



AGENDA

Garden Grove Sanitary District
Board of Directors

Tuesday, June 26, 2018

6:30 PM

Community Meeting Center, 11300
Stanford Avenue, Garden Grove, CA
92840

Kris Beard

President

John R. O'Neill

Vice President

Patrick Phat Bui

Member

Steven R. Jones

Member

Stephanie

Klopfenstein

Member

Kim B. Nguyen

Member

Thu-Ha Nguyen

Member

Meeting Assistance: Any person requiring auxiliary aids and services, due to a disability, to address the Sanitary District should contact the City Clerk's Office 72 hours prior to the meeting to arrange for accommodations. Phone: 714) 741-5040.

Agenda Item Descriptions: Are intended to give a brief, general description of the item. The Sanitary District may take legislative action deemed appropriate with respect to the item and is not limited to the recommended action indicated in staff reports or the agenda.

Documents/Writings: Any revised or additional documents/writings related to an item on the agenda distributed to all or a majority of the Sanitary District Members within 72 hours of a meeting, are made available for public inspection at the same time (1) in the City Clerk's Office at 11222 Acacia Parkway, Garden Grove, CA 92840, during normal business hours; (2) on the City's website as an attachment to the Sanitary District meeting agenda; and (3) at the Council Chamber at the time of the meeting.

Public Comments: Members of the public desiring to address the Sanitary District are requested to complete a pink speaker card indicating their name and address, and identifying the subject matter they wish to address. This card should be given to the City Clerk prior to the start of the meeting. General comments are made during "Oral Communications", and should be limited to matters under consideration and/or what the Sanitary District has jurisdiction over. Persons wishing to address the Sanitary District regarding a Public Hearing matter will be called to the podium at the time the matter is being considered.

Manner of Addressing the Sanitary District: After being called by the President, you may approach the podium, it is requested that you state your name for the record, and proceed to address the Sanitary District. All remarks and questions should be addressed to the Sanitary District as a whole and not to individual Sanitary District Members or staff members. Any person making impertinent, slanderous, or profane remarks or who becomes boisterous while addressing the Sanitary District shall be called to order by the President. If such conduct continues, the President may order the person barred from addressing the Sanitary District any further during that meeting.

Time Limitation: Speakers must limit remarks for a total of (5) five minutes. When any group of

persons wishes to address the Sanitary District on the same subject matter, the President may request a spokesperson be chosen to represent the group, so as to avoid unnecessary repetition. At the Sanitary District's discretion, a limit on the total amount of time for public comments during Oral Communications and/or a further limit on the time allotted to each speaker during Oral Communications may be set.

PLEASE SILENCE YOUR CELL PHONES DURING THE MEETING.

AGENDA

Open Session

6:30 PM

ROLL CALL: MEMBER BUI, MEMBER JONES, MEMBER KLOPFENSTEIN, MEMBER K. NGUYEN, MEMBER T. NGUYEN, VICE PRESIDENT O'NEILL, PRESIDENT BEARD

1. ORAL COMMUNICATIONS (to be held simultaneously with other legislative bodies)

2. CONSENT ITEMS

(Consent Items will be acted on simultaneously with one motion unless separate discussion and/or action is requested by a Sanitary District Member.)

2.a. Approval of an agreement with the Discovery Science Center for a school recycling program. (Cost: \$56,000) *(Action Item)*

2.b. Receive and file minutes from the meeting held on April 24, 2018. *(Action Item)*

3. PUBLIC HEARINGS

3.a. Public Hearing on a report detailing fees to be collected on the tax roll for refuse collection and disposal services in Improvement District No. 1; and adoption of a Resolution authorizing the collection on the tax roll of refuse collection and disposal fees for Improvement District No. 1. *(Action Item)*

3.b. Public Hearing on a report of delinquent accounts for refuse collection and disposal service bills; and adoption of a Resolution authorizing imposition of liens on parcels with delinquent accounts. *(Action Item)*

3.c. Public Hearing on a report detailing fees to be collected on the tax roll for Sewer Services outside the City limits; and adoption of a Resolution authorizing the collection on the tax roll of fees for the sewer service provided by the Garden Grove Sanitary District outside the City limits. *(Action Item)*

4. ITEMS FOR CONSIDERATION

4.a. Adoption of Resolutions Amending the Garden Grove Sanitary District Budget for Fiscal Year 2018/19, Setting the Fiscal Year 2018/19 Appropriations Limit, and Reappropriating Project Balances and Encumbrances from Fiscal Year 2017/18. *(Action Item)*

5. MATTERS FROM THE PRESIDENT, BOARD MEMBERS AND GENERAL MANAGER
6. ADJOURNMENT

The next Regular meeting of the Sanitary District will be held on Tuesday, July 24, 2018, at 5:30 p.m. in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	William E. Murray
Dept.:	General Manager	Dept.:	Public Works
Subject:	Approval of an agreement with the Discovery Science Center for a school recycling program. (Cost: \$56,000) (<i>Action Item</i>)		
		Date:	6/26/2018

OBJECTIVE

To receive Garden Grove Sanitary District Board (District) approval to enter into an agreement with the Discovery Science Center to provide a school outreach program on waste and recycling.

BACKGROUND

In 2016, the District sponsored a two year school recycling program facilitated by the Discovery Science Center that was offered to the Garden Grove Unified School District (School District). This program involves a classroom lecture, take home activities and a field trip to an interactive exhibit at the Discovery Science Center for fifth and sixth grade students. The intent of the program is to provide education on sustainable living practices including source reduction, proper disposal of hazardous materials and recycling for the purpose of protecting impacted local landfills. Since then, the program's participation levels nearly tripled by the second year of the program. Other surrounding cities that are participating and funding this program, include Brea, Buena Park, Los Alamitos, Mission Viejo, Costa Mesa, Cypress, Fullerton, Garden Grove, Huntington Beach, La Habra, Orange, Santa Ana, Seal Beach and Irvine.

DISCUSSION

To help meet the State's goal of achieving 75% waste diversion statewide by 2020, public education is a critical component for the City to be able to reach long term sustainability. This program has proven to be effective based on the growing participation levels from the School District and it is referenced in the State's mandated annual reporting system under the City's public outreach efforts. A new agreement is needed in order to continue this program. The costs for another two year term will be the same as the former agreement in the amount of, not to exceed \$56,000.

FINANCIAL IMPACT

No impact to the General Fund. This program will be financed through the District's Refuse Fund (660) in the amount of \$28,000 per each fiscal year in 2018/19 and 2019/20, for a total of \$56,000 over the two-year term agreement.

RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board:

- Approve the attached agreement with the Discovery Science Center in the amount of \$28,000 per year for two years for a school outreach program on waste and recycling; and
- Authorize the General Manager to execute the agreement on behalf of the District, and make minor modifications as appropriate thereto.

By: A.J. Holmon III, Environmental/Streets Manager

ATTACHMENTS:

Description	Upload Date	Type	File Name
Contract	6/14/2018	Backup Material	6-26-18_Meeting_-_Discovery_Science_Center_of_Orange_County_Contract.pdf

Contract

Purpose:

It is the intent of the Garden Grove Sanitary District (hereinafter referred to as the "District") to contract with the Discovery Science Center of Orange County (hereinafter referred to as "DSC"), (collectively hereinafter referred to as the "Parties") for the delivery of an education program focused on the messages of "Reduce, Reuse & Recycle" as highlighted by the Eco Challenge exhibit located at DSC.

Section I: Parties

Discovery Science Center of Orange County 2500 North Main Street, Santa Ana, CA 92705

Contact(s):

Tony Solorzano, Director, Strategic Development

Phone: 714-913-5013

Email: Tsolorzano@discoverycube.org

Tina Rolewicz Vice President, Education

Phone: 714-913-5005

Email: Trolewicz@discoverycube.org

Garden Grove Sanitary District 11222 Acacia Parkway, Garden Grove, CA. 92840

Contact(s):

A.J. Holmon III, Environmental/Streets Manager

Phone: 714-741-5956

Email: ajh@ci.garden-grove.ca.us

Section 2: Scope of Work

Unless otherwise noted, the education program provided under this agreement is the same as the Eco Challenge education program developed by DSC in partnership with the County of Orange Waste & Recycling Department (hereinafter referred to as the "Education Program" or the "Program"). The Education Program provided under this agreement includes:

- Interactive in-class instruction (the "Workshop") using curriculum developed for the Eco Challenge education program and featuring an interactive student keypad response system
- A student booklet summarizing key concepts to accompany the in-class Workshop
- Incentive for visiting a Household Hazardous Waste Collection Center
- Take-home items and a home survey for each student
- Classroom resources used to accompany the in-class Workshop
- A field trip to DSC for the students receiving the in-class Workshop including a \$200 bus stipend

DSC will provide all aspects of Education Program delivery including:

- Booking of in-class Workshops and accompanying field trips
- Providing teachers for the in-class Workshops and assigning staff to lead field trips while at DSC
- Procuring, storing and managing delivery of classroom supplies and equipment, take-home items and educational booklets needed to complete the Workshop
- Collecting, analyzing and reporting on home surveys

Section 3: Term

This agreement commences July 1, 2018, and extends through June 30, 2020. These dates are intended to provide the education program in two school years, specifically 2018-19 and 2019-20, to a target of 940 5th and 6th grade students per school year. Any changes to the student count or any other program elements would be subject to the terms described in Section 4.

Section 4: Modification

Unless otherwise noted, any modification to the Program or amendment of this agreement will be valid or binding only with the written consent of both Parties.

Section 5: Termination

Should either party wish to terminate this agreement prior to the 2018-19 school year, written notice must be provided no later than July 1, 2018. If no such notice is received, all elements of the program, including pricing, student count and program elements will be considered as acceptable for the coming school year. Thereafter, early termination of this agreement shall require the written mutual consent of the parties.

Section 6: Cost and Fee Schedule

Costs for program delivery will be on a per student basis at a rate of \$24.62 each, plus \$22 per classroom visited (for classroom disposal bins used in the assembly) and \$200 per bus stipend (each stipend to cover transportation costs for approximately 45 students).

Costs for program delivery will not exceed \$28,000 per fiscal year (July 1st through June 30th each year) and will include all elements noted in Section 2.

An initial start-up payment of \$8,206.20 shall be paid by District to DSC at the beginning of each school year. This initial payment will fund the capital costs of the program that

are purchased in advance. This includes student booklets, take-home items, and the classroom waste disposal bins used in the assemblies. Invoices will then be sent to District each month detailing students taught in that month and billing for the in-class instruction and field trip costs. Payments for each month's invoice will be due upon receipt. Invoices not paid within 45 days of the invoice date shall be subject to a late payment fee equal to 1.5% of the invoice amount, compounding monthly from the date of the invoice.

Section 7: Non-performance

In the event either Party has not carried out its obligations under any aspect of this Agreement, the non-defaulting Party shall give notice in writing to the other party of the non-performance. The written notification shall outline acceptable options for correction of the non-performance issue. If the default is not remedied within 10 business days, or an alternative timetable mutually agreed to in writing by both parties, then the non-defaulting party may commence legal action.

Section 8: Insurance Requirements

- 8.1 COMMENCEMENT OF WORK. DSC shall not commence work under this Agreement until all certificates and endorsements have been received and approved by District. DSC shall be responsible to collect and maintain all insurance from any subcontractors. All subcontractors shall obtain and maintain the same insurance as required of DSC. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the District of any material change, cancellation, or termination at least thirty (30) days in advance.
- 8.2 WORKERS COMPENSATION INSURANCE. For the duration of this Agreement, DSC shall maintain Workers Compensation Insurance in the amount and type required by California law, if applicable.
- 8.3 INSURANCE AMOUNTS. DSC shall provide and maintain or shall cause its contractors to provide and maintain the following insurance for the duration of this Agreement:
 - (a) Commercial general liability in an amount not less than \$1,000,000 per occurrence; **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to District and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the District.

- (b) Automobile liability in an amount not less than \$1,000,000 combined single limit; **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to DISTRICT and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the DISTRICT.
- (c) Sexual misconduct liability in amount not less than \$1,000,000 per occurrence; **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to DISTRICT and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the DISTRICT.

An Additional Insured Endorsement, **ongoing and products-completed operations**, for the policy under section 8.3 (a) shall designate DISTRICT, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the DSC. DSC shall provide to DISTRICT proof of insurance and endorsement forms that conform to District's requirements, as approved by the DISTRICT.

An Additional Insured Endorsement for the policy under section 8.3 (b) shall designate DISTRICT, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by the DSC. DSC shall provide to DISTRICT proof of insurance and endorsement forms that conform to DISTRICT's requirements, as approved by the DISTRICT.

An Additional Insured Endorsement for the policy under section 8.3 (c) shall designate DISTRICT, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of sexual misconduct. DSC shall provide to DISTRICT proof of insurance and endorsement forms that conform to District's requirements, as approved by the DISTRICT.

For any claims related to this Agreement, DSC's insurance coverage shall be primary insurance as respects DISTRICT, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the DISTRICT, its officers, officials, employees, agents, or volunteers shall be excess of the DSC's insurance and shall not contribute with it.

If DSC maintains higher insurance limits than the minimums shown above,
DSC shall provide coverage for the higher insurance limits otherwise
maintained by the DSC.

Section 9: Indemnification

DSC shall indemnify, defend and hold harmless the District, its directors, officers, agency, representatives and employees, from and against any and all claims, costs, damages, losses, expenses (including reasonable attorney's fees) or other liabilities resulting from, alleged to result from or in any manner arising out of the negligent or willful acts or omissions of DSC, its directors, officers, employees or agents in the performance of its duties under this Agreement.

The District shall indemnify, defend and hold harmless, DSC its directors, officers, agency, representatives and employees, from and against any and all claims, costs, damages, losses, expenses (including reasonable attorney's fees) or other liabilities resulting from, alleged to result from or in any manner arising out of the negligent or willful acts or omissions of the District, its directors, officers, employees or agents in the performance of its duties under this Agreement.

Section 10: Notice.

Any notices required or permitted to be given under this Agreement shall be in writing and personally delivered to the Party to which it is directed, or deposited in the U.S. Mail, postage prepaid addressed as follows:

If to District:

Garden Grove Sanitary District
Attention: A.J. Holmon, Environmental/Streets Manager
11222 Acacia Parkway
Garden Grove, CA 92840

If to DSC:

Discovery Science Center of Orange County
Attention: L. Joseph Adams, President
2500 North Main Street
Santa Ana, CA 92705

AUTHORIZATION

By their execution of this Agreement, the persons executing this Agreement represent that they have been duly authorized to do so by the Party on whose behalf they have signed this Agreement, and that Party is bound by the terms hereof.

"DISTRICT"

GARDEN GROVE SANITARY DISTRICT

By: _____

General Manager

Date: _____

ATTESTED:

Secretary

"DSC"

DISCOVERY SCIENCE CENTER OF ORANGE COUNTY

By: Kelle Preston

Name: Kelle Preston

Title: COO

Date: 6/11/18

Tax ID No. 33-0828380

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to DISTRICT.

APPROVED AS TO FORM:

General Counsel

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Teresa Pomeroy
Dept.: General Manager Dept.: City Clerk
Subject: Receive and file minutes Date: 6/26/2018
from the meeting held on
April 24, 2018. (*Action Item*)

Attached are the minutes from the meeting held on April 24, 2018, recommended to be received and filed as submitted or amended.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Minutes 4-24-2018	6/18/2018	Minutes	sd-min_04_24_2018.pdf

RECEIVE AND FILE MINUTES FROM THE MEETING HELD ON MARCH 27, 2018
(F: Vault)

It was moved by Member Beard, seconded by Member O'Neill that:

The minutes from the meeting held on March 27, 2018, be received and filed.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, Bui, Jones, Klopfenstein, K. Nguyen, T.
Nguyen, O'Neill
Noes: (0) None

APPROVAL OF AN AMENDMENT TO THE AGREEMENT WITH REPUBLIC WASTE SERVICES OF SOUTHERN CALIFORNIA LLC, DBA GARDEN GROVE DISPOSAL FOR A MANDATORY ORGANIC WASTE PROGRAM AND RATE IMPLEMENTATION
(JOINT ACTION ITEM WITH THE GARDEN GROVE CITY COUNCIL) (F: S-55.1)

Garden Grove Sanitary District Action

It was moved by Member Jones, seconded by Member O'Neill that:

The amendment to the 2010 Agreement with Republic Waste Services of Southern California LLC, dba Garden Grove Disposal for organic waste handling services be approved; and

The General Manager be authorized to execute the agreement on behalf of the Sanitary District, and make minor modifications as appropriate thereto.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, Bui, Jones, Klopfenstein, K. Nguyen, T.
Nguyen, O'Neill
Noes: (0) None

Garden Grove City Council Action

It was moved by Mayor Jones, seconded by Council Member O'Neill that:

The amendment to the 2010 Agreement with Republic Waste Services of Southern California LLC, dba Garden Grove Disposal for organic waste handling services be approved; and

The City Manager be authorized to execute the agreement on behalf of the City, and make minor modifications as appropriate thereto.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

MATTERS FROM THE PRESIDENT, BOARD MEMBERS AND GENERAL MANAGER

DISCUSSION REGARDING PRIVATE SEWER LATERALS INQUIRY (F:S-92)

After Sanitary District Board Member discussion, staff was given direction to conduct a study that would provide more information on the loan program and terms, information on how other cities are conducting their loan programs, as well as loan program qualification requirements. In addition, the Sanitary District Board Members requested that information on insurance policies available from the private sector be included, as well as other data relevant to the issue and resolution options.

ADJOURNMENT

At 7:54 p.m., President Beard adjourned the meeting. The next Regular Sanitary District Meeting is scheduled for Tuesday, June 26, 2018, at 5:30 p.m. at the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California.

Lizabeth Vasquez
Deputy Secretary

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Kingsley Okereke
Dept.:	General Manager	Dept.:	Finance
Subject:	Public Hearing on a report detailing fees to be collected on the tax roll for refuse collection and disposal services in Improvement District No. 1; and adoption of a Resolution authorizing the collection on the tax roll of refuse collection and disposal fees for Improvement District No. 1. (<i>Action Item</i>)		
		Date:	6/26/2018

OBJECTIVE

To have the Garden Grove Sanitary District Board of Directors (1) conduct a Public Hearing on the report identifying charges proposed to be collected on the tax roll for refuse collection and disposal services in the District's Improvement District No. 1; (2) adopt the attached Resolution approving the report detailing the refuse collection and disposal fees for Improvement District No. 1 to be collected on the tax roll and directing that the fees be collected on the tax roll; and (3) direct staff to file the necessary documentation with the County for collection of fees on the tax roll for refuse collection and disposal services provided in Improvement District No. 1. This action requires five (5) affirmative votes in order to proceed with collection of these fees on the tax roll.

BACKGROUND

As part of Orange County Reorganization No. 141, the Garden Grove Sanitary District became a subsidiary district of the City of Garden Grove on May 30, 1997. The Terms and Conditions of the Reorganization established Improvement District No. 1, which consists of those areas that were formerly in Midway City Sanitary District. The service charge for the standard residential service, which includes one recycling barrel, one green waste barrel, and one general trash barrel in District No. 1, will be \$20.93 per month effective July 1, 2018.

DISCUSSION

District No. 1 refuse collection and disposal service charges have historically been collected by placing them on the tax roll. In order to continue this system for the convenience of the residents of Improvement District No. 1 and the waste collector (Republic Services), the Board must each year approve a report detailing charges proposed to be collected on the tax roll for refuse collection and services in Improvement District No. 1.

A written report has been prepared and filed with the Secretary containing a description of each parcel of real property receiving refuse collection and disposal services in Improvement District No. 1, and the charges for each parcel. The report is on file and available for review in the office of the City Clerk and will be available at the June 26, 2018, City Council meeting.

In order for charges to continue to be collected on the tax roll, the Board is required to hold a Public Hearing on whether to adopt the report detailing charges proposed to be collected on the tax roll.

FINANCIAL IMPACT

This action will provide for the collection of disposal and refuse collection fees in District No. 1.

RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board of Directors:

- Conduct the Public Hearing on the report identifying charges proposed to be collected on the tax roll for refuse collection and disposal services in the District's Improvement District No. 1;
- Adopt the attached Resolution approving the report and authorizing the collection on the tax roll of disposal and refuse collection fees in District No. 1 (by five (5) affirmative votes); and
- Direct staff to file the necessary documentation with the County for the collection of the fees on the property tax bills.

By: Jeff Kuramoto, Utility Revenue Supervisor

ATTACHMENTS:

Description	Upload Date	Type	File Name
2018 ID1 Refuse Resolution	6/12/2018	Resolution	2018_Reso_Improvement_Distr_No_1-_on_tax_roll.doc

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE
SANITARY DISTRICT AUTHORIZING REFUSE COLLECTION AND DISPOSAL
CHARGES FOR IMPROVEMENT DISTRICT NO. 1 TO BE COLLECTED ON THE TAX
ROLL

WHEREAS, the Garden Grove Sanitary District is a subsidiary district of the City of Garden Grove, organized under the Sanitary District Act of 1923;

WHEREAS, Improvement District No. 1, described in the map attached and incorporated herein by this reference, is an Improvement District of the Garden Grove Sanitary District, created by Orange County Reorganization No. 141;

WHEREAS, on July 22, 1999, the Board of Directors of the Garden Grove Sanitary District adopted Resolution No. 3630 ordering that refuse collection services fees for Improvement District No. 1 be placed on the tax roll;

WHEREAS, the Board of Directors of the Garden Grove Sanitary District wishes to continue to have refuse collection charges for properties within Improvement District No. 1 collected on the tax roll as they were the previous year;

WHEREAS, the Board of Directors of the Garden Grove Sanitary District has considered the report containing a description of each parcel of real property within Improvement District No. 1 receiving refuse collection services and the amount of the charge for each parcel for the year, presented at its meeting of June 26, 2018;

WHEREAS, at the Regular Meeting of the Garden Grove Sanitary District on June 26, 2018, held in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California, at 6:30 p.m., the Board of Directors held a duly noticed Public Hearing, at which all oral and written comments, objections and protests to the report were heard;

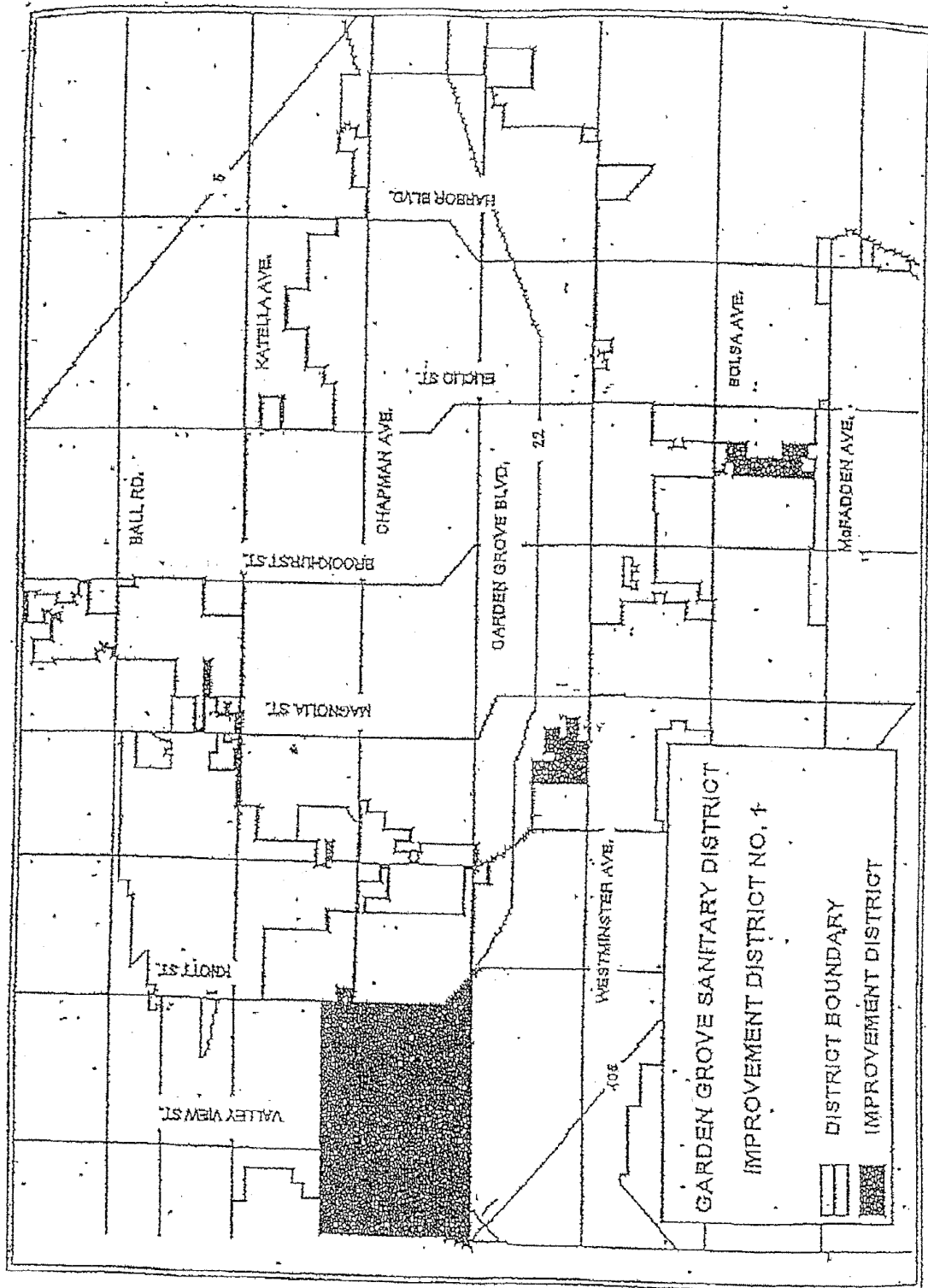
WHEREAS, the Secretary has caused notice of the report and Public Hearing to be published in a newspaper of general circulation on May 30, 2018, and June 6, 2018, within the District pursuant to Section 6066 of the Government Code; and

WHEREAS, the Board of Directors has heard and considered all protests, both written and oral, and hereby determines that protest has not been made by the owners of a majority of separate parcels of property described in the report.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Garden Grove Sanitary District, pursuant to the provisions of Health and Safety Code 5473, approves the report detailing the charges proposed to be collected on the tax roll for refuse collection and disposal services in the District's Improvement

District No. 1, and hereby orders that the service charges for Improvement District No. 1 be collected on the tax roll in the same manner, by the same person, and at the same time as, together with and not separately from, the general taxes of the District. The General Manager of the District, or his designee, shall file all necessary documentation with the County of Orange for the collection of the fees on the property tax roll.

BE IT FURTHER RESOLVED, that the General Manager of the District, or his designee, is directed to cause a written report to be prepared annually containing a description of each parcel of real property receiving services in Improvement District No. 1 and the amount of the charge for each parcel for that year and that this report be filed by the Secretary with the County Auditor in a timely manner for the purpose of adding the fees to the tax roll.



City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kingsley Okereke

Dept.: General Manager Dept.: Finance

Subject: Public Hearing on a report of Date: 6/26/2018
delinquent accounts for
refuse collection and
disposal service bills; and
adoption of a Resolution
authorizing imposition of
liens on parcels with
delinquent accounts. (*Action
Item*)

OBJECTIVE

To have the Garden Grove Sanitary District Board of Directors (1) conduct a Public Hearing on the delinquent refuse collection and disposal fees report; (2) adopt the attached Resolution approving the report identifying the unpaid bills for refuse collection and disposal services and authorizing the imposition of liens on property with delinquent accounts; and (3) direct staff to file the necessary documentation with the County for assessment on the appropriate parcels. This action requires five (5) affirmative votes in order to proceed with placing liens on the properties listed in the report.

BACKGROUND

Pursuant to the requirements of the California Health and Safety Code, the Garden Grove Sanitary District may, following notice and a public hearing, impose liens on properties for refuse collection and disposal service bills that are delinquent for a period of sixty (60) days or more.

Republic Services bills customers quarterly for refuse collection and disposal services. If a billing is not paid, a reminder is mailed to the individual who is responsible for the service. In addition, if a tenant does not pay for the service, the landlord is notified of non-payment thirty (30) days prior to the Public Hearing. If a bill for service remains unpaid for a period of sixty (60) days, at the end of the fiscal year the assessment process outlined below is implemented.

DISCUSSION

The last Republic Services billing of the 2017-2018 fiscal year was prepared and mailed in February 2018, and all unpaid charges on that billing became delinquent May 1, 2018. Sixty (60) days after the delinquency date, the delinquent amount, plus the associated penalty of 10%, may be filed with the County Auditor. Upon recordation by the County Recorder, the amount submitted by parcel shall be collected at the same time and in the same manner as the County property taxes and shall be subject to the same penalties and to the same procedure for foreclosure and sale as provided for general County taxes.

Prior to the delinquent amount becoming a lien against the property, the individual property owner is notified of the delinquent amount and the date and time of the Public Hearing. To further ensure that all parties are aware of the potential lien, a notice announcing this hearing date is published in a local newspaper. The report of delinquent accounts is on file and available for review in the office of the City Clerk. An updated report will be available at the June 26, 2018, City Council meeting.

In order for the delinquent and unpaid charges to be collected on the tax roll, the Board is required to hold a Public Hearing on whether to approve the report detailing charges proposed to be collected on the tax roll.

FINANCIAL IMPACT

This action will provide for the collection of delinquent refuse collection and disposal fees.

RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board of Directors:

- Conduct the Public Hearing on the report of delinquent refuse collection and disposal fees;
- Adopt the attached Resolution adopting the report and authorizing the imposition of liens for the collection of delinquent refuse collection and disposal fees (with at least five (5) affirmative votes); and
- Direct staff to file the necessary documentation with the County for the collection of the delinquent fees on the property tax bills.

By: Jeff Kuramoto, Utility Revenue Supervisor

ATTACHMENTS:

Description	Upload Date	Type	File Name
2018 Delinquent Refuse Assessment Reso	6/12/2018	Resolution	2018_Reso_delinquent_bill_refuse.docx

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE
SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ADOPTING A REPORT AND
CERTIFYING A STATEMENT OF DELINQUENT AND UNPAID CHARGES FOR REFUSE
COLLECTION AND DISPOSAL SERVICES TO BE COLLECTED ON THE PROPERTY TAX
ROLL

WHEREAS, the Board of Directors of the Garden Grove Sanitary District has considered the report containing a statement of delinquent and unpaid charges for refuse collection and disposal services remaining delinquent and unpaid for a period of 60 days or more presented to it at its meeting of June 26, 2018;

WHEREAS, the Board of Directors wishes to have such delinquent and unpaid charges, which remain delinquent and unpaid as of July 1, 2018, become a lien against the parcels to which such requested refuse collection and disposal services were provided and to be collected on the tax roll;

WHEREAS, at the Regular Meeting of the Garden Grove Sanitary District on June 26, 2018, held in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California, at 6:30 p.m., the Board of Directors held a duly noticed Public Hearing, at which all oral and written comments, objections, and protests to the report were heard;

WHEREAS, the Secretary has caused notice of the report and Public Hearing to be published in a newspaper of general circulation on May 30, 2018, and June 6, 2018, within the District pursuant to Section 6066 of the Government Code; and

WHEREAS, the Secretary has caused a notice in writing of the report and Public Hearing, which notice states that these delinquent and unpaid charges could become a lien on the property, to be mailed to each person owning any parcel or parcels of real property described in the report as per the last equalized assessment roll available on the date the report was prepared.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT, ORANGE COUNTY, CALIFORNIA AS FOLLOWS:

1. The report presented as written at the meeting at which this Resolution was adopted, or as revised and changed, is hereby adopted.
2. The Board of Directors of the Garden Grove Sanitary District hereby certifies to the Orange County Board of Supervisors and the Orange County Auditor that the delinquent and unpaid charges for refuse collection and disposal services stated in the report adopted pursuant to this Resolution remain delinquent and unpaid for a period of sixty (60) days, and requests that such delinquent charges

unpaid as of July 1, 2018, be collected on the tax roll in the same manner, by the same person, and at the same time as, together with and not separately from, the general taxes of the District. The General Manager of the Garden Grove Sanitary District, or his designee, shall file all necessary documentation with the County of Orange for the collection of the delinquent and unpaid charges on the property tax roll.

3. That the Secretary be instructed to file a copy of the report with the County Auditor in a timely manner for the purpose of adding the delinquent refuse collection and disposal service charges to the tax roll.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Kingsley Okereke
Dept.:	General Manager	Dept.:	Finance
Subject:	Public Hearing on a report detailing fees to be collected on the tax roll for Sewer Services outside the City limits; and adoption of a Resolution authorizing the collection on the tax roll of fees for the sewer service provided by the Garden Grove Sanitary District outside the City limits. (<i>Action Item</i>)		
		Date:	6/26/2018

OBJECTIVE

To have the Garden Grove Sanitary District Board of Directors (1) conduct a Public Hearing on the report identifying fees to be collected on the tax roll for sewer services provided by the Garden Grove Sanitary District for properties located outside the City limits that do not receive City water services; (2) adopt the attached Resolution approving the report detailing the Sewer Service Fees to be collected on the tax roll from these properties located outside the City that do not receive City water services; and (3) direct staff to file the necessary documentation with the County for collection of the fees on the tax roll. This action requires five (5) affirmative votes in order to proceed with collection of these fees on the tax roll.

BACKGROUND

In accordance with Health and Safety Code section 6520.5, on September 13, 2005, and February 14, 2012, the Board of Directors adopted Ordinance No. 7 and Ordinance No. 10, respectively that established Sewer User Fees pursuant to a fee structure based on classification and individual customer water usage. The fee structure was designed to be fair for all residents and businesses. The Sewer User Fees as established are calculated to provide funds required by the District to fund needed capital improvements, provide requisite debt service payments, properly maintain and operate the District's sewer system, and to comply with State and Federal Waste Discharge Requirements. The Board approved rates for residential and non-residential were applied to the sewer assessment to be filed with the

County. As most of the Garden Grove Sanitary District receives water services from the City of Garden Grove, the adopted sewer rate is charged on the property owner's water bill. In the areas of the District that do not receive a water bill from the City of Garden Grove, it was necessary to implement the rate by charging it on the property owner's property tax statement.

DISCUSSION

In order to place sewer charges on the tax roll, the Board must hold a Public Hearing on whether to approve the report detailing charges proposed to be collected on the tax roll for sewer services in the areas of the District that extend beyond the Garden Grove city limits, and do not receive water services from the City of Garden Grove. The report is on file and available for review in the office of the City Clerk, and will be available at the June 26, 2018, City Council meeting. The attached Resolution would approve the annual report detailing service charges for each parcel in the service area noted herein and direct that the sewer services charges be collected on the tax roll.

In order for charges to be collected on the tax roll, the Board is required to hold a Public Hearing on whether to approve the report detailing charges proposed to be collected on the tax roll.

FINANCIAL IMPACT

This action will provide for the collection of Sewer Service Fees from properties located outside the City for which the Garden Grove Sanitary District provides sewer services.

RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board:

- Conduct the Public Hearing on the report detailing fees to be collected on the tax roll for sewer services outside the City limits;
- Adopt the attached Resolution approving the report and authorizing the collection on the tax roll of Sewer Service Fees for property served by the Garden Grove Sanitary District and located outside the City limits (by five (5) affirmative votes); and
- Direct staff to file the necessary documentation with the County for the collection of the fees on the property tax bills.

By: Jeff Kuramoto, Utility Revenue Supervisor

ATTACHMENTS:

Description	Upload Date	Type	File Name
2018 Sewer Assessment Resolution	6/12/2018	Resolution	2018_Reso_Sewer_Services_beyond_city_limits.doc

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE GARDEN GROVE SANITARY DISTRICT
AUTHORIZING CHARGES FOR SEWER SERVICES IN THE AREAS OF THE DISTRICT
THAT EXTEND BEYOND THE GARDEN GROVE CITY LIMITS AND DO NOT RECEIVE
WATER SERVICES FROM THE CITY OF GARDEN GROVE TO BE COLLECTED ON THE
TAX ROLL

WHEREAS, the Garden Grove Sanitary District is a subsidiary district of the City of Garden Grove, organized under the Sanitary District Act of 1923;

WHEREAS, in accordance with Ordinance No. 7, adopted September 13, 2005, and Ordinance No. 10, adopted on February 14, 2012, the Garden Grove Sanitary District imposes and collects fees and charges for sewer services it provides within its jurisdictional boundaries, which extend to areas outside the corporate boundaries of the city of Garden Grove;

WHEREAS, pursuant to California Health and Safety Code Section 5471, such sewer user fees and charges applicable to parcels that also receive water service from the City of Garden Grove are collected with the charges of the City of Garden Grove's water utility;

WHEREAS, pursuant to Ordinance No. 7 and Ordinance No. 10, the Garden Grove Sanitary District Board of Directors may elect, in its discretion, to have the sewer user fees for those areas outside of the corporate boundaries 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 general taxes of the District;

WHEREAS, on July 22, 1999, the Board of Directors of the Garden Grove Sanitary District adopted Resolution No. 3631 ordering the charges for sewer collection services in the areas of the District that extend beyond the Garden Grove city limits and do not receive water services from the City of Garden Grove to be collected on the tax roll;

WHEREAS, the Board of Directors of the Garden Grove Sanitary District wishes to have charges for sewer services in the areas of the District that extend beyond the Garden Grove city limits and do not receive water services from the City of Garden Grove collected on the tax roll;

WHEREAS, the Board of Directors of the Garden Grove Sanitary District has considered the report containing a description of each parcel of real property receiving sewer services from the District that is located in an area outside the corporate boundaries of the city of Garden Grove and not receiving water service from the City of Garden Grove, and the amount of the charge for each parcel for the year, presented at its meeting of June 26, 2018;

WHEREAS, at the Regular Meeting of the Garden Grove Sanitary District on June 26, 2018, held in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California, at 6:30 p.m., the Board of Directors held a duly noticed Public Hearing, at which all oral and written comments, objections, and protests to the report were heard;

WHEREAS, the Secretary has caused notice of the report and Public Hearing to be published in a newspaper of general circulation on May 30, 2018, and June 6, 2018, within the District pursuant to Section 6066 of the Government Code; and

WHEREAS, the Board of Directors has heard and considered all protests, both written and oral, and hereby determines that protest has not been made by the owners of a majority of separate parcels of property described in the report.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Garden Grove Sanitary District, pursuant to the provisions of the Health and Safety Code 5473, approves the report detailing the charges proposed to be collected on the tax roll for sewer services in the areas of the District that extend beyond the Garden Grove city limits and do not receive water services from the City of Garden Grove, and hereby orders these sewer services charges be collected on the tax roll in the same manner, by the same person, and at the same time as, together with and not separately from, the general taxes of the District. The General Manager of the District, or his designee, shall file all necessary documentation with the County of Orange for the collection of the charges on the property tax roll.

BE IT FURTHER RESOLVED, that the General Manager of the District, or his designee, is directed to cause a written report to be prepared annually containing a description of each parcel of real property receiving sewer services in the areas of the District that extend beyond the Garden Grove city limits and do not receive water services from the City of Garden Grove, and the amount of the charge for each parcel for that year in conformance with the then valid rate ordinance and that this report be filed by the Secretary with the County Auditor in a timely manner for the purpose of adding the fees to the tax roll.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	William E. Murray
Dept.:	General Manager	Dept.:	Finance
Subject:	Adoption of Resolutions Amending the Garden Grove Sanitary District Budget for Fiscal Year 2018/19, Setting the Fiscal Year 2018/19 Appropriations Limit, and Reappropriating Project Balances and Encumbrances from Fiscal Year 2017/18. (<i>Action Item</i>)		
		Date:	6/26/2018

OBJECTIVE

To receive Garden Grove Sanitary District (GGSD) Board approval to amend the GGSD Budget for Fiscal Year (FY) 2018/19; and for the GGSD to adopt the attached Resolutions amending the FY 2018/19 Budget, setting the FY 2018/19 appropriations limit, and reappropriate project balances and encumbrances from FY 2017/18.

BACKGROUND

On June 27, 2017, Council adopted the City's two-year budget for FY 2017/18 and FY 2018/19. During FY 2017/18, a number of operational goals were met along with the completion of capital improvement projects. Accomplishments related to the GGSD include:

- Reduction of Sanitary Sewer Overflows;
- Completion of the sewer main improvements construction on Nutwood Street between Law Drive and Garden Grove Boulevard, Imperial Avenue between Magnolia Street and La Vaughn Drive, and Central Avenue between Magnolia Street and Casa Linda Lane;
- Completion of the design of Capital Improvements Projects on Ward Street, Newland Street, Josephine Street, Trask Avenue, Stanford Avenue, and Westminster Avenue;
- Removal and replacement of 50 manhole rings and covers;
- Inspection of approximately 3,400 manholes out of 9,700 manholes;
- Completion of closed circuit television (CCTV) work for 320,000 linear feet of sewer line and approximately 550,000 linear feet of cleaning;

- Continued implementation of the Sewer Main Cleaning Program, Manhole Inspection Program, Hot Spot Cleaning Program, CCTV Roving Checks Program and Electrical Mechanical Maintenance Program for the GGSD's lift stations;
- Completion of the Root Control Program covering 17,287 linear feet of sewer lines;
- Treated 2,968 manholes through the Insect Spraying Program;
- Diverted 5 possible sewer system overflows;
- Continued flow monitoring throughout the system;
- Repaired 19 sewer main defects identified through the Sanitary Sewer Rehabilitation Plan;
- Completion of the cleaning of 620 hot spots;
- Compliance with the State Water Resources Control Board's Statewide General Waste Discharge Requirement (WDR) mandates;
- Compliance with waste diversion goals of AB 939 (50% diversion), AB 341 (Commercial Recycling) and AB 1826 (Commercial Organics Recycling);
- Compliance with National Pollutant Discharge Elimination System Trash Amendment;
- Secured grant funding from CalRecycle's Oil Payment Program and City/County Beverage Container Recycling Program to support the City's Used Motor Oil Residential Collection Program and liter abatement at City park sites;
- Funded the fourth year of the Discovery Science Center's School Recycling Educational Program;
- Compliance with all South Coast Air Quality Management District and Orange County Health Care Agency regulations and rules related to the management of closed landfills; and
- Enforce the Fats, Oils, and Grease ordinance (FOG) through inspections of food service establishments and review of construction plans.

DISCUSSION

Staff has conducted a mid-biennial review and budget adjustments are needed in operating expenditures to the second year of the two-year budget. The FY 2018/19 budget amendment is necessary to fund the GGSD's operations based on the organizational requirements of the GGSD's sewer and refuse funds. Goals for the upcoming fiscal year include:

- Completion of the sewer main improvements construction on Ward Street between Davit Avenue and McFadden Avenue, Newland Street between Route 22 and Gloria Avenue, Josephine Street between Acacia Street to Garden Grove Boulevard, Trask Avenue between Jackson Street and Coast Street, Stanford Avenue between Brookhurst Street and Blackthorn Street, and Westminster Avenue between Euclid Street and Anita Place;
- Implementation of Sewer Structural Deficiency Improvement Plan;
- Continue the Manhole Inspection Program and replace deteriorated manhole rings and covers;
- Continue replacement of sewer main defects identified through CCTV inspections;
- Continue to implement State Water Resources Control Board's Statewide General WDR mandates, including expansion of capital improvement and operation and maintenance programs to address capacity and structural

- deficiencies (dependent upon funding);
- Continue the public education program for FOG control;
- Continue inspection and enforcement efforts related to the FOG ordinance for food service establishments;
- Continue compliance efforts related to AB 939 waste diversion (50% diversion), AB 341 (Commercial Recycling) and AB 1826 (Commercial Organics Recycling);
- Continue seeking recycling grants;
- Continue funding the Discovery Science Center's School Recycling Educational Program to help achieve long-term waste diversion goals;
- Ensure environmental compliance of GGSD's Longsdon Pit north and south closed landfills located west of Harbor Boulevard/north of Chapman Avenue; and
- Evaluate and address funding issues in solid waste and sanitary sewer regulation compliance as they arise.

FINANCIAL IMPACT

The GGSD revenues continue to stay strong. The proposed budget will allow for the GGSD to continue meeting its obligations under the WDR mandates by continuing with its capital improvement and replacement programs.

RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board:

- Adopt the attached resolutions amending the Fiscal Year 2018/19 Budget, setting the GGSD FY 2018/19 appropriations limit, and reappropriating project balances and encumbrances from Fiscal Year 2017/18.

By: Samuel Kim, P.E.
Water Services Manager

ATTACHMENTS:

Description	Upload Date	Type	File Name
Resolution Amending FY 2018- 19 Budget	6/20/2018	Resolution	RES-GGSD_6.26.18.DOC
Appropriations Limit Report and Resolution	6/19/2018	Resolution	GGSD_Appropriations_Limit_Report_and_Resolution.pdf
GGSD - Reapp Proj Balances Resolution	6/19/2018	Resolution	Resolutions_City_2018-19_-_GGSD.docx
GGSD Budget	6/21/2018	Backup Material	GGSD_Budget.pdf

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT AMENDING THE FISCAL YEAR 2018-19 BUDGET

WHEREAS, the Garden Grove Sanitary District (GGSD) adopted a two-year budget on June 27, 2017 for Fiscal Years 2017-18 and Fiscal Year 2018-19; and

WHEREAS, it is necessary to amend the adopted budget for Fiscal Year 2018-19 for adjustments in operating and capital expenditures.

NOW, THEREFORE, BE IT RESOLVED that the General Manager is hereby authorized to expend in accordance with laws of the State of California on behalf of the Garden Grove Sanitary District an amount of \$18,973,644 for Fiscal Year 2018-19 from new appropriations for the planned activities shown below:

<u>Expenditures</u>	<u>Adopted FY 2018-19</u>	<u>Revised FY 2018-19</u>
Sewer	\$ 16,048,032	\$ 16,434,877
Refuse	<u>2,371,158</u>	<u>2,538,767</u>
TOTAL EXPENDITURES	\$ 18,419,190	\$ 18,973,644

BE IT FURTHER RESOLVED that the total of \$18,973,644 for Fiscal Year 2018-19, which the General Manager is authorized to expend in accordance with the Laws of the State of California shall be appropriated from the following funds:

<u>Funding</u>	<u>Adopted FY 2018-19</u>	<u>Revised FY 2018-19</u>
Fund 630 – GGSD Sewer Operations	\$ 9,585,367	\$ 9,972,212
Fund 631 – GGSD Sewer Capital*	4,500,000	4,500,000
Fund 632 – GGSD Sewer Replacement	1,962,665	1,962,665
Fund 660 – GGSD Refuse	<u>2,371,158</u>	<u>2,538,767</u>
TOTAL FUNDING	\$ 18,419,190	\$ 18,973,644

* Transfer In The GGSD Sewer Funds: Sewer Operations Fund (Fund 630) To Sewer Capital Fund (Fund 631)	\$ 4,500,000	\$ 4,500,000
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City of Garden Grove

INTER-DEPARTMENT MEMORANDUM GARDEN GROVE SANITARY DISTRICT

To:	Scott C. Stiles	From:	Kingsley Okereke
Dept:	General Manager	Dept:	Finance
Subject:	ADOPTION OF A RESOLUTION SETTING THE FISCAL YEAR 2018-19 GARDEN GROVE SANITARY DISTRICT APPROPRIATIONS LIMIT		
		Date:	June 26, 2018

OBJECTIVE

The purpose of this memorandum is for the District Board to review and adopt the attached Appropriations Limit Resolution for the Garden Grove Sanitary District setting the appropriations limit for Fiscal Year 2018-19.

BACKGROUND

In November 1979, the citizens of California passed Proposition 4 (Gann Initiative amending Article XIII B) which placed limitations on the finances of state and local governments. It also provided a method of calculating and adopting the limitations. The State Department of Finance provides guidelines from the legislation and Article XIII B for consistent statewide implementation (See Exhibit A). The District is utilizing these guidelines in the calculation process.

DISCUSSION

The Fiscal Year 2018-19 appropriations limit for the Garden Grove Sanitary District is \$13,552,953. The recommended budget appropriations subject-to-limit is \$2,690,000. The difference of \$10,862,953 is the "gap" from which additional appropriations can be made.

Section 7900 et seq. of the Government Code requires local governments to adopt a resolution setting the limitations at a regularly scheduled meeting or noticed special meeting. There is no requirement in the State Code for a public hearing prior to adoption of the resolution.

FINANCIAL IMPACT

Not applicable

ADOPTION OF A RESOLUTION
SETTING THE FISCAL YEAR 2018-19
GARDEN GROVE SANITARY DISTRICT
APPROPRIATIONS LIMIT
June 26, 2018
Page 2

RECOMMENDATION

It is recommended that the District Board:

- Adopt the Appropriations Limit Resolution for the Garden Grove Sanitary District setting the appropriations limit for Fiscal Year 2018-19 at \$13,552,953.

KINGSLEY OKEREKE
Assistant City Manager/Finance Director

Attachments: Resolution
EXHIBIT "A"

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN
GROVE SANITARY DISTRICT ESTABLISHING THE AMOUNT OF
INCREASE IN APPROPRIATIONS IN ACCORDANCE WITH
ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION AS AMENDED BY
PROPOSITION 111

WHEREAS, Chapter 1205 statutes of 1980 became effective January 1, 1981;

WHEREAS, Article XIII B of the California Constitution was amended by Proposition 111 to change the price and population factors that may be used by local jurisdictions in setting their appropriations limit; and

WHEREAS, the amendments specify that the appropriations limit may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or the change in the local assessment roll due to local non-residential construction.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the appropriations limit for Fiscal Year 2018-19 in accordance with Exhibit "A" is \$13,552,953 excluding user fees.

EXHIBIT "A"

ARTICLE XIII-B CALCULATIONS

2018-19 BUDGET

Per Capita Change = 3.67% (Personal Income)
Population Change = .69%

$$\text{Per Capita converted to a ratio:} \quad \frac{3.67 + 100}{100} = 1.0367$$

$$\text{Population converted to a ratio:} \quad \frac{.69 + 100}{100} = 1.0069$$

$$\text{Calculation of factor for FY 2018-19:} \quad 1.0367 \times 1.0069 = 1.0439$$

$$\$12,983,581 \times 1.0439 = \$13,552,953$$

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT REAPPROPRIATING CERTAIN FISCAL YEAR 2017-18 PROJECT BALANCES AND ENCUMBRANCES FOR THE FISCAL YEAR 2018-19

WHEREAS, the Garden Grove Sanitary District Board of Directors has reviewed the estimated Fiscal Year 2017-18 Revenues, Expenditures and Fund Balances as projected to the end of the fiscal year, and has given careful consideration to the closing of appropriations for Fiscal Year 2017-18;

WHEREAS, the Garden Grove Sanitary District Board of Directors has reviewed and given careful consideration of the recommended Fiscal Year 2018-19 budgets;

WHEREAS, certain projects begun in Fiscal Year 2017-18 or prior fiscal years require continuing appropriations to complete the projects;

WHEREAS, unexpended balances of Fiscal Year 2017-18 or prior fiscal years are estimated to be available within these certain projects on June 30, 2018; and

WHEREAS, certain purchase orders are estimated to have encumbered balances on June 30, 2018.

NOW, THEREFORE, BE IT RESOLVED that the uncommitted, unexpended balances of appropriations on June 30, 2018, of the projects below be appropriated to the Reserve for continuing projects within their respective funds:

PACKAGE	FUND	PACKAGE NAME
1000	630, 660	FINANCE ADMN/ANAL
1020	630, 660	GENERAL ACCOUNTING
1021	630, 660	FINANCIAL PLANNING
1030	630	UTILITY BILLING
1031	660	REFUSE BILLING
3000	630, 660	PUBL WORKS GEN ADMN
3010	630, 660	ENVIRONMENTAL MGMT
3800	630	SEWER OPERATIONS
3802	630	SEWER BOND 2017
3810	630	SEWER INSP
3820	630	SEWER LATER/LN PRGM
3900	660	REFUSE SERVICES
3950	660	WASTE MGMT/RECYCLNG
6007	630	EMPLOYEE TRAINING

6876	630	800MHZ P25 RDO DEP
6877	630	800MHZ VEH FND DEBT
7370	631	STONEGATE WATER SYSTEM IMPROVEMENTS
7396	631	GETAWAY LINE
7800	630, 631	GGSD CAPITAL IMP
7801	635	CHAPMAN PROJECT 72
7802	631	HARBOR RELOC-SEWER
7806	631	BELGRAVE/TIFFANY LIFT STATION
7815	631	BELGRAVE AVE BAILEY ST
7816	631	LAMPSON 20, 21, 22, 23
7817	631	STANTON PROJECT 3
7818	631	HASTER 25, 26
7820	631	LAMPSON EUCLID 32
7821	631	DEANANNE 65
7822	631	LENORE 43, 46, 68, 75
7823	631	TRAYLOR DEANN 59, 65
7824	631	WARD ST 96,99
7825	631	CERRITOS SEWER REIMBURSEMENT
7826	631	WESTERMINSTER AV SEWER
7828	631	GG BLVD. INTERCEPTOR BROOKHURST
7831	631	JOYZELLE/HILL
7833	631	TRASK NEWLAND SEWER
7834	631	SWR IMRV CENTRAL AV
7835	631	DONEGAL WSTMSTR9293
7836	631	SEWER REHAB PHASE 1
7837	631	LMPSN/NUTWD/IMPRL
7838	631	ORANGEWOOD SEWER
7843	632	GGSD REPLACEMENT 18
9503	660	GGSD RES/CASH FLOW
9504	630, 660	GGSD OPERATING RES
9509	660	LANDFILL RESERVE

BE IT FURTHER RESOLVED that for the projects listed above the amount of unexpended balance of appropriations on June 30, 2018, be reappropriated for Fiscal Year 2018-19 from the Reserve for continuing projects of the respective funds.

BE IT FURTHER RESOLVED that the encumbered balances of purchase orders on June 30, 2018, be appropriated to the Reserve for encumbrances of the

respective funds and that the amount of encumbered balances of purchase orders on June 30, 2018, be reappropriated for Fiscal Year 2018-19 from the Reserve for encumbrances of the respective funds.

**GARDEN GROVE SANITARY DISTRICT
A SUBSIDIARY DISTRICT OF THE
CITY OF GARDEN GROVE**

**BUDGET AMENDMENT
FISCAL YEAR 2018/19**

Presented By:

**CITY OF GARDEN GROVE
DEPARTMENT OF PUBLIC WORKS**

GARDEN GROVE SANITARY DISTRICT

BUSINESS PRINCIPLES

1. Enterprise fund should break even, not operate in a deficit.
2. In order to operate efficiently, a two month cash flow is required, as well as maintenance of \$500,000 in reserves for contingencies.
3. Establish uniform service throughout the district.
4. Develop a replacement sinking fund. Ideal amount of fund should approach 5% of system replacement value.
5. Improve system and facilities up to industry standards by adequately funding new Capital Improvement Programs.
6. Satisfy Debt Covenant conditions under which outstanding Sanitary District debt was issued.
7. Implement the 10-year financial plan.

GARDEN GROVE SANITARY DISTRICT
SEWER BUDGET
FY 2017-18 - FY 2018-19
(\$000)

	FY 17-18 Adopted Budget	FY 17-18 Projected Year End	FY 18-19 Adopted Budget	FY 18-19 Amended Budget
<u>FUNDS AVAILABLE</u>				
BEGINNING BALANCE	\$ 25,305.1	\$ 25,245.4	\$ 20,918.0	\$ 22,501.9
BOND PROCEEDS	0.0	0.0	0.0	0.0
REVENUES	9,498.4	10,466.0	10,448.0	10,448.0
ADJUSTMENT	0.0	0.0	0.0	0.0
FUNDS AVAILABLE	\$ 34,803.5	\$ 35,711.4	\$ 31,366.0	\$ 32,949.9
<u>OPERATIONS EXPENDITURES</u>				
OPERATIONS				
LABOR	\$ 3,240.2	\$ 2,564.2	\$ 3,323.7	\$ 3,336.9
CONTRACTUAL SERVICES	1,326.1	1,326.1	1,381.9	1,381.9
COMMODITIES	344.0	344.0	354.3	354.3
VEHICLE/EQUIPMENT RENTALS	334.8	334.8	341.5	458.6
INSURANCE	41.7	41.7	41.7	41.7
ADMIN SUPPORT	678.6	678.6	678.6	745.1
BOND ISSUANCE COSTS	0.0	0.0	0.0	0.0
DEBT SERVICE	1,196.6	1,196.6	1,201.0	1,201.0
CAPITAL EQUIPMENT	18.0	18.0	0.0	190.0
ENTERPRISE RESOURCE PLANNING	300.0	300.0	300.0	300.0
LATERAL LOAN PROGRAM	0.0	0.0	0.0	0.0
OPERATING RESERVE	0.0	0.0	0.0	0.0
SEWER SYSTEM CONTINGENCY RESERVE	0.0	0.0	0.0	0.0
TOTAL OPERATIONS EXPENDITURES	\$ 7,480.0	\$ 6,804.0	\$ 7,622.7	\$ 8,009.5
<u>SEWER CAPITAL</u>				
CAPITAL REPLACEMENT	\$ 1,905.5	\$ 1,905.5	\$ 1,962.7	\$ 1,962.7
NEW CAPITAL IMPROVEMENTS	4,500.0	4,500.0	4,500.0	4,500.0
CAPITAL EXPENDITURES	\$ 6,405.5	\$ 6,405.5	\$ 6,462.7	\$ 6,462.7
TOTAL EXPENDITURES	\$ 13,885.5	\$ 13,209.5	\$ 14,085.4	\$ 14,472.2
FUNDS AVAILABLE	\$ 34,803.5	\$ 35,711.4	\$ 31,366.0	\$ 32,949.9
EXPENDITURES	13,885.5	13,209.5	14,085.4	14,472.2
ENDING BALANCE	\$ 20,918.0	\$ 22,501.9	\$ 17,280.6	\$ 18,477.7

GARDEN GROVE SANITARY DISTRICT
REFUSE SERVICES BUDGET
FY 2017-18 - FY 2018-19
(\$000)

	FY 17-18 Adopted Budget	FY 17-18 Projected Year End	FY 18-19 Adopted Budget	FY 18-19 Amended Budget
<u>FUNDS AVAILABLE</u>				
BEGINNING BALANCE	\$ 5,105.9	\$ 4,783.5	\$ 5,574.3	\$ 4,783.5
REVENUES *	2,815.9	2,347.5	3,041.4	2,901.0
FUNDS AVAILABLE	<u>\$ 7,921.8</u>	<u>\$ 7,131.0</u>	<u>\$ 8,615.7</u>	<u>\$ 7,684.5</u>
<u>OPERATIONS EXPENDITURES</u>				
OPERATIONS (REFUSE)				
LABOR	\$ 510.0	\$ 510.0	\$ 523.8	\$ 520.4
CONTRACTUAL SERVICES	515.0	515.0	525.1	675.1
COMMODITIES	27.1	27.1	26.9	26.9
INSURANCE	13.9	13.9	13.9	13.9
STREET REPAIR CHARGE	500.0	500.0	500.0	512.50
ADMIN SUPPORT	81.5	81.5	81.5	90.0
ENTERPRISE RESOURCE PLANNING	200.0	200.0	200.0	200.0
OPERATING RESERVE	0.0	0.0	0.0	0.0
LANDFILL RESERVE	500.0	500.0	500.0	500.0
TOTAL OPERATIONS EXPENDITURES	<u>\$ 2,347.5</u>	<u>\$ 2,347.5</u>	<u>\$ 2,371.2</u>	<u>\$ 2,538.8</u>
FUNDS AVAILABLE	\$ 7,921.8	\$ 7,131.0	\$ 8,615.7	\$ 7,684.5
EXPENDITURES	<u>2,347.5</u>	<u>2,347.5</u>	<u>2,371.2</u>	<u>2,538.8</u>
ENDING BALANCE	<u>\$ 5,574.3</u>	<u>\$ 4,783.5</u>	<u>\$ 6,244.5</u>	<u>\$ 5,145.7</u>

* Annual Rate Increase is 3.51%. In addition to the Annual Rate Increase, revenue was received as part of County of Orange's Waste Disposal Agreement to address bankruptcy related obligations that has resulted in the county and cities agreeing on sharing Net Import Revenues until 2025. Net Import Revenues will be based on actual waste deliveries received from the City. In FY 16-17, initial funds were disbursed to the City in the amount of \$387,100. In FY 17-18, no funds were disbursed to the City. Annual import revenue sharing will begin in FY 18-19.