

**MEMORANDUM
CITY OF LANCASTER**

TO: Mayor Parris and City Council Members

FROM: Councilmember Ken Mann

DATE: May 12, 2015

SUBJECT: **Report on the Activities of the Board of Directors for District No. 14 of the County Sanitation Districts of Los Angeles County**

Recommendation:

Receive a report of the proceedings and issues discussed at the April 16, 2015 District No. 14 Board of Directors meeting of the County Sanitation Districts of Los Angeles County.

Background:

District No. 14 of the County Sanitation Districts of Los Angeles County is organized to receive through their trunk sewers the wastewater from all of the City of Lancaster, a small region of the westerly portion of the City of Palmdale, and a smaller region of the unincorporated County of Los Angeles. A Board of Directors comprised of a representative from each city and the County generally meets monthly to review and decide upon the business of the District.

The Board of Directors considered the following agenda items at the April 16, 2015 meeting:

- Approved minutes of meeting held March 26, 2015.
- Approved warrants in the amount of \$260,408.05. The warrants issued by the District are for costs incurred for operation and maintenance, such as electricity, water, telephone, and chemicals, and for relatively small capital projects. Expenditures are made in accordance with the guidelines established by the budget procedure and the purchasing policy that has been adopted by the Board.
- Approved departmental invoices in the total amount of \$896,836.40 for the month of March, 2015. The invoices are an internal document that transfers each District's proportionate share of expenditures made by District No. 2, the administrative District, on behalf of the participating Districts in accordance with the authority granted through the approved annual budget and applicable joint powers agreement.

- Approved and ordered executed a Joint Resolution providing for approval and acceptance of negotiated exchange of property tax revenues resulting from a jurisdictional change identified as Annexation No. 40-150 (4-210) to Los Angeles County Waterworks District No. 40, Antelope Valley (Waterworks) affecting County of Los Angeles, Lancaster Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Lancaster, Antelope Valley-East Kern Water Agency, and County Sanitation District No. 14.

Summary: For any jurisdictional change that will result in a special district providing a new service, the law requires the governing bodies of all local agencies that receive an apportionment of the property tax from the area within the jurisdictional change to determine by resolution the amount of the future annual tax increment to be transferred to the special district. Waterworks, through annexation, is proposing to provide service to the territory within the City of Lancaster, and is requesting the Board to approve the transfer to Waterworks of a portion of the future annual increment of the property tax apportioned to Sanitation District No. 14. Sanitation District No. 14 will not lose any ad valorem tax revenue it currently receives from the affected territory.

- Ordered the Wastewater Service Charge Report, containing a description of each parcel and amount of proposed Wastewater Service Charge for Fiscal Year 2015-16 for each parcel, filed with Clerk of Board of Directors of District; established date, time, and place for public hearing on Report, proposed rates, and proposed collection on Tax Roll; and ordered publication of required Public Notices.

Summary: A letter describing the proposed service charge rate **decrease** for the next four fiscal years and the Board actions necessary to implement the proposed service charge rate, together with a copy of the preliminary budget and the Service Charge Report, accompanied the agenda. In this District, the current service charge rate per single-family home (SFH) is \$41.33 per month (\$496 per year). In fiscal years 2015-16, 2016-17, 2017-18, and 2018-19, the service rate is proposed to be reduced and held constant at \$39.67 per month (\$476 per year). Owners of multiple dwelling units and commercial properties are charged in proportion to their use compared to a SFH.