



RE: MINUTES

meeting held on September 28, 2022, were approved.

Upon motion of Director Moss, duly seconded and carried by a roll-call vote, the minutes of the special

RE: RESOLUTION 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 - ADOPT

A proposed *Resolution of the Board of Directors of the Personnel Committee 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* was presented. Remote teleconference 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. A copy of the proposed Resolution was attached to the agenda. A recommendation was made to adopt the Resolution.

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

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
PERSONNEL COMMITTEE 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 Personnel Committee ("Committee") 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 Committee'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 Committee 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 Committee'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 Committee 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 PERSONNEL COMMITTEE 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 Committee 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 Committee'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 Committee'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 Personnel Committee this 26<sup>th</sup> day of October 2022 by the following vote:

AYES: Fourteen (14)

NOES: None

ABSTAIN: None

ABSENT: Nine (9)

RE: FINANCIAL MATTERS  
DISCUSS

The Chief Engineer and General Manager stated this matter was discussed at the last meeting. He introduced Mr. Matt Eaton, Deputy Assistant Chief Engineer, to review Directors' comments from the last meeting and steps to move forward.

Mr. Eaton showed a slide presentation on the recommended changes that were discussed at the last meeting and one change recommended by Director Hahn. The Districts has four financial policies: Investment, Debt Management, and Financial Reserves, and a Purchasing Policy. The Financial Reserve Policy has three sub-policies (Wastewater, Solid Waste, and Joint Outfall System). There is also a recommended change to the Annexation Fee Ordinance.

He provided a summarized review of the recommended changes to the financial policies and Annexation Ordinance, as follows:

#### Investment Policy

- Consolidation of individual District policies into one single policy like the Purchasing Policy
- Addition of state and local bonds
- Clarification on limit testing
- Updated audit frequency

#### Debt Management Policy

- Consolidation of individual District policies into one single policy like the Purchasing Policy
- Added specific provision for federal low-interest WIFIA Debt
- Include added language encouraging selection of Disadvantaged Businesses for underwriting services

#### Financial Reserve Policy

- Consolidation of individual District policies into one single policy like the Purchasing Policy
- Update of uses of the Natural Disaster and Self-Insured Retention Fund
- Include various new and administrative funds

#### Purchasing Policy

- Clarification and cleanup in several areas
- Authorize temporary property rights up to \$100,000
- Clarifies reporting responsibilities to the Board on any action taken with emergency authority
- Adds authority to settle/reject claims up to \$100,000
- Adds language to ratify items when the Board goes dark

#### Annexation Fee Ordinance

- Changes fee to \$2,000 per annexation, regardless of acreage
- \$2,000 is sufficient to cover direct staff costs to process annexation

At the last meeting, Director Hahn requested added language to encourage the use of businesses owned by minorities, women and disabled veterans; disadvantaged and small-business enterprises; and other emerging businesses. The added language states, “As described in the Outreach Program of the Purchasing Policy, the Districts support and encourage participation by businesses owned and controlled by minorities, women and disabled veterans; disadvantaged and small business enterprises; and other emerging businesses. When soliciting and selecting underwriting firms as needed for bond issuances, the Districts will follow the Outreach Program and will strive to maximize participation of such firms in each bond issuance.”

He discussed the approval schedule, as shown on a slide. On September 28, staff sought concurrence or direction on the proposed changes. At today’s meeting, he reviewed the financial policies and annexation fee ordinance. From November 2022 to March 2023, individual Districts will consider approval of the financial policies and introduction and adoption of the annexation fee ordinance.

At this time, Mr. Eaton concluded his presentation and opened up the meeting for questions. There were none.

The Chief Engineer and General Manager stated that these matters will move forward to the individual Districts’ Boards for consideration.

RE: UPDATE ON SOLID WASTE  
MANAGEMENT MATTERS - DISCUSS

an update on solid waste issues.

The Chief Engineer and General Manager advised that the Solid Waste Task Force report was attached to the agenda. The purpose of the presentation was to provide

He gave an overview of the solid waste facilities owned by the Districts’ Joint Refuse System. The Downey Area Recycling and Transfer Facility (DART) is currently leased to Athens Services (Athens), a major waste hauling and service company. The two other operating facilities are the South Gate Transfer Station and the Puente Hills Materials Recovery Facility (MRF). Athens is also leasing the sorting line at the MRF. All

facilities receive trash and green waste that is hauled to Orange County landfills or processed by a third party. Food waste is received at the MRF and ultimately sent to the Joint Water Pollution Control Plant (JWPCP) for processing. Two standby facilities owned by the Districts include the Puente Hills Intermodal Facility (PHIMF) and the Mesquite Regional Landfill (MRLF). The PHIMF and MRLF were envisioned in the 1990s as part of the Waste-by-Rail system to handle the future shortfall in disposal capacity. These facilities were constructed in the 2000s. The PHIMF is capable of transferring two loads of trash, or up to 4,000 tons per day, to the MRLF. The closed landfills are the Puente Hills and Spadra Landfills (adjacent to Cal Poly Pomona). The energy facilities consist of the Puente Hills Gas-to-Energy Facility and Calabasas Gas-to-Energy Facility, where electricity is generated from landfill gas. The Districts have a minor ownership stake in the Southeast Resource Recovery Facility (SERRF) via a joint powers agreement between the Sanitation Districts and the City of Long Beach. Regarding landfills, the Districts operates the Calabasas Landfill for the County and Scholl Canyon Landfill for the City of Glendale.

The Districts' solid waste system is distinct from its wastewater system, which operates like a traditional government agency. The wastewater revenue is collected on the property tax roll and a portion of ad valorem tax. The Districts owns/operates three solid waste facilities and two landfills. The solid waste system does not have a dedicated funding stream. The Districts' facilities charge rates and act like a private operator. A map of the regional waste facilities was shown. The Districts' three facilities and two landfills were shown in orange. Other private facilities (green) showed that there is a lot of competition, which includes Waste Management, Republic, Waste Connection, and Athens. While Athens does not own any landfills, it is the contract operator for San Bernardino County and has a substantial market presence in Los Angeles County.

The Districts started in the solid waste industry in the 1950s. The Districts' market share grew in the 1980s-1990s, due to the Puente Hills Landfill (PHLF). The PHLF was the largest landfill in the nation and was centrally located at the 60 and 605 Freeways. The Chief Engineer then showed a graph of Los Angeles County's Disposal Tonnage between 2000-2019. During a majority of that time, PHLF charged the lowest rates and received one-third of the County's waste and recycling. However, between 2006-2014, tonnage decreased because of the Great Recession.

The solid waste finances were discussed. Between 2016-2021, the Districts was operating at a net loss. The Districts was required to update the sorting line to keep up with China's restrictions. Solid waste permits also required updates to meet with CalRecycle's requirements. In turn, the non-restricted funds dropped below \$25 million. Interest revenue on the closed landfills' funds were not covering post-closure maintenance expenses. To make better use of reserves, the Districts came up with a solution to use post-closure funds to pay off the unfunded accrued liability (UAL) in exchange for a fee-in-lieu. This transaction provided funding for the Puente Hills Landfill Park and restored the Districts' Joint Refuse System fund level to over \$80 million.

In 2019, the Districts convened an ad hoc committee, consisting of Directors, City Public Works staff, Los Angeles County Environmental Programs staff, and Districts' staff, to review the solid waste system and make recommendations to move forward. The committee did a good job contributing ideas on where to focus the business and seeking opportunities in partnerships with other agencies. In 2021, a Solid Waste Task Force, consisting of Districts' staff, provided four areas of evaluation, as follows:

- Evaluate ability to operate solid waste to cover operating expenses and overhead costs
- What are long-term prospects of the Districts' Joint Refuse System?
- Examine recent and upcoming events
- Explore opportunities with cities, Los Angeles County, and large waste hauling companies

The challenges considered by the task force were the Kaanaana Supreme Court decision and prevailing wage impacts, the COVID-19 pandemic and associated tonnage/revenue reduction, the consolidation of small/medium waste hauling businesses into larger companies, the Orange County Waste Disposal Agreement ending in June 2025, and stranded waste-by-rail assets.

The Solid Waste Task Force made several recommendations, as follow:

- Review Findings with Solid Waste District Boards
- Identify long-term closed landfill plan after fee-in-lieu
- Ensure operating facilities do not incur financial losses
- Identify other lease opportunities where appropriate
- Continue to grow food waste program

The PHLF was a great economic driver due to its location and low rates. Now that there is a food waste mandate, the Districts has an opportunity to provide the food waste program service to the cities using its anaerobic digesters and infrastructure.

The property lease with Athens was discussed. Regarding the MRF recyclables sort line, Athens will pay a monthly lease in the amount of \$125,000 with annual Consumer Price Index (CPI) adjustments, for a five-year term with three 5-year extension options. This will increase tonnage through the sort line and provide 80 tons per day (TPD) to the 450 TPD (current) when Athens started operating the facility. In regard to DART, Athens' lease is \$225,000 per month with annual CPI adjustments, a 10-year term with two 5-year extension options. This lease will also increase throughput at the facility by increasing tonnage to 1,100 TPD (current) versus the previous 550 TPD. In addition to the lease, there is a Reciprocity Agreement that allows for beneficial disposal to both parties that could save approximately \$60,000 per month at the highest tiered discount rate. Between the lease and the disposal savings, this represents a gross revenue of \$4.9 million annually. Although in the early stages, the Athens transition is going better than expected.

Next, he discussed the growth of the Food Waste Program. The JWPCP receives 400-450 TPD of food waste slurry. There is 600 TPD of receiving capacity infrastructure that was constructed, including an expanded clean energy fueling station and a biogas conditioning system expansion that allows for pipeline injection. The tipping fees are \$29 per ton. This rate will be held into 2023. The Districts is exploring long-term food waste commitments. At the MRF, the Doda processes 40-50 TPD of source separated food waste.

The Calabasas Landfill, owned by Los Angeles County, and the Scholl Canyon Landfill, owned by the City of Glendale (90 percent) and the County (10 percent), are operated under contract by the Districts. Regarding the Calabasas Landfill, the Districts recommends a rate of \$60.32 per ton, which is an increase of 20 percent. The Calabasas Landfill operations has not had a rate increase in five years versus a 21 percent CPI. The last rate increase of \$8 per ton (\$2 per ton green waste, \$3 per ton park and \$3 per ton post closure) took two years to implement. The rate increase will help to offset the Districts' expenses which include \$5 million in seed money for a park fee and \$9.3 million in capital expenditures for regulatory projects. For the Scholl Canyon Landfill, the Districts recommends a rate of \$61.10 per ton, which is an increase of 25 percent. This site is expected to close in approximately 3.5 years. In the last five years, there was a 2.7 percent annual rate increase versus a 3.9 percent CPI. The Districts is responsible for \$33.2 million in capital expenditures for regulatory projects and \$19.8 million host fee payments to Glendale. These large-dollar ticket items versus the \$16.7 million in operating expense is why a significant rate increase is needed at the site. The surrounding landfill rates are \$68 to \$98 per ton.

The Chief Engineer and General Manager opened the meeting for questions.

Director Finlay stated that she was concerned that Orange County landfills might not renew their contract with the Districts. If this should occur, she asked if this is when the Districts would consider using Mesquite Regional Landfill and what the cost would be to use it.

In response to Director Finlay, the Chief Engineer and General Manager stated that one of the benefits to the lease with Athens is that it operates landfills in San Bernardino County. If there is a change to the contract with Orange County landfills, then the Districts could shift to San Bernardino landfills with Athens. The waste-by-rail program rates are still significantly higher than today's rates. It took 25 years to plan and build the waste-by-rail system. At the time of planning, staff anticipated closure of many landfills in the area; therefore, there would be no capacity for trash. In fact, the reverse occurred, whereas landfills extended their contracts and continued to serve the Los Angeles County communities. In 2005, Los Angeles County generated 45,000 TPD of waste for disposal. In six to seven years, the amount of waste decreased to 30,000 TPD due to the recession, increased recycling, and less demand. This decline will only prolong local disposal capacity and prolong the need for waste-by-rail.

The Chairperson asked if there is a post-closure fund in place for Puente Hills and Spadra Landfills. She asked if the contract with the County includes administration fees. Furthermore, she asked if the Districts has done any outreach to smaller haulers regarding the food waste program.

In response to the Chairperson, the Chief Engineer and General Manager stated that the Districts is paying a fee-in-lieu of paying off the UAL. This fund has a lower interest rate and will last for 30-40 years. In regard to the operating contracts for Calabasas and Scholl Canyon Landfills, there are no administration fees. The Districts' costs and revenue are cost neutral parameters. Regarding outreach, the Districts held workshops and provided tours to smaller haulers to bring food waste to the Districts' facilities. Most haulers process food into slurry themselves, then deliver it to the JWPCP. Other smaller haulers deliver raw food waste for the Districts to convert it into a slurry.

RE: UPDATE ON DIVERSITY, EQUITY  
INCLUSION INITIATIVES - DISCUSS

The Chief Engineer and General Manager advised that Districts' staff has been working on DEI initiatives for some time. Staff has completed its work and there is a

plan to add the DEI initiatives to core operations. Diversity is important in providing better solutions and viewpoints in service to our local community. Management wants all employees to represent the local communities that are served by the agency. Now we have a strategized plan to move forward; DEI initiatives will be incorporated in recruiting, hiring, promoting, transferring, retention efforts, making sure everyone has an equal opportunity, and ensuring everyone feels like a part of the Districts until they retire.

The DEI journey started in 2020. In July 2020, an internal group researched other agencies' DEI initiatives. The Districts partnered with The Exeter Group (Exeter), a consulting firm, to assist with a large scale assessment. Exeter has a lot of experience in Southern California and referenced language from other agencies. Phase 1 started with an employee survey on a variety of issues from an employee perspective (domains). Approximately 60 percent (913 out of 1,570 employees) of the Districts' total workforce responded to the survey. The Districts scored an overall DEI index of 74.47 percent, which is a similar start for most agencies. Groups with a higher DEI index were East Asian (White), Middle Eastern/Southwest Asian/North African, 24 years old and under, and staff members belonging to a military family. Groups with a lower DEI index were LGBTQ+, African American, biracial, primary caregivers, staff over age of 55, and staff with one or more disabilities. The highest rated assessments were in the areas of performance management (80.75 percent) and appreciation of individual attributes (79.72 percent). The lowest rated assessments were in the areas of accountability (66.26 percent) and DEI training and resources (63.79 percent).

The Districts' goal is to implement DEI initiatives then repeat the survey in hopes that there will be an increase in the DEI index. DEI initiatives will be incorporated in many areas including procedures for employee transfers and promotions.

In Phase 2 (2022), the Districts focused on development of a DEI Strategic Action Plan. A group of 13 employees were tasked with working with Exeter on the development of this plan. The plan covered four areas, including DEI training, professional development, policies and procedures, and diversifying management. DEI training would be provided during staff orientations and professional development, such as implicit bias training. Professional development will include a mentoring program with tracking of metrics. This program will ensure a diverse workforce and equal opportunity. Employee resource groups will be developed. Policies and procedures will be reviewed in the context of DEI, and improvement opportunities will be identified. The use of personal pronouns would be an option for employees. Regarding diversifying management, the Districts would develop a plan to reflect the diversity demographics of the community that the agency serves. The Districts would leverage a program and activity offerings to promote the agency as a future employer. Steps would be taken to ensure a promotion process that is transparent for every job, including making sure multiple people, including staff from outside the group, are on the selection panel.

The Districts recently hired a DEI Programs Manager. He introduced Ms. Erica Terrell. Ms. Terrell has a lot of experience working with a national, non-profit, Achievement Network. Ms. Terrell was born and raised in Compton and currently resides in Carson. She will start Phase 3 of the strategic plan process.

Ms. Terrell greeted the Directors. She stated that she was excited to be here and work at the Districts. She looks forward to providing ongoing updates regarding this matter.

The Chairperson asked Ms. Terrell about her educational background.

Ms. Terrell stated that she received her bachelor's degree in American Studies, focusing on Indigenous Studies from UC Santa Cruz. She taught middle school mathematics and science at KIPP Delta College Prep in Helena, Arkansas, while earning her Master of Arts degree in Teaching from Delta State. She is a certified Project Management Professional (PMP) who received her certification in Diversity, Equity, and Inclusion from Cornell University.

The Chairperson stated that Ms. Terrell is very qualified and that she looks forward to future updates.

The Chief Engineer and General Manager advised that Ms. Terrell will provide regular and annual updates to the Personnel Committee and the Boards of Directors.

Ms. Terrell stated that she recently attended a meeting at the City of Carson, and she looks forward to engaging with the Directors.

In response to Director Hofbauer's questions regarding how the DEI index correlates with the municipal equity index used by cities, the County of Los Angeles, and the Human Rights Coalition, the Chief Engineer and General Manager stated that the purpose of the DEI index is to provide a baseline to ensure the Districts is in line with the DEI Strategic Action Plan. Ms. Terrell stated that the DEI index was comprised from a series of questions developed by Exeter. She stated that she planned to compare the DEI index with the municipal index to see how they compare and correlate.

RE: UPDATE ON DISTRICT COUNSEL  
TRANSITION

The Chief Engineer and General Manager introduced Mr. Wes Beverlin, District Counsel, to address the Directors.

Mr. Beverlin greeted the Directors. He advised that after practicing law for 45 years, which includes 10 years as General Counsel for the Districts, it is time to slow his pace. On January 1, 2023, he will start working part time, three days a week. He plans to continue to work on Districts' matters and attend Board meetings.

He introduced Ms. Jessica Beckwith, a Partner at Lewis, Brisbois, Bisgaard & Smith (LBBS). Ms. Beckwith has practiced law for 14 years at LBBS. She is a skilled attorney and has worked on a variety of Districts' legal matters. Effective November 1, 2022, Ms. Beckwith will become Assistant General Counsel. Furthermore, effective April 1, 2023, Ms. Beckwith will take over as General Counsel and he will transition to a role supporting Ms. Beckwith and the Districts' legal team.

The Chairperson stated that she was sad about this news, but she is excited for Mr. Beverlin's next chapter. A couple of years ago, she was part of a panel that interviewed several legal firms, and Ms. Beckwith played an important role.

Ms. Beckwith stated that she was excited for the opportunity to continue to provide legal counsel for the Districts. She stated that she has a great legal team supporting her. She is always available to answer legal questions.

The Chairperson stated that the Directors are confident in the loyalty and work of the firm.

The Chief Engineer and General Manager advised that Ms. Beckwith played a large role in the settlement of the Puente Hills Landfill Park lawsuit. He looks forward to working with Ms. Beckwith and LBBS.

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

CATHY WARNER  
Chairperson

ATTEST:

DENISE SPRINGER  
Deputy Secretary

/drs