Funeral Home	1000 ft ²	100	1.33	0.67
Health Spa, Gymnasium				
With Showers	1000 ft ²	600	2.58	1.35
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 - COST ALLOCATION FACTORS

Pursuant to Section 3.04(3) of the *Master Service Charge Ordinance of County Sanitation District No. 5 of Los Angeles County*, the proportions of the total operation and maintenance and net capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which are attributable to flow, COD, and suspended solids, designated as A, B, and C, respectively, shall be:

<u>A</u>	<u>B</u>	<u>C</u>
0.3049	0.3348	0.3603

SECTION 3.0 - SERVICE CHARGE RATE

Pursuant to Section 3.03(1) of the *Master Service Charge Ordinance of County Sanitation District No. 5 of Los Angeles County*, the following, to be effective on the dates given, shall constitute the annual Service Charge Rate per sewage unit:

<u>July 1, 2022</u>	<u>July 1, 2023</u>	<u>July 1, 2024</u>	<u>July 1, 2025</u>
\$171	\$175	\$179	\$183

SECTION 4.0 - COLLECTION ON THE TAX ROLL

Pursuant to Section 5473 of the California Health and Safety Code, the District elects to have the service charge imposed pursuant to Sections 3.01 through 3.08 of the *Master Service Charge Ordinance of County Sanitation District No. 5 of Los Angeles County* collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, the ad valorem taxes collected by the County of Los Angeles.

SECTION 5.0 - 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 6.0 - EFFECTIVE DATE

This Ordinance shall become effective July 1, 2022.

ATTEST:

Clerk, Board of Directors
County Sanitation District No. 5
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 5
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 5 of Los Angeles County on _____ by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary of the Board of Directors
County Sanitation District No. 5
of Los Angeles County

**AN ORDINANCE PRESCRIBING INDUSTRIAL WASTEWATER
SURCHARGE RATES FOR COUNTY SANITATION
DISTRICT NO. 5 OF LOS ANGELES COUNTY**

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY ORDAINS AS FOLLOWS:

SECTION 1.0 – INDUSTRIAL WASTEWATER SURCHARGE RATES

(a) Pursuant to Section 410 of the *Wastewater Ordinance*, adopted by County Sanitation District No. 5 of Los Angeles County, the following, to be effective on the dates given, shall constitute the annual Industrial Wastewater Surcharge Rates:

<u>PARAMETER</u>	<u>July 1, 2022</u>	<u>July 1, 2023</u>	<u>July 1, 2024</u>	<u>July 1, 2025</u>
Flow (a) [per MG]	\$811.00	\$839.00	\$865.00	\$891.00
COD (b) [per 10 ³ lbs]	\$162.40	\$167.80	\$173.00	\$178.20
SS (c) [per 10 ³ lbs]	\$388.10	\$401.30	\$413.90	\$426.20
Peak (d) [per gpm]	\$111.00	\$114.80	\$118.40	\$121.90
Short Form Rate [per MG]	\$3,588.33	\$3,709.51	\$3,824.92	\$3,939.50

(b) To further the use of the Districts’ reclaimed water, a credit, as determined by the Chief Engineer, will be applied to an industry’s wastewater surcharge obligation for the chemical oxygen demand present in reclaimed water utilized by an industrial discharger and which originated at a Districts’ water reclamation plant.

SECTION 2.0 - EFFECTIVE DATE

This Ordinance shall become effective July 1, 2022.

ATTEST:

Clerk, Board of Directors
County Sanitation District No. 5
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 5
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 5 of Los Angeles County on _____ by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary of the Board of Directors
County Sanitation District No. 5
of Los Angeles County



**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. 5 OF LOS ANGELES COUNTY**

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 5 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. 5 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
Drive-in Theatre	1000 ft ²	20	0.09	0.05

<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>
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 With Showers	1000 ft ²	600	2.58	1.35
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. 5 of Los Angeles County*, the following, to be effective on the dates given, shall constitute the Connection Fee Rate per capacity unit:

<u>COST COMPONENT</u>	<u>July 1, 2022</u>	<u>July 1, 2023</u>	<u>July 1, 2024</u>	<u>July 1, 2025</u>
District Capital	\$0	\$0	\$0	\$0
Joint Outfall Capital	\$1,570	\$1,570	\$1,570	\$1,570
Operational	\$171	\$175	\$179	\$183
Total	\$1,741	\$1,745	\$1,749	\$1,753

SECTION 3.0 - COST ALLOCATION FACTORS

Pursuant to Section 3.04(1) of the *Master Connection Fee Ordinance of County Sanitation District No. 5 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 = 0.6783

Y = 0.1222

Z = 0.1995

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. 5
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 5
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 5 of Los Angeles County on _____ by the following vote:

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

Secretary of the Board of Directors
County Sanitation District No. 5
of Los Angeles County