



August 23, 2024

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Boards of Directors
County Sanitation District No. 27
and Newhall Ranch Sanitation District
of Los Angeles County

SD-1 September 10, 2024

Edward Yen
EDWARD YEN
EXECUTIVE OFFICER

Directors:

The enclosed consolidated agenda includes the following items for the regular meetings of the Boards of Directors of District No. 27 and Newhall Ranch Sanitation District meeting Tuesday, September 10, 2024.

1. Minutes. (3 and 5) Copies of the minutes have been provided to each of the Directors.

2. District Expenses. (3 and 5) Local District expenses represent costs 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 the Joint Administration Agreement. This Agreement provides for the joint administration and technical support 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’ website at lacsd.org/financial-documents. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

District No. 27 –

Local Expenses:

Operations & Maintenance	\$22,730
Capital	8,136

Allocated Expenses:

Joint Administration	<u>2,088</u>
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Total Expenses

\$32,954

Newhall Ranch Sanitation District –

Local District Expenses:

Operations & Maintenance	\$1,380,684
Capital	11,335

Allocated Expenses:

Joint Administration	19,195
Technical Support	<u>8,952</u>

Total Expenses

\$1,420,166

Very truly yours,

Robert C. Ferrante
Robert C. Ferrante

RCF:drs
Enclosures

Notice and Agenda

REGULAR MEETINGS — BOARDS OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 27/
NEWHALL RANCH SANITATION DISTRICT

To be held in the HEARING ROOM
OF THE BOARD OF SUPERVISORS
500 West Temple, Street, Room 383, Los Angeles, California

TUESDAY		September 10, 2024		At 9:30 A.M.
BARGER	HAHN	HORVATH (Chairperson)	MITCHELL	SOLIS

1. Recommendation: Approve minutes of the regular meeting held June 4, 2024 (both Districts), minutes of the adjourned regular meeting held June 11, 2024 (Newhall Ranch) (5), and minutes of the special meeting held June 25, 2024 (Newhall Ranch) (5)
2. Recommendation: Approve April, May, and June 2024 Expenses in Total Amounts of \$32,954 (District No. 27) (3) and \$1,420,166 (Newhall Ranch Sanitation District) (5)

Adjourn

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 27
HELD IN THE HEARING ROOM OF THE BOARD OF
SUPERVISORS, KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA

June 4, 2024
9:30 o'clock, A.M.

The Board of Directors of County Sanitation District No. 27 of Los Angeles County met in regular session.

There were present: Kathryn Barger, Director from Los Angeles County
Janice Hahn, Director from Los Angeles County
Holly Mitchell, Director from Los Angeles County
Hilda Solis, Director from Los Angeles County
Lindsey Horvath, Chairperson, Director from Los Angeles County

Absent: None

Also present: Kimberly S. Christensen, Secretary to the Board

RE: PUBLIC COMMENT V. V. Citizen voted in favor of approval of the agenda.

RE: MINUTES Upon motion of Director Barger, duly seconded and
held March 6, 2024, were approved. unanimously carried, the minutes of the regular meeting

RE: DISTRICT EXPENSES The following expenses for the months of Decem-
ber 2023 through March 2024, were presented and upon
motion of Director Barger, duly seconded and unanimously carried, were approved:

Local Expenses:

Operations & Maintenance	\$ 99,423
Capital	46,081
Allocated Expenses	
Joint Administration	<u>2,575</u>
Total Expenses	<u>\$148,079</u>

RE: AMENDED CONFLICT OF INTEREST AND DISCLOSURE CODE APPROVE AND ADOPT
At its meeting of February 27, 2024, the Districts' code reviewing body, the Los Angeles County Board of Supervisors, adopted an amended Conflict of Interest Code and Disclosure Categories for the Districts. The amendment consists of revisions of deletion of one position from the code as it no longer exists in the agency, changes to nine position titles, addition of eleven positions to the code, and adds one position under "Officials who manage Public Investments." Pursuant to Government Code 87306, each District Board is required to adopt the amended code.

Upon motion of Director Barger, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 27 of Los Angeles County approved and adopted an amended Conflict of Interest and Disclosure Code, a copy of which is on file in the Office of the District and all the provisions of which are incorporated herein as though fully set forth. The amended code supersedes the Conflict of Interest and Disclosure Code previously adopted by this Board.

RE: JOINT ADMINISTRATION INVESTMENT POLICY - ADOPT
The agenda for upcoming meetings of the Boards of Directors contains an item regarding proposed revisions to the Districts' Investment Policy (Policy). The Policy establishes the practices under which the Districts invest reserves until such time as they are needed to meet expenses and identifies what types of investments are allowable. The current Policy already allows for investment with the County's Pooled Surplus Investment Fund; however, a narrow change is being proposed to allow investment in shared investment pools comprised of other California public agencies. This proposed

change will allow investment in the broader class of all such investment pools and would allow the Districts to diversify their investments into investment pools such as the California Asset Management Program (CAMP) and California Cooperative Liquid Assets Securities System (CLASS). In May, these revisions were unanimously endorsed by the Personnel Committee, comprised of the Chairpersons of all active Districts. The proposed Policy will be presented to each Board for adoption over the next several months. If approved, the new Policy will take effect after adoption by all of the Boards. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

Upon motion of Director Barger, duly seconded and unanimously carried, the Investment Policy was approved and adopted.

RE: APPROPRIATIONS LIMIT
FOR FISCAL YEAR 2024-25
ESTABLISH AND ADOPT

The Government Code requires the governing body of each local jurisdiction to establish, by resolution, an appropriations limit for each fiscal year. The documentation used in the determination of the appropriations limits

must be available 15 days prior to this action being taken. The method by which the Districts' appropriations limits were calculated has been available to the public at the Districts' Joint Administration Office since May 8, 2024, and was provided to the Directors with the letter of May 23, 2024, mailed with the agenda. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

A copy of the proposed final budget for fiscal year 2024-25 for District No. 27 with a breakdown of the items included in the sewerage system budget was attached to the agenda. The general revenue source available to the District is the pro rata share of the ad valorem (property) taxes. The sewerage system budget was prepared in accordance with the Joint Administration Agreement. In the case of Districts which contract with the City of Los Angeles for sewerage service (District No. 27), the Joint Administration Agreement states that these Districts shall pay one one-hundredth of one percent of all joint expenses. District No. 27 currently owns and operates trunk sewers within the District. However, the District does not own or operate any treatment and disposal facilities. The District contracts for these services with the City of Los Angeles. District's staff has no direct control over the City of Los Angeles costs. Thus, the portion of the proposed budget attributable to contract disposal Operations and Maintenance (O&M) and capital is a direct reflection of the City of Los Angeles O&M and capital costs. The local O&M and local capital costs only reflect the cost of operating and maintaining the District's local sewer system. A recommendation was made that, in order to comply with legal requirements, this Board adopt an appropriations limit of \$1,173,994 for fiscal year 2024-25.

Upon motion of Director Barger, duly seconded and unanimously carried, the following resolution was adopted:

BE IT RESOLVED, that pursuant to Section 7910 of the Government Code of the State of California, the Board of Directors of County Sanitation District No. 27 of Los Angeles County does hereby establish and adopt an appropriations limit of \$1,173,994 for fiscal year 2024-25, utilizing the population change and the change in the personal per capita income.

RE: BUDGET 2024-25
OPERATING FUND

Matters were discussed pertaining to the budget for the 2024-25 fiscal year. A sewerage system final budget for the 2024-25 fiscal year was presented and a recom-

mendation was made that the budget be adopted.

Upon motion of Director Barger, duly seconded and unanimously carried, the sewerage system final budget for 2024-25 was approved, adopted, and ordered filed.

RE: TAX LEVY
OPERATING FUND

Data for the tax levy necessary for the Operating Fund was presented and a recommendation was made that the tax levy be requested in accordance therewith.

Upon motion of Director Barger, duly seconded and unanimously carried, the following resolution was adopted:

BE IT HEREBY DETERMINED, RESOLVED, AND ORDERED AS FOLLOWS:

That pursuant to the provisions of Article 6, Section 4815 of the County Sanitation District Act (Chapter 3, Part 3, Division V, of the Health & Safety Code of the State of California), the Board of Directors of County Sanitation District No. 27 of Los Angeles County does hereby find and declare that the sum of \$505,000 is and will be the amount necessary to maintain, operate, extend, or repair any work or improvements of the District for the collection, treatment, and disposal of sewage, and to defray all other expenses incidental to the exercise of any of the District's powers, except the amounts necessary to acquire, construct, maintain, and operate a refuse transfer or disposal system, or both, and any other expenses incidental to the operation of the system during the ensuing year and prior to the annual levy of taxes for the fiscal year 2025-26, and the Board of Supervisors of Los Angeles County is hereby requested to cause to be levied and collected at the same time and in the same manner as the next general tax levy for the County a tax upon the real property in the District, in an amount sufficient to raise the required amount, to wit: \$505,000, to be paid into the County Treasury to the credit of the Operating Fund of the District.

The Secretary is hereby instructed to furnish a copy of this resolution and statement to the Board of Supervisors of Los Angeles County at least fifteen (15) days before the first day of September 2024.

RE: APPROPRIATIONS
OPERATING FUND 2024-25

Upon motion of Director Barger, duly seconded and unanimously carried, the appropriations from the Operating Fund for Fiscal Year 2024-25 were ordered made as shown in the Operating Fund Final Wastewater Budget that was attached to the agenda.

The meeting was adjourned by the Chairperson.

ATTEST:

LINDSEY HORVATH
Chairperson

KIMBERLY S. CHRISTENSEN
Secretary

/ee

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
NEWHALL RANCH SANITATION DISTRICT
HELD IN THE HEARING ROOM OF THE BOARD OF
SUPERVISORS, KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA

June 4, 2024
9:30 o'clock, A.M.

The Board of Directors of Newhall Ranch Sanitation District of Los Angeles County met in regular session.

There were present: Kathryn Barger, Director from Los Angeles County
Janice Hahn, Director from Los Angeles County
Holly Mitchell, Director from Los Angeles County
Hilda Solis, Director from Los Angeles County
Lindsey Horvath, Chairperson, Director from Los Angeles County

Absent: None

Also present: Kimberly S. Christensen, Secretary to the Board

RE: PUBLIC COMMENT V. V. Citizen voted in favor of approval of the agenda.

RE: MINUTES Upon motion of Director Barger, duly seconded and unanimously carried, the minutes of the regular meeting held March 6, 2024, were approved.

RE: DISTRICT EXPENSES The following expenses for the months of December 2023 through March 2024, were presented and upon motion of Director Barger, duly seconded and unanimously carried, were approved:

Local District Expenses:	
Operations & Maintenance	\$104,409
Capital	16,103
Allocated Expenses:	
Joint Administration	23,466
Technical Support	10,903
Total Expenses	<u>\$154,861</u>

RE: AMENDED CONFLICT OF INTEREST AND DISCLOSURE CODE APPROVE AND ADOPT At its meeting of February 27, 2024, the Districts' code reviewing body, the Los Angeles County Board of Supervisors, adopted an amended Conflict of Interest Code and Disclosure Categories for the Districts. The amendment consists of revisions of deletion of one position from the code as it no longer exists in the agency, changes to nine position titles, addition of eleven positions to the code, and adds one position under "Officials who manage Public Investments." Pursuant to Government Code 87306, each District Board is required to adopt the amended code.

Upon motion of Director Barger, duly seconded and unanimously carried, the Board of Directors of Newhall Ranch Sanitation District of Los Angeles County approved and adopted an amended Conflict of Interest and Disclosure Code, a copy of which is on file in the Office of the District and all the provisions of which are incorporated herein as though fully set forth. The amended code supersedes the Conflict of Interest and Disclosure Code previously adopted by this Board.

RE: JOINT ADMINISTRATION INVESTMENT POLICY - ADOPT The agenda for upcoming meetings of the Boards of Directors contains an item regarding proposed revisions to the Districts' Investment Policy (Policy). The Policy establishes the practices under which the Districts invest reserves until such time as they are needed to meet expenses and identifies what types of investments are allowable. The current Policy already allows for investment with the County's Pooled Surplus Investment Fund; however, a narrow change is being proposed to allow investment in shared investment pools comprised of other California public agencies. This proposed

change will allow investment in the broader class of all such investment pools and would allow the Districts to diversify their investments into investment pools such as the California Asset Management Program (CAMP) and California Cooperative Liquid Assets Securities System (CLASS). In May, these revisions were unanimously endorsed by the Personnel Committee, comprised of the Chairpersons of all active Districts. The proposed Policy will be presented to each Board for adoption over the next several months. If approved, the new Policy will take effect after adoption by all of the Boards. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

Upon motion of Director Barger, duly seconded and unanimously carried, the Investment Policy was approved and adopted.

RE: BUDGET 2024-25
OPERATING FUND

Matters were discussed pertaining to the budget for the 2024-25 fiscal year. A sewerage system final budget for the 2024-25 fiscal year was presented and a recom-

mendation was made that the budget be adopted.

Upon motion of Director Barger, duly seconded and unanimously carried, the sewerage system final budget for 2024-25 was approved, adopted, and ordered filed.

RE: APPROPRIATIONS
OPERATING FUND 2024-25

Upon motion of Director Barger, duly seconded and unanimously carried, the appropriations from the Operating Fund for Fiscal Year 2024-25 were ordered

made as shown in the Operating Fund Final Wastewater Budget that was attached to the agenda.

The meeting was adjourned by the Chairperson to Tuesday, June 11, 2024, 9:30 a.m., at the Board of Supervisors, Kenneth Hahn Hall of Administration, Los Angeles, California.

ATTEST:

LINDSEY HORVATH
Chairperson

KIMBERLY S. CHRISTENSEN
Secretary

/ee

MINUTES OF THE ADJOURNED REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
NEWHALL RANCH SANITATION DISTRICT
HELD IN THE HEARING ROOM OF THE BOARD OF
SUPERVISORS, KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA

June 11, 2024
9:30 o'clock, A.M.

The Board of Directors of Newhall Ranch Sanitation District of Los Angeles County met pursuant to adjournment as ordered by this Board of Directors at the regular meeting held June 4, 2024. The Secretary reported that a copy of the Order of Adjournment was posted as required by law and that proper affidavits of the posting are on file in the Secretary's office.

There were present: Kathryn Barger, Director from Los Angeles County
Janice Hahn, Director from Los Angeles County
Holly Mitchell, Director from Los Angeles County
Hilda Solis, Director from Los Angeles County
Lindsey Horvath, Chairperson, Director from Los Angeles County

Absent: None

Also present: Kimberly S. Christensen, Secretary to the Board

RE: SERVICE CHARGE PROGRAM
HOLD PUBLIC HEARING ON
SERVICE CHARGE REPORT, AND
COLLECTION ON TAX ROLL

An announcement was made that today the Board would hold a public hearing for adoption of the Service Charge Report as required each year to collect the wastewater service charge on the property tax roll. The current service charge rate per single-family home is \$58.05 per month (\$696.60 per year) and no increase is recommended for fiscal year 2024-25. Owners of multiple dwelling units and commercial properties are charged in proportion to their use compared to a single-family home. The Service Charge Report accompanied the agenda. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

In accordance with Section 5473 of the Health and Safety Code of the State of California, the *Newhall Ranch Sanitation District Service Charge Report for Fiscal Year 2024-25* was filed on March 6, 2024, and publication of two newspaper notices for today's public hearing were published in *The Signal Newspaper*, a daily newspaper. The Service Charge Report addresses the continued collection of the service charge for the District on the tax roll. These charges are needed to supplement the District's existing revenue sources for the forthcoming fiscal year, as discussed in the letter to the Boards, dated February 22, 2024.

The Chairperson opened a public hearing on the Service Charge Report for Newhall Ranch Sanitation District of Los Angeles County.

The Chairperson announced this was the time for any questions or comments by members of the public. One written comment from Monisha Parker was received. The following individuals addressed the Board.

Mr. Eric Previn, resident, addressed the Board with concerns regarding rates based on single-family home compared to multi-family homes.

Mr. Arnold Sachs, resident, addressed the Board with concerns about the Service Charge Report being available for the public to review.

There being no further comments, the Chairperson closed the public hearing.

RE: SERVICE CHARGE PROGRAM
ADOPT SERVICE CHARGE REPORT

Following the public hearing, upon motion of Director Barger, duly seconded and unanimously carried, the Newhall Ranch Sanitation District of Los Angeles County approved and adopted the *Newhall Ranch Sanitation District Service Charge Report for Fiscal Year 2024-25*, which was filed with the Clerk of the Board on March 6, 2024.

The meeting was adjourned by the Chairperson.

ATTEST:

LINDSEY HORVATH
Chairperson

KIMBERLY S. CHRISTENSEN
Secretary

/ee

MINUTES OF THE SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
NEWHALL RANCH SANITATION DISTRICT
HELD IN THE HEARING ROOM OF THE BOARD OF
SUPERVISORS, KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA

June 25, 2024
9:30 o'clock, A.M.

Pursuant to the call of the Chairperson and upon written notice of the Secretary setting the time and place of a special meeting and mailed to each Director at least 24 hours before the meeting, a special meeting of the Newhall Ranch Sanitation District of Los Angeles County was held in person at the Hearing Room of the Board of Supervisors, 500 West Temple Street, Room 383, Los Angeles, California, on June 25, 2024, at 9:30 a.m., for the purpose of:

1. Recommendation: Approve and Order Executed *First Amendment to Joint Sewerage Services Agreement* (Amendment) with Santa Clarita Valley Sanitation District (SCVSD) Regarding Newhall Ranch Specific Plan

There were present: Kathryn Barger, Director from Los Angeles County
Holly Mitchell, Director from Los Angeles County,
Hilda Solis, Director from Los Angeles County
Lindsey Horvath, Chairperson, Director from Los Angeles County

Absent: Janice Hahn, Director from Los Angeles County

Also present: Kimberly S. Christensen, Secretary to the Board

RE: FACILITIES PLANNING
FIRST AMENDMENT TO JOINT SEWERAGE
SERVICES AGREEMENT - SANTA CLARITA
VALLEY SANITATION DISTRICT
CONTRACT NO. 5073B - APPROVE

In 2017, the District and the Santa Clarita Valley Sanitation District (SCVSD) entered into a Joint Sewerage Services Agreement (JSSA) that established the conditions for acceptance of cross boundary wastewater flows including the equitable allocation of costs. Under the JSSA, each District will own and

operate wastewater facilities within its boundaries and make excess capacity available to the other District at the receiving District's standard rates. The JSSA also allocates many of the rights and responsibilities related to provision of wastewater service within the Newhall Ranch Specific Plan (Newhall Ranch) development to the District and requires the District to certify to SCVSD that Newhall Land and Farming Company (NLFC), the Newhall Ranch developer, has satisfied certain milestones concerning construction of the Newhall Ranch Water Reclamation Plant (NRWRP). NLFC has requested removal of two construction related milestones because, based on current development plans, the NRWRP will not be needed for the foreseeable future, and it would not be cost-effective for the District to operate and maintain if constructed at this time as required by the milestones. Wastewater treatment for the District will continue to be provided by SCVSD. The proposed *First Amendment to Joint Sewerage Services Agreement* (Amendment) removes the requirement in the JSSA for the District to certify to SCVSD that NLFC has satisfied these milestones. The milestone requirement in the JSSA for NLFC to construct the NRWRP will remain in effect. A letter describing the revisions was attached to the agenda. Staff has determined that approval of the Amendment is not a "Project" under the California Environmental Quality Act (CEQA) pursuant to the California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15378. This item is consistent with the Districts' Guiding Principle to provide reliable and responsible services with safety first. A recommendation was made to approve and order executed an Amendment with the SCVSD regarding Newhall Ranch.

Director Horvath stated that she is entitled to a \$125 stipend for attending the SCVSD Board meetings.

Upon motion of Director Barger, duly seconded and unanimously carried, an amendment to the *Joint Sewerage Services Agreement* entered into with the Santa Clarita Valley Sanitation District, Contract No. 5073 dated December 12, 2017, as amended November 2017 (Contract No. 5073A), removing the requirement for the District to certify to the Santa Clarita Valley Sanitation District that The Newhall Land and Farming Company has satisfied the interim milestones, as set forth therein, was approved. All the terms and conditions of the *First Amendment to Joint Sewerage Services Agreement*, Contract No. 5073B, dated June 25, 2024, were accepted and approved, and the Chairperson and Secretary were authorized to execute the Amendment on behalf of the District.

The meeting was adjourned by the Chairperson.

ATTEST:

LINDSEY HORVATH
Chairperson

KIMBERLY S. CHRISTENSEN
Secretary

/ee