

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 9
HELD AT THE OFFICE OF THE DISTRICT
VIA TELECONFERENCE

February 23, 2022
1:30 o'clock, P.M.

The Board of Directors of County Sanitation District No. 9 of Los Angeles County met in regular sessions via teleconference:

There were present: Holly Mitchell, Director from Los Angeles County
Janice Hahn, Chairperson, Director from Los Angeles County

Absent: Nury Martinez, Director from Los Angeles City

Also present: Kimberly S. Christensen, Secretary to the Board
Wes Beverlin, District Counsel

RE: PUBLIC COMMENT The Chairperson announced this was the time for any questions or comments by members of the public. There were no public comments or questions to address the Board on any matters.

RE: ALTERNATE DIRECTOR FROM LOS ANGELES COUNTY A copy of an action taken by the Board of Supervisors of the County of Los Angeles at a meeting held January 11, 2022 stating that Supervisor Hilda Solis, a member of the Board of Supervisors of the County of Los Angeles, was appointed to serve as alternate Director from the County.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the action was accepted and ordered filed.

RE: MINUTES Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the minutes of the special meeting held December 13, 2021, were approved.

RE: DISTRICT EXPENSES The following expenses for the months of October, November, and December 2021 were presented and upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, were approved:

Local District Expenses:	
Operations & Maintenance (O & M)	\$82,872.36
Capital	24,516.00
Allocated Expenses:	
Joint Administration	1,342.48
Total Expenses	<u>\$108,730.84</u>

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 County Sanitation District No. 9 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*, 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. The Resolution was attached to the agenda. A recommendation was made to adopt the Resolution.

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

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
COUNTY SANITATION DISTRICT NO. 9 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, County Sanitation District No. 9 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 Centers for Disease Prevention and Control, in its publication “How to Protect Yourself & Others” updated August 13, 2021, have recommended social distancing practices, including staying 6 feet away from others and avoiding crowds and poorly ventilated spaces in order to protect individuals and others from COVID-19; and

WHEREAS, the County of Los Angeles Department of Public Health Order of the Health Officer issued September 17, 2021 (the “County Order”) includes a finding that the existing community transmission of COVID-19 in Los Angeles County remains high and continues to present a high risk of infection and harm to the health of those who are not and cannot be vaccinated against COVID-19 especially when there is an absence of capacity limits and physical distancing requirements for both indoor and outdoor settings. The County Order further finds that COVID-19 infection remains a significant health hazard to all residents; 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 who are not and cannot be vaccinated, and that COVID-19 infection remains a significant health hazard to all residents, has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment and facilities of the District, 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 COUNTY SANITATION DISTRICT NO. 9 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, there remains evidence of sustained and high community transmission rates of COVID-19 resulting in high risks of infection and harm to the health of those who are not and cannot be vaccinated against COVID-19, especially when there is an absence of capacity limits and physical distancing requirements for both indoor and outdoor settings, 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 (i) 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 County Sanitation District No. 9 of Los Angeles County this 23rd day of February 2022 by the following vote:

AYES: Two (2)

NOES: None

ABSTAIN: None

ABSENT: One (1)

RE: ANNUAL COMPREHENSIVE
FINANCIAL REPORT FOR FISCAL
YEAR ENDING JUNE 30, 2021
RECEIVE AND ORDER FILED

Prior to meeting in regular session and as reported in the status report, the Chief Engineer and General Manager advised that copies of the Districts' Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2021, which includes the annual

audit required by state and federal laws, were previously distributed to the Directors. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to protect financial and facility assets through prudent investment and maintenance programs. A recommendation was made to receive and order filed the Districts' ACFR for fiscal year ending June 30, 2021.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021, which includes the annual audit required by state and federal laws, and was previously mailed to the Directors, was accepted and ordered filed.

RE: SERVICE CHARGE REPORT
RECEIVE AND ORDER FILED
SET PUBLIC HEARING FOR
JUNE 22, 2022 AND GIVE
REQUIRED NOTICE

A report titled *County Sanitation District No. 9 Service Charge Report for Fiscal Year 2022-23*, prepared in accordance with Section 5473 of the Health and Safety Code of the State of California and which establishes the formula for the calculation of a sewage unit that represents the average daily quantity of sewage flow and strength

from a single-family home (SFH), was presented.

The Chief Engineer and General Manager introduced Mr. Matt Eaton, Department Head of Financial Management, to update the Directors on the Districts' wastewater rates for the various Boards meeting today. Mr. Eaton stated that the last rate package established rates from July 1, 2017, through June 30, 2021. Last year,

there was no rate increase. It is recommended to increase rates approximately two percent per year for the next four years.

In late 2020, a JOS Ad Hoc Committee, consisting of Directors, was formed to revisit assumptions on how service charge rates are determined for the 17 JOS Districts. Their goal was a fair, simple, and transparent rate-setting process. He advised that the new Joint Outfall Agreement and Financial Reserve Policies that were adopted in fall 2021 implemented the Committee's recommendations. Changes were implemented that lead to each household and commercial business paying the same amount for service when including the total of ad valorem (AV) tax, service charge, and use of reserves.

He reviewed a bar graph showing the annual average funding for the next four years. The service charge, shown in blue, is used to cover annual operations and maintenance capital expenses. The AV tax revenue, shown in orange, varies significantly between parcels and Districts. Some Districts are short on reserves, so they have a higher service charge which is represented by the yellow bar showing how much funds are going to replenish the reserves. The excess reserves, shown in grey, will be used to cover annual expenses. All Districts will be at approximately \$230 per year in service charge. These are a result of the Ad Hoc Committee's recommendations.

Next, he showed a table of the proposed service charge rates for each District. Most Districts will have a proposed 1.5-2.5 percent increase. He stated that some Districts, including District No. 28, will not have a service charge. District No. 28 has very high reserves and AV tax revenue, which can be used to cover their service charge. The Districts has no control over the AV tax revenue.

Filing of the Service Charge Report is required each year in order to collect the wastewater service charge on the property tax roll. The current service charge rate per SFH is \$6.50 per month (\$78 per year) and no increase is recommended for fiscal year 2022-23. A letter discussing the service charge rate, the fiscal year 2022-23 preliminary budget, and related matters accompanied the agenda. Staff recommends that the Public Hearing be held at the Board Meeting scheduled for June 22, 2022. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

A recommendation was made that, in accordance with the Health and Safety Code, the Board instructed the District Clerk to publish newspaper notices to inform the public of the date, time, and place for a public hearing on the Service Charge Report, and the collection of the service charge on the property tax roll. Furthermore, a recommendation was made that a public hearing be set for June 22, 2022, at 1:30 p.m., in the Districts' Board Room at the Joint Administration Office via teleconference, 1955 Workman Mill Road, Whittier, California. After the public hearing is closed, the Board will consider adoption of the Service Charge Report.

BE IT RESOLVED, that the Board does hereby fix June 22, 2022, at 1:30 p.m., as the date and time, and in the District's Board Room at the Joint Administration Office via teleconference, 1955 Workman Mill Road, Whittier, California, as the place for a public hearing on *County Sanitation District No. 9 Service Charge Report for Fiscal Year 2022-23*, the proposed service charge and the collection of the service charge on the property tax roll.

The Clerk of this Board shall cause notice of the filing of the Report and the time and place of the public hearing to be published once a week for two successive weeks in the *The Daily Breeze*, a daily newspaper, there being no newspaper of general circulation printed and published within the District, and in such other publications as are deemed appropriate by the Chief Engineer and General Manager.

Upon motion of Director Mitchell, duly seconded and unanimously carried by a roll-call vote, the *County Sanitation District No. 9 Service Charge Report for Fiscal Year 2022-23* was ordered filed with the Clerk of the District.

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

JANICE HAHN
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN
Secretary

/ee