



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

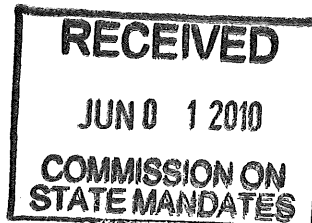
KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE  
AUDITOR-CONTROLLER

MARIA M. OMS  
CHIEF DEPUTY

May 27, 2010

Ms. Paula Higashi  
Executive Director  
Commission on State Mandates  
980 Ninth Street, Suite 300  
Sacramento, California 95814



ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS  
JOHN NAIMO  
JUDI E. THOMAS

Dear Ms. Higashi:

**LOS ANGELES COUNTY  
REVISED PARAMETERS AND GUIDELINES AND PROPOSED STANDARD COSTS  
MUNICIPAL STORM WATER AND URBAN RUNOFF DISCHARGES TEST CLAIMS**

The County of Los Angeles respectfully submits its revised parameters and guidelines and proposed standard costs for the Municipal Storm Water and Urban Runoff Discharges reimbursement program.

If you have any questions, please contact Leonard Kaye at (213) 974-9791 or via e-mail at [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov).

Very truly yours,

Wendy L. Watanabe  
Auditor-Controller

WLW:MMO:JN:CY:lk

H:\SB90\Storm Water Ps&Gs 06 01 10 cover letter.doc

Enclosure

Los Angeles County  
Revised Parameters and Guidelines and Proposed Standard Costs  
Municipal Storm Water and Urban Runoff Discharges Test Claims

Executive Summary

On July 31, 2009, the Commission on State Mandates (Commission) adopted a landmark decision. For the first time in California, municipalities could receive State reimbursement for storm water mandates that are not found in the federal Clean Water Act and related legislation. The State mandates that were found to be reimbursable are part of the municipal storm water permit issued to the County of Los Angeles (County), the Los Angeles County Flood Control District and 84 cities. Specifically, eligible claimants are required to:

“Place trash receptacles at all transit stops within its jurisdiction that have shelters no later than August 1, 2002, and at all transit stops within its jurisdiction no later than February 3, 2003. All trash receptacles shall be maintained as necessary.”<sup>1</sup>

On August 28, 2009, the County filed parameters and guidelines (Ps&Gs) to specify terms and conditions of reimbursement for activities that are reasonably necessary in placing and maintaining transit trash receptacles at designated bus stops. Under this initial version of the Ps&Gs, claimants were permitted to conduct time studies to determine their unit costs in performing repetitive trash collection activities.

This revised version of the Ps&Gs permits reimbursement for repetitive trash collection activities using either the time study methodology or the ‘reasonable reimbursement methodology’ (RRM). If an RRM is used, claimants would simply multiply the standard unit cost for a trash collection by the number of such collections to obtain reimbursement for this activity. The proposed standard unit costs are based on survey responses from a representative sample of eligible claimants.

In addition, the revised Ps&Gs underscores the necessity of constructing concrete pads at unimproved bus stop locations in order to bolt down receptacles and prevent frequent loss.

---

<sup>1</sup> These mandates are found in Part 4F5c3 of Order No. 01-182, Permit CAS004001 (Permit) which was issued by the Los Angeles Regional Water Quality Control Board on December 13, 2001.

## Standard Unit Costs

The RRM's standard unit costs included in this revised version of the Ps&Gs were developed from a survey of a representative sample of eligible claimants in accordance with the RRM requirement found in Government Code Section 17518.5(b):

“(b) A reasonable reimbursement methodology shall be based on cost information from a representative sample of eligible claimants, information provided by associations of local agencies and school districts, or other projections of local costs.

Under the auspices of the California State Association of Counties (CSAC) and the California League of Cities (League), eleven jurisdictions were surveyed<sup>2</sup>. The sample was representative as it included large, mid-sized and small jurisdictions.

It should be noted that the cities of Beverly Hills and Commerce were removed from the sample when it was noted that they were located in watersheds where a trash TMDL<sup>3</sup> had been adopted. Only jurisdictions under the Permit that are not subject to a trash TMDL are eligible claimants.

Accordingly, the standard unit cost survey's results are based on a representative sample of eligible claimants<sup>4</sup>.

In addition, the survey results reflect the variation in costs among local agencies to implement the mandate in a cost-efficient manner, an RRM requirement in Government Code Section 17518.5(c). Here, some agencies found that using in-house staff and resources to perform the trash collection mandate was cost-efficient while other agencies concluded otherwise and awarded new or amended contracts to perform the mandate to vendors. Moreover, some agencies used both in-house and contract performance methods during the survey period.

---

<sup>2</sup> See page 1 of Exhibit 1 for a list of claimants included in the sample.

<sup>3</sup> A Total Maximum Daily Load, or TMDL, is a calculation of the maximum amount of a pollutant that a water body can receive and still safely meet water quality standards.

<sup>4</sup> These eligible claimants include the County of Los Angeles, the County of Los Angeles Flood Control District and the cities of Artesia, Baldwin Park, Bellflower, Cerritos, Covina, Downey, Monterey Park, Pico Rivera, Signal Hill, South Pasadena and West Covina.

Accordingly, the standard unit cost survey's results reflect the variation in costs among local agencies to implement the mandate in a cost-efficient manner.

It should be noted that survey response from the city of Norwalk was not used in computing the survey results. In Norwalk's case, the contractor billed the city for the combined costs of trash collection and bus stop cleaning and it was not possible to determine the portion of costs that should be allocated to their trash collection activities.

The survey also meets the RRM requirements found in Government Code Section 17518.5(d):

“Whenever possible, a reasonable reimbursement methodology shall be based on general allocation formulas, uniform cost allowances, and other approximations of local costs mandated by the state, rather than detailed documentation of actual local costs. In cases when local agencies and school districts are projected to incur costs to implement a mandate over a period of more than one fiscal year, the determination of a reasonable reimbursement methodology may consider local costs and state reimbursements over a period of greater than one fiscal year, but not exceeding 10 years.” (Emphasis added.)

Here, the County's RRM provides a uniform cost allowance. Further, this allowance is based on local costs incurred over a seven year period (July 1, 2002 through June 30, 2009), which does not exceed the ten-year limitation.

Therefore, pertinent RRM requirements found in Government Code Section 17518.5 have been met and reimbursement is required as specified herein.

RRM Survey Results

The RRM survey, summarized on page 1 of Exhibit 1, provide several results, including a weighted average cost of \$6.75 per trash collection over the survey period. This average was weighted to reflect the percentage of the total surveyed trash collections performed by a specific respondent. A respondent's percentage was then multiplied by that respondent's unit cost to obtain the amount of unit cost attributable to that respondent. The sum of all respondents' unit costs was then computed to obtain a weighted mean average cost. This process was used so that the unit costs of respondents performing more trash collection were given greater weight than respondents performing fewer trash collections. Otherwise, the unit

cost of a respondent performing 2,513 trash collections would be given the same weight as the unit cost of a respondent performing 39 collections.

It is proposed that the weighted mean average rate of \$6.75 per collection be assigned to the 2005-06 year. This designation is reasonable and proper considering that the \$6.75 rate is an average rate over the entire reimbursement period and 2005-06 is the middle year in the seven-year reimbursement period.

It is further proposed that the \$6.75 rate for 2006-07 and future years be increased by the cost of living adjustments used by the State Controller's Office (SCO) in promulgating annual claiming instructions. It is also proposed that the \$6.75 rate for 2004-05 and prior years be decreased by SCO's cost of living adjustments. Commission adopt the (above) RRM

Accordingly, for all of the above reasons, the County proposes that the RRM rates in these revised Ps&Gs be adopted by the Commission as a third reimbursement option for the repetitive task of trash collection activities. In the original proposed Ps&Gs, claimants were permitted two alternatives for reimbursement. The time study method was allowed for repetitive trash collection activities as was the actual cost method.

#### State Associations' Support

On May 24, 2010, Mr. Daniel Carrigg, Legislative Director of the League of California Cities (League) and Ms. Jean Kinney Hurst, Legislative Representative from the California State Association of Counties (CSAC), wrote to Ms. Nancy Patton, Commission's Assistant Executive Director, to express their joint support for the reasonable reimbursement methodology (RRM) devised for the Municipal Storm Water and Urban Runoff Discharges mandate<sup>5</sup>. They indicate that:

“The RRM was developed following a survey of six cities (Azusa, Artesia, Bellflower, Carson, Downey and Signal Hill) and Los Angeles County regarding the actual costs of this program. Through the responses, it was determined that the per unit cost per trash pickup was approximately \$6.75. The League and CSAC are in full support of this calculation.”

---

<sup>5</sup> Their joint letter is found in Exhibit 4.

It should be noted that the survey result of \$6.75 per trash pickup also reflected a response from the city of Covina<sup>6</sup>. This response was received late and inadvertently omitted from the survey responses provided to the League and CSAC.

The importance of adopting an RRM is explained by League and CSAC staff. They indicate that:

“If approved, it will ease the administrative burden of filing and processing mandate claims for both the state and local agencies.

The process for devising RRM was created for just that reason. Some mandates lend themselves to a per-unit reimbursement that fairly approximates each agency's cost, though it might not reflect the full actual cost in a specific year. Using this methodology has the potential to reduce the cost to process mandate claims for both locals and the state. We are pleased that the state and local agencies have been able to navigate the new process and hope that this success will smooth the way for future mandate reimbursements as well.”

Therefore, the RRM requirement found in Government Code Section 17518.5(b), that an RRM be based on “cost information from a representative sample of eligible claimants ... provided by associations of local agencies”, has been met.

### Receptacle Installations

The County’s revised Ps&Gs also clarify the activities that are reasonably necessary in installing transit trash receptacles at designated bus stops. The necessity for performing these activities is explained in a declaration by Mr. William Yan, attached in Exhibit 2. Mr. Yan, an Associate Civil Engineer, in the Program Development Division of Los Angeles County’s Department of Public Works, indicates that the following types of activities are reasonably necessary in installing trash receptacles:

“Planning (identifying transit stops, evaluating and selecting trash receptacle and pad type, evaluation of placement of trash receptacles and pads and specification and drawing preparation); preliminary engineering work (construction contract preparation and specification review, bid advertising and award process); construction and

---

<sup>6</sup> The Covina survey response is found on page 9 of Exhibit 1.

installation of trash receptacles (including fabrication and installation of pads for receptacles and foundations and construction management). The four transit trash installation claiming categories are:

1. Identification of locations of all transit stops within the jurisdiction required to have a trash receptacle pursuant to the Permit.
2. Selection of receptacle and pad type, evaluate proper placement of receptacles and prepare specifications and/or drawings.
3. Contract preparation, specification review process, bid advertising, and review and award of bid.
4. Purchase of receptacles and/or construct receptacles install receptacles.”

Mr. Yan, continues to explain the necessity for the installation activities, on pages 2-3 of his declaration, as follows:

“ ... to prevent frequent loss of trash receptacles in many types of locations, the receptacle must be bolted down and, in order to be bolted down, unimproved bus stops must be fitted with a concrete pad.

... proper selection of receptacle and pad types, evaluations of appropriate placements of receptacles and preparation of engineering specifications and/or drawings are necessary for installation of concrete pads.

... securing transit trash receptacles reduces vandalism, theft, and accidental losses and the costs of replacing the missing or damaged receptacles.

... securing transit trash receptacles would reduce the time the receptacle would be out of service and not available to collect trash.

... concrete pads would provide adequate bolting surface for large-capacity transit trash receptacles which require less collection frequency.

... transit trash receptacles made of wrought iron would be more durable against vandalism and damage, thereby reducing replacement costs.

... dome covers and solid trash receptacle liners prevent rain water from going into the receptacles , thereby causing trash to spill out and flow into the storm drains.

... the use of dome covers and the solid trash receptacle liners meet the intent of the California Regional Water Quality Control Board's mandate (Executive Order Number 01-182, as issued on December 13, 2001, in Permit Number CASoo4001, Part 4, Section F.5.c.3.) by preventing pollutants from entering the storm drains.”

Therefore, the above listed installation activities are reasonably necessary to place transit trash receptacles at the designated bus stop locations and are included as reimbursable activities in this revision of the County's Ps&Gs.

The County's revised Ps&Gs are attached in the pages that follow.



## **Los Angeles County's Revised Parameters and Guidelines Municipal Storm Water and Urban Runoff Discharges Test Claims**

### **I. SUMMARY OF THE MANDATE**

On July 31, 2009 the Commission on State Mandates (Commission) issued a Statement of Decision finding, on page 3, that the Los Angeles Regional Water Quality Control Board Order No. 01-182, Permit CAS004001, in Part 4F5c3, imposes a reimbursable state-mandated program on local agencies within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514. This program requires the County of Los Angeles and various cities to:

“Place trash receptacles at all transit stops within its jurisdiction that have shelters no later than August 1, 2002, and at all transit stops within its jurisdiction no later than February 3, 2003. All trash receptacles shall be maintained as necessary.”

The Commission found that the inspection activities, also required under Permit CAS004001, in Parts 4C2a, 4C2b and 4E, mandate inspections of various facilities. The Commission determined that while these requirements were imposed by the State, and not the federal government, these activities were not reimbursable state mandates because the claimants had fee authority within the meaning of Government Code section 17556, subdivision (d), sufficient to pay for the activities in those parts of the permit.

### **II. ELIGIBLE CLAIMANTS**

The County of Los Angeles, Los Angeles County Flood Control District and all cities covered under the municipal storm water permit issued by the Los Angeles Regional Water Quality Control Board in Order No. 01182, Permit No. CAS0040001, in Part 4F5c3, to the extent that these local agencies are not or were not subject to coverage under a trash ‘Total Maximum Daily Load’, or TMDL requirement.

### **III. PERIOD OF REIMBURSEMENT**

The test claim executive order (Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, in Part 4F5c3 took effect on December 13, 2001, the same date as the Permit.

The requirements to initially install trash receptacles commenced with the effective date of the Permit and continued until February 3, 2003 for all trash receptacles. The requirement to maintain the trash receptacles is continuing.

Government Code section 17557, as amended by Statutes of 1998, Chapter 681 (which became effective on September 22, 1998), states that a test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year.

On September 30, 2003, the County of Los Angeles and the Cities of Arcadia, Baldwin Park, Bellflower, Cerritos, Covina, Downey, Monterey Park, Pico Rivera, Signal Hill, South Pasadena and West Covina filed test claims for this mandated program, establishing eligibility for reimbursement. The Commission originally refused jurisdiction of the test claims pursuant to Government Code section 17516. After litigation, the California Court of Appeal for the Second District held that the provisions of Section 17516 were unconstitutional and issued a writ directing the Commission to fully consider the test claims. The test claims were re-filed in October and November 2007 and were considered by the Commission to be filed as of September 30, 2003.

Therefore, the reimbursement period is considered to have begun on July 1, 2002.

Actual costs for one fiscal year shall be included in each claim. Estimated costs for the subsequent year may be included on the same claim, if applicable. Pursuant to section 17561, subdivision (d)(1) of the Government Code, all claims for reimbursement of initial years' costs shall be submitted within 120 days of notification by the State Controller of the issuance of claiming instructions.

If the total costs for a given year do not exceed \$200, no reimbursement shall be allowed, except as otherwise allowed by Government Code section 17564.

#### **IV. REIMBURSABLE ACTIVITIES**

To be eligible for mandated cost reimbursement for any fiscal year, only actual costs may be claimed except where reasonable reimbursement methodology (RRM) rates are adopted as set forth in Section IV.B. To claim repetitive trash collection activities, claimants may elect to use RRM rates, their own time study or actual costs.

#### **IV.A. Actual Costs**

Actual costs are those costs actually incurred to implement the mandated activities. Actual costs must be traceable and supported by source documents that show the validity of such costs, when they were incurred, and their relationship to the reimbursable activities. A source document is a document created at or near the same time the actual cost was incurred for the event or activity in question. Source documents may include, but are not limited to, employee time records, including time survey forms, time logs, sign-in sheets, and, invoices, receipts and unit cost studies using source documents.

Evidence corroborating the source documents may include, but is not limited to, worksheets, cost allocation reports (system generated), purchase orders, contracts, agendas, training packets, and declarations. Declarations must include a certification or declaration stating, "I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct," and must further comply with the requirements of Code of Civil Procedure section 2015.5. Evidence corroborating the source documents may include data relevant to the reimbursable activities otherwise in compliance with local, state, and federal government requirements. However, corroborating documents cannot be substituted for source documents.

Claimants may use time studies to support labor [salary, benefit and associated indirect] costs when an activity is task-repetitive. Time study usage is subject to the review and audit conducted by the State Controller's Office. The reimbursable time recorded on each time survey form must be for specific reimbursable activities as detailed herein. An employees reimbursable time is totaled and then multiplied by their productive hourly rate, as that term is defined in the State Controller's Office annual claiming instruction manual, found on [www.sco.ca.gov](http://www.sco.ca.gov). If a time study sample is used to claim time for 4 through 9 staff, at least 2 staff should be time surveyed. If 10 or more staff are claimed, a 20% sample, rounded to the nearest whole number of cases, should be taken.

#### **IV.B. Reasonable Reimbursement Methodology**

Claimants may elect to be reimbursed for their transit trash collection costs using a reasonable reimbursement methodology (RRM) as set fourth below. Under this RRM, the annual standard or unit cost for each trash collection or 'pick-up' is multiplied by the annual number of trash collections to compute reimbursement for trash collection activities.

The annual standard costs for a transit trash collection or 'pick-up' are:

2008-09	\$6.75	plus three annual cost of living adjustments <sup>7</sup>
2007-08	\$6.75	plus two annual cost of living adjustments
2006-07	\$6.75	plus one annual cost of living adjustment
2005-06	\$6.75	
2004-05	\$6.75	less one annual cost of living adjustment
2003-04	\$6.75	less two annual cost of living adjustments
2002-03	\$6.75	less three annual cost of living adjustments

#### **IV.C. Scope of Reimbursable Activities**

The claimant is only allowed to claim, and be reimbursed for, increased costs for reimbursable activities identified below. Increased cost are limited to the costs of an activity that the claimant is required to incur as a result of the mandate.

For each eligible claimant, the following activities are reimbursable:

1. Installation of Trash Receptacles. These activities include: planning (identifying transit stops, evaluating and selecting trash receptacle and pad type, evaluation of placement of trash receptacles and pads and specification and drawing preparation); preliminary engineering work (construction contract preparation and specification review, bid advertising and award process); construction and installation of trash receptacles (including fabrication and installation of pads for receptacles and foundations and construction management). The five transit trash installation claiming categories are:
  - a. Identification of locations of all transit stops within the jurisdiction required to have a trash receptacle pursuant to the Permit.

---

<sup>7</sup> The cost of living adjustments to be used are proposed to be the cost of living adjustments used by the State Controller's Office in promulgating annual claiming instructions.

- b. Selection of receptacle and pad type, evaluate proper placement of receptacles and prepare specifications and/or drawings.
  - c. Contract preparation, specification review process, bid advertising, and review and award of bid.
  - d. Purchase of receptacles and/or construct receptacles and install receptacles.
  - e. Repeat steps (IV.C.1. c-d) when necessary for replacement of receptacles/pads.
2. Maintenance of Trash Receptacles. These activities include repairing, removing and installing trash receptacles and/or pads, as needed. The five transit trash maintenance claiming categories are:
- a. Collection of trash on routine basis, including trash collection and disposal at disposal/recycling facility.
  - b. Inspection of receptacles and pads for wear, cleaning, and other maintenance needs.
  - c. Maintenance of receptacles and pads, including painting, cleaning and repair of receptacles and replacement of liners, and cost of paints, cleaning supplies and liners.
  - d. Replacement of individual damaged or missing receptacles, including costs of purchase and installation of replacement receptacles and disposal/recycling of replaced receptacles or pads.
  - e. Movement (including replacement if required) of receptacles and pads to reflect changes in transit stops, including costs of removal and restoration of property at former receptacle location and installation at new location.

#### **IV.D. Methods for Claiming Costs**

Eligible claimants must use the actual cost method to claim costs for the tasks reflected in Section IV.C(1)(a-e) above.

Eligible claimants must use the actual cost method to claim costs for the maintenance of trash receptacles reflected in Section IV.C(2)(b-e) above.

Eligible claimants may use the actual cost, time study or RRM method to claim costs for the collection of trash reflected in Section IV.(C)(2)(a) above.

## **V. CLAIM PREPARATION AND SUBMISSION**

Each of the following cost elements must be identified for each reimbursable activity identified in Section IV, Reimbursable Activities, of this document. Each claimed reimbursable cost must be supported by source documentation as described in Section IV. Additionally, each reimbursement claim must be filed in a timely manner.

### **A. Direct Cost Reporting**

Direct costs are those costs incurred specifically for the reimbursable activities. The following direct costs are eligible for reimbursement.

#### **1. Salaries and Benefits**

Report each employee implementing the reimbursable activities by name, job classification, and productive hourly rate (total wages and related benefits divided by productive hours). Describe the specific reimbursable activities performed and the hours devoted to each reimbursable activity performed.

#### **2. Materials and Supplies**

Report the cost of materials and supplies that have been consumed or expended for the purpose of the reimbursable activities. Purchases shall be claimed at the actual price after deducting discounts, rebates, and allowances received by the claimant. Supplies that are withdrawn from inventory shall be charged on an appropriate and recognized method of costing, consistently applied.

#### **3. Contracted Services**

Report the name of the contractor and services performed to implement the reimbursable activities. If the contractor bills for time and materials, report the number of hours spent on the activities and all costs charged. If the contract is a fixed price, report the services that were performed during the period covered by the reimbursement claim. If the contract services are also

used for purposes other than the reimbursable activities, only the pro-rata portion of the services used to implement the reimbursable activities can be claimed. Submit contract consultant and attorney invoices with the claim and a description of the contract scope of services.

#### 4. Capital Assets and Equipment

Report the purchase price paid for capital assets and equipment (including computers) necessary to implement the reimbursable activities. The purchase price includes taxes, delivery costs, and installation costs. If the capital asset or equipment is also used for purposes other than the reimbursable activities, only the pro-rata portion of the purchase price used to implement the reimbursable activities can be claimed.

#### 5. Travel

Report the name of the employee traveling for the purpose of the reimbursable activities. Include the date of travel, destination point, the specific reimbursable activity requiring travel, and related travel expenses reimbursed to the employee in compliance with the rules of the local jurisdiction. Report employee travel time according to the rules of cost element A.1, Salaries and Benefits, for each applicable reimbursable activity.

#### 6. Training

The cost of training an employee to perform the mandated activities, as specified in Section IV of these Parameters and Guidelines, is eligible for reimbursement. Identify the employee(s) by name and job classification. Provide the title and subject of the training session, the date(s) attended, and the location. Reimbursable costs may include salaries and benefits, registration fees, transportation, lodging, and per diem.

### B. Indirect Cost Rates

Indirect costs are costs that are incurred for a common or joint purpose, benefiting more than one program, and are not directly assignable to a particular department or program without efforts disproportionate to the result achieved. Indirect costs may include both (1) overhead costs of the unit performing the mandate; and (2) the costs of the central government services distributed to the other departments based on a systematic and rational basis through a cost allocation plan.

Compensation for indirect costs is eligible for reimbursement utilizing the procedure provided in the Office of Management and Budget (OMB) Circular A-87. Claimants have the option of using 10% of direct labor, excluding fringe benefits, or preparing an Indirect Cost Rate Proposal (ICRP) if the indirect cost rate claimed exceeds 10%.

If the claimant chooses to prepare an ICRP, both the direct costs (as defined and described in OMB Circular A-87 Attachments A and B) and the indirect costs shall exclude capital expenditures and unallowable costs (as defined and described in OMB Circular A-87 Attachments A and B). However, unallowable costs must be included in the direct costs if they represent activities to which indirect costs are properly allocable.

The distribution base may be (1) total direct costs (excluding capital expenditures and other distorting items, such as pass-through funds, major subcontracts, etc.), (2) direct salaries and wages, or (3) another base which results in an equitable distribution.

In calculating an ICRP, the claimant shall have the choice of one of the following methodologies:

1. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) classifying a department's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate which is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected; or
2. The allocation of allowable indirect costs (as defined and described in OMB Circular A-87 Attachments A and B) shall be accomplished by (1) separating a department into groups, such as divisions or sections, and then classifying the division's or section's total costs for the base period as either direct or indirect, and (2) dividing the total allowable indirect costs (net of applicable credits) by an equitable distribution base. The result of this process is an indirect cost rate that is used to distribute indirect costs to mandates. The rate should be expressed as a percentage which the total amount allowable indirect costs bears to the base selected.



## **VI. RECORD RETENTION**

Pursuant to Government Code section 17558.5, subdivision (a), a reimbursement claim for actual costs filed by a local agency or school district pursuant to this chapter is subject to the initiation of an audit by the Controller no later than three years after the date that the actual reimbursement claim is filed or last amended, whichever is later. However, if no funds are appropriated or no payment is made to a claimant for the program for the fiscal year for which the claim is filed, the time for the Controller to initiate an audit shall commence to run from the date of initial payment of the claim. In any case, an audit shall be completed not later than two years after the date that the audit is commenced. All documents used to support the reimbursable activities, as described in Section IV, must be retained during the period subject to audit. If an audit has been initiated by the Controller during the period subject to audit, the retention period is extended until the ultimate resolution of any audit findings.

## **VII. OFFSETTING SAVINGS AND REIMBURSEMENTS**

Any offsetting savings the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, service fees collected, federal funds, and other state funds, shall be identified and deducted from this claim.

## **VIII. STATE CONTROLLER'S CLAIMING INSTRUCTIONS**

Pursuant to Government Code section 17558, subdivision (b), the Controller shall issue claiming instructions for each mandate that requires state reimbursement not later than 60 days after receiving the adopted parameters and guidelines from the Commission, to assist local agencies and school districts in claiming costs to be reimbursed. The claiming instructions shall be derived from the test claim decision and the parameters and guidelines adopted by the Commission.

Pursuant to Government Code section 17561, subdivision (d)(1), issuance of the claiming instructions shall constitute a notice of the right of the local agencies and school districts to file reimbursement claims, based upon parameters and guidelines adopted by the Commission.

## **IX. REMEDIES BEFORE THE COMMISSION**

Upon request of a local agency or school district, the Commission shall review the claiming instructions issued by the State Controller or any other authorized state

agency for reimbursement of mandated costs pursuant to Government Code section 17571. If the Commission determines that the claiming instructions do not conform to the parameters and guidelines, the Commission shall direct the Controller to modify the claiming instructions and the Controller shall modify the claiming instructions to conform to the parameters and guidelines as directed by the Commission.

In addition, requests may be made to amend parameters and guidelines pursuant to Government Code section 17557, subdivision (d), and California Code of Regulations, title 2, section 1183.2.

#### **X. LEGAL AND FACTUAL BASIS FOR THE PARAMETERS AND GUIDELINES**

The Statement of Decision is legally binding on all parties and provides the legal and factual basis for the parameters and guidelines. The support for the legal and factual findings is found in the administrative record for the test claim. The administrative record, including the Statement of Decision, is on file with the Commission.

Transit Trash Collection Unit [Per Pickup] Costs Survey Results (Note a)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3

Respondent Survey	Fiscal Years								(X) Average # Pickups (Note b)	(Y) @ year	(X/Y=Z) Unit Cost @ Pickup	M Weighted Units (Note d)	M/Total=D Ave. Adjustment % of Total	DxZ Result
	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	(Note c)						
1 Los Angeles County Beverly Hills [in watershed] Norwalk [e]	\$893	\$1,241	\$1,152	\$1,122	\$1,127	\$1,132	\$602	\$1,111	156	\$7.12	2,513	31.09%	\$2.21	
2 Downey	\$347	\$321	\$320	\$290	\$272	\$581	\$602	\$390	52	\$7.51	1,497	18.52%	\$1.39	
3 Carson [2.57x52 wks=134]	\$311	\$299	\$708	\$144	\$144	\$144	\$144	\$271	134	\$2.02	1,434	17.74%	\$0.36	
4 Bellflower	\$526	\$522	\$528	\$530	\$504	\$486	\$448	\$506	52	\$9.74	1,323	16.37%	\$1.59	
5 Azusa	\$1,504	\$1,504	\$1,504 [f]					\$1,504	104	\$14.46	39	0.48%	\$0.07	
6 Artesia Commerce [in watershed]	\$1,299	\$1,299	\$1,271	\$1,271	\$1,361	\$1,224	\$1,180	\$1,272	104	\$12.23	63	0.78%	\$0.10	
7 Covina	\$422	\$396	\$395	\$310	\$318	\$310	\$310	\$352	52	\$6.76	865	10.70%	\$0.72	
8 Signal Hill	\$398	\$384	\$374	\$374	\$374	\$353	\$343	\$371	52	\$7.14	350	4.33%	\$0.31	
<b>Average by Respondent</b>								<b>\$825</b>		<b>Totals</b>	<b>8,084</b>	<b>100.00%</b>		
<b>Average by Year</b>	\$814	\$852	\$893	\$674	\$683	\$705	\$605	\$747		<b>Weighted Ave</b>			<b>\$6.75</b>	

Notes

- [a] This survey table presents data by fiscal year and by respondent. A weighted mean average per pickup cost of \$6.75 was found.
- [b] Average annual unit cost per trash receptacle over the reimbursement period. Totals were divided by the number of nonzero years.
- [c] During FY 02-03, trash receptacles were installed over a 3-month period. During the installation period, the cleaning and trash pick-up service was first handled in-house and later by contract. Because the number of trash receptacles was not a fixed number during this period and the maintenance service was handled in-house and by contract, it is difficult to accurately annualize the unit cost for FY 02-03.
- [d] The number of units is the sum of all trash receptacles reported by respondents in each average annual cost year [above].
- [e] Survey result was inconclusive as contractor billed city for the combined costs of trash collection and bus stop cleaning.
- [f] \$6,517 was incurred during four months of 2006-07. Annualized cost was \$19,551 for 13 receptacles or 1,504 per receptacle.

**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

**Survey Respondent**

Please Send Survey Response to:

Jurisdiction: LA County unincorporated area      Jean Hurst, California State Association of Counties      [jhurst@counties.org](mailto:jhurst@counties.org)  
 Contact Person: Wendy Bui      and cc: Howard Gest, City Representative      [hgest@burhenngest.com](mailto:hgest@burhenngest.com)  
 Phone: (626) 458-3968      Leonard Kaye, County Representative      [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)  
 E-Mail: [wbui@dpw.lacounty.gov](mailto:wbui@dpw.lacounty.gov)

Fiscal Year	Annual Transit Trash Collection Costs (Note 2) ----- ///				[B] ÷ [A] Unit Cost			
	[A] Ave. # Trash Receptacles	\$ Pick-up	\$ Cleaning	\$ Repair		\$ Replace	\$ Other	\$ Total
2008-09	470	\$319,411	\$100,233				\$419,645	\$892.54
2007-08	429	\$426,584	\$106,312				\$532,896	\$1,241.20
2006-07	418	\$407,240	\$73,811				\$481,051	\$1,151.99
2005-06	404	\$386,988	\$66,536				\$453,524	\$1,121.89
2004-05	406	\$386,263	\$71,211				\$457,474	\$1,127.48
2003-04	386	\$370,224	\$66,346				\$436,569	\$1,131.74
2002-03	324	\$86,151	\$15,779				\$101,930	\$314.92
		\$2,382,861	\$500,227				\$2,883,088	

**Notes**

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here:

**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

Survey Respondent

Jurisdiction : City of Downey, CA  
 Contact Person : Gerald Greene  
 Phone : 562-904-7112  
 E-Mail : [ggreene@downeyca.org](mailto:ggreene@downeyca.org)

**Please Send Survey Response to:**

Dan Carrigg League of California Cities: [CarriggD@cacities.org](mailto:CarriggD@cacities.org)  
 and cc: Howard Gest [hgest@burthenngest.com](mailto:hgest@burthenngest.com)  
 Leonard Kaye [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)

<u>Fiscal Year</u>	<u>Cost Survey</u>		<u>Annual Transit Trash Collection Costs (Note 2)</u>				<u>Unit Cost</u>
	<u>[A]</u> Ave. # Trash Receptacles	<u>[B]</u> \$ Pick-up	<u>\$ Cleaning</u>	<u>\$ Repair</u>	<u>\$ Replace</u>	<u>\$ Other</u>	
2008-09	239	\$82,900	\$0	\$0	\$0	\$0	\$346.86192
2007-08	239	\$76,800	\$0	\$0	\$0	\$0	\$321.33891
2006-07	239	\$76,500	\$0	\$0	\$0	\$0	\$320.08368
2005-06	239	\$69,400	\$0	\$0	\$0	\$0	\$290.37657
2004-05	239	\$64,900	\$0	\$0	\$0	\$0	\$271.54812
2003-04	151	\$87,700	\$0	\$0	\$0	\$0	\$580.7947
2002-03	151	\$71,200	\$0	\$0	\$19,663	\$0	\$90.863

Notes

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here:

**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

Survey Respondent

Jurisdiction : City of Carson  
 Contact Person : Patricia Elkins  
 Phone : (310) 847-3529  
 E-Mail : [pelkins@carson.ca.us](mailto:pelkins@carson.ca.us)

Please Send Survey Response to:

Dan Carrigg League of California Cities: [CarriggD@cacities.org](mailto:CarriggD@cacities.org)  
 and cc: Howard Gest [hgest@burhemngest.com](mailto:hgest@burhemngest.com)  
 Leonard Kaye [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)

<u>Cost Survey</u>	[A]		Annual Transit Trash Collection Costs (Note 2)				[B]		
	Ave. # Trash	Receipts	\$ Pick-up	\$ Cleaning	\$ Repair	\$ Replace	\$ Other	\$ Total	Unit Cost
2008-09	198		\$61,640					\$61,640	\$311.31
2007-08	198		\$59,240					\$59,240	\$299.19
2006-07	198		\$27,240			\$113,010		\$140,250	\$708.34
2005-06	210		\$30,240					\$30,240	\$144.00
2004-05	210		\$30,240					\$30,240	\$144.00
2003-04	210		\$30,240					\$30,240	\$144.00
2002-03	210		\$30,240					\$30,240	\$144.00

Notes

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here:

**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

**Survey Respondent**

Jurisdiction : City of Bellflower  
 Contact Person : Bernardo Iniguez  
 Phone : 562-804-1424, ext. 2233  
 E-Mail : [biniguez@bellflower.org](mailto:biniguez@bellflower.org)

**Please Send Survey Response to:**

Dan Carrigg League of California Cities: [CarriggD@cacities.org](mailto:CarriggD@cacities.org)  
 and cc: Howard Gest [hgest@burhenngest.com](mailto:hgest@burhenngest.com)  
 Leonard Kaye [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)

<u>Fiscal Year</u>	<u>[A]</u>		<u>Annual Transit Trash Collection Costs (Note 2)</u>			<u>[B]</u>	
	<u>Ave. # Trash Receptacles</u>	<u>\$ Pick-up</u>	<u>\$ Cleaning</u>	<u>\$ Repair</u>	<u>\$ Replace</u>	<u>\$ Total</u>	<u>[B] ÷ [A]</u>
2008-09	189	\$96,876	\$2,519			\$99,395	525.89947
2007-08	189	\$96,876	\$1,794			\$98,670	522.06349
2006-07	189	\$96,876	\$1,490	\$1,383		\$99,749	527.77249
2005-06	189	\$96,876	\$2,187	\$1,146		\$100,209	530.20635
2004-05	189	\$93,497	\$1,801			\$95,298	504.22222
2003-04	189	\$89,925	\$1,901			\$91,826	485.85185
2002-03	189	\$81,047	\$267		\$3,421	\$84,735	448.33333

**Notes**

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here:

**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)**  
**Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

Survey Respondent

Jurisdiction : Azusa  
 Contact Person : Cary Kalscheuer/Donna Abbott  
 Phone : 626-812-5174/626-812-5206  
 E-Mail : [ckalscheuer@ci.azusa.ca.us](mailto:ckalscheuer@ci.azusa.ca.us)

Please Send Survey Response to:

Dan Carrigg League of California Cities: [CarriggD@cacities.org](mailto:CarriggD@cacities.org)  
 and cc: Howard Gest [hgest@burhenngest.com](mailto:hgest@burhenngest.com)  
 Leonard Kaye [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)

<u>Cost Survey</u>	[A]	Annual Transit Trash Collection Costs (Note 2)				[B]
	Ave. # Trash Receptacles	\$ Pick-up	\$ Cleaning	\$ Repair	\$ Replace	\$ Total
<u>Fiscal Year</u>						<u>Unit Cost</u>
2008-09	13	\$8,977	\$5,179	\$5,395		1503.9231
2007-08	13	\$8,977	\$5,179	\$5,395		1503.9231
2006-07	4 Mos.	\$2,992	\$1,726	\$1,799		501.30769
2005-06						#DIV/0!
2004-05						#DIV/0!
2003-04						#DIV/0!
2002-03						#DIV/0!

Notes

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here:



**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

Survey Respondent

Jurisdiction : City of Artesia  
Contact Person : Maria Dadian  
Phone : (562) 865-6262  
E-Mail : [mdadian@cityofartesia.us](mailto:mdadian@cityofartesia.us)

**Please Send Survey Response to:**

Dan Carrigg League of California Cities: [CarriggD@cacities.org](mailto:CarriggD@cacities.org)  
and cc: Howard Gest [hgest@burhenngest.com](mailto:hgest@burhenngest.com)  
Leonard Kaye [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)

<u>Fiscal Year</u>	<u>[A]</u>		<u>Annual Transit Trash Collection Costs (Note 2)</u>				<u>[B]</u>	
	<u>Ave. # Trash Receptacles</u>	<u>\$ Pick-up</u>	<u>\$ Cleaning</u>	<u>\$ Repair</u>	<u>\$ Replace</u>	<u>\$ Other</u>	<u>\$ Total</u>	<u>[B] ÷ [A]</u>
2008-09	9	\$8,352	\$0	\$0	\$0	\$3,343	\$11,695	1,299.49
2007-08	9	\$8,352				\$3,343	\$11,695	1,299.44
2006-07	9	\$8,352				\$3,091	\$11,443	1,271.41
2005-06	9	\$8,352				\$3,091	\$11,443	1,271.41
2004-05	9	\$8,352				\$3,893	\$12,245	1,360.53
2003-04	9	\$8,352				\$2,664	\$11,016	1,224.00
2002-03	9	\$8,352				\$2,264	\$10,616	1,179.56
						\$21,689	\$80,153	

Notes

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here: Consolidated Disposal

**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

**Survey Respondent**

Jurisdiction : Covina  
 Contact Person : Vivian Castro  
 Phone : 626-384-5484  
 E-Mail : [vcastro@covinaca.gov](mailto:vcastro@covinaca.gov)

Please Send Survey Response to:  
 Dan Carrigg League of California Cities: [CarriggD@cacities.org](mailto:CarriggD@cacities.org)  
 and cc: Howard Gest [hgest@burhenngest.com](mailto:hgest@burhenngest.com)  
 Leonard Kaye [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)

<u>Cost Survey</u>	<u>[A]</u>		<u>Annual Transit Trash Collection Costs (Note 2)</u>				<u>[B]</u>		
	<u>Ave. # Trash</u>	<u>Receptacles</u>	<u>\$ Pick-up</u>	<u>\$ Cleaning</u>	<u>\$ Repair</u>	<u>\$ Replace</u>	<u>\$ Other</u>	<u>\$ Total</u>	<u>Unit Cost</u>
2008-09	124		\$38,628	\$5,280		\$8,415		\$52,323	421.95968
2007-08	124		\$38,628	\$10,416				\$49,044	395.51613
2006-07	120		\$37,350	\$10,080				\$47,430	395.25
2005-06	124		\$38,500					\$38,500	310.48387
2004-05	124		\$38,450		\$1,032			\$39,482	318.40218
2003-04	126		\$39,075					\$39,075	310.11905
2002-03	123		\$38,150					\$38,150	310.1626

**Notes**

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here:

**Unit Cost Survey - Transit Trash Collection Reimbursement Program (Note 1)  
Los Angeles Regional Quality Control Board Order No. 01-182, Permit CAS004001, Part 4F5c3**

**Survey Respondent**

Please Send Survey Response to:

Jurisdiction: City of Signal Hill  
 Contact Person: Josh Rosenbaum  
 Phone: (562) 989 - 7355  
 E-Mail: [jrosenbaum@cityofsignalhill.org](mailto:jrosenbaum@cityofsignalhill.org)

Dan Carrigg League of California Cities: [CarriggD@cacities.org](mailto:CarriggD@cacities.org)  
 and cc: Howard Gest [hgest@burhennigest.com](mailto:hgest@burhennigest.com)  
 Leonard Kaye [lkaye@auditor.lacounty.gov](mailto:lkaye@auditor.lacounty.gov)

<u>Cost Survey</u>	[A]	Annual Transit Trash Collection Costs (Note 2)				[B]		
		Ave. # Trash Receptacles	\$ Pick-up	\$ Cleaning	\$ Repair	\$ Replace	\$ Other	\$ Total
2008-09	50	\$600	\$19,323	\$0	\$0	\$0	\$19,923	398.46
2007-08	50	\$600	\$18,083	\$0	\$0	\$540	\$19,223	384.46
2006-07	50	\$600	\$18,083	\$0	\$0		\$18,683	373.66
2005-06	50	\$600	\$18,083	\$0	\$0		\$18,683	373.66
2004-05	50	\$600	\$18,083	\$0	\$0		\$18,683	373.66
2003-04	50	\$600	\$16,526	\$0	\$0	\$540	\$17,666	353.32
2002-03	50	\$600	\$16,526	\$0	\$0		\$17,126	342.52

**Notes**

- (1) This reimbursement program is effective on and after July 1, 2002 and is for placing trash receptacles at all transit stops that have shelters no later than August 1, 2002, and at all transit stops no later than February 3, 2003. Recurring reimbursable costs include those specified above. Nonrecurring costs for identification of transit sites, design and construction of receptacle pads are also reimbursable. However, these costs are not repetitive and therefore are not included in this unit cost survey.
- (2) The 'total cost' and 'unit cost' columns will compute automatically. Include the costs of trash receptacle liners with pick-up costs. Please identify 'other costs' here: **The Pick-Up costs include \$50 per month for trash bag liners.**

**Other costs include city attorney fees associated with contract review for the transit stop collection services.**

**County of Los Angeles**  
**Transit Trash Receptacle Installation Requirements**  
**Municipal Storm Water and Urban Runoff Discharges Test Claim**  
**California Regional Water Quality Control Board**  
**Executive Order Number 01-182, December 13, 2001**  
**Permit Number CAS004001, Part 4, Section F. 5. c. 3.**

**Declaration of William Yan**

William Yan makes the following declaration and statement under oath:

I, William Yan, Associate Civil Engineer, in the Programs Development Division of Los Angeles County Department of Public Works, declare that I have examined the Commission on State Mandates' Municipal Storm Water and Urban Runoff Discharges test claim decision which provides reimbursement for compliance with the State mandate (Executive Order Number 01-182, as issued on December 13, 2001, in Permit Number CAS004001, Part 4, Section F.5.c.3.) to:

“Place trash receptacles at all transit stops within its jurisdiction that have shelters no later than August 1, 2002, and at all transit stops within its jurisdiction no later than February 3, 2003. All trash receptacles shall be maintained as necessary.”

I declare that it is my information or belief that in order to comply with the placement requirements [above], the following types of transit trash receptacle installation activities are reasonably necessary:

Planning (identifying transit stops, evaluating and selecting trash receptacle and pad type, evaluation of placement of trash receptacles and pads and specification and drawing preparation); preliminary engineering work (construction contract preparation and specification review, bid advertising and award process); construction and installation of trash receptacles (including fabrication and installation of pads for receptacles and foundations and construction management). The four transit trash installation claiming categories are:

1. Identification of locations of all transit stops within the jurisdiction required to have a trash receptacle pursuant to the Permit.

2. Selection of receptacle and pad type, evaluate proper placement of receptacles and prepare specifications and/or drawings.
3. Contract preparation, specification review process, bid, advertising, and review and award of bid.
4. Purchase of receptacles and/or construct receptacles and install receptacles.

I declare that it is my information or belief that to prevent frequent loss of trash receptacles in many types of locations, the receptacle must be bolted down and, in order to be bolted down, unimproved bus stops must be constructed with a concrete pad.

I declare that it is my information or belief that proper selection of receptacle and pad types, evaluation of appropriate placement of receptacles and preparation of engineering specifications and/or drawings are necessary for installation of trash receptacles.

I declare that it is my information or belief that securing transit trash receptacles reduces vandalism, theft, and accidental losses and the costs of replacing the missing or damaged receptacles.

I declare that it is my information or belief that securing transit trash receptacles would reduce the time the receptacle would be out of service and not available to collect trash.

I declare that it is my information or belief that the concrete pads would provide adequate bolting surface for large-capacity transit trash receptacles which require less collection frequency.

I declare that it is my information or belief that the transit trash receptacles made of wrought iron would be more durable against vandalism and damage, thereby reducing replacement cost.

I declare that it is my information or belief that the dome covers and the solid trash receptacle liners prevent rain water from going into the receptacles, thereby causing trash to spill out and flow into the storm drains.

I declare that it is my information or belief that the use of dome covers and the solid trash receptacle liners meets the intent of the California Regional Water Quality Control Board's mandate (Executive Order Number 01-182, as issued on December 13, 2001, in Permit Number CAS004001, Part 4, Section F.5.c.3.) by preventing pollutants from entering the storm drains.

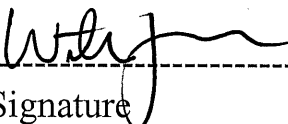
I declare that it is my information or belief that, for all of the above reasons, transit trash receptacle installation activities as specified herein are reasonably necessary to comply with the California Regional Water Quality Control Board's mandate (Executive Order Number 01-182, as issued on December 13, 2001, in Permit Number CAS004001, Part 4, Section F.5.c.3.) and, accordingly, are reimbursable.

I am personally conversant with the foregoing facts and, if so required, I could and would testify to the statements made herein.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct of my own knowledge, except as to the matters which are therein stated as information or belief, and as to those matters I believe them to be true.

4/20/10 ALHAMBRA, CA.

Date and Place

  
Signature



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

Exhibit 3

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE  
AUDITOR-CONTROLLER

ASST. AUDITOR-CONTROLLERS

MARIA M. OMS  
CHIEF DEPUTY

ROBERT A. DAVIS  
JOHN NAIMO  
JUDI E. THOMAS

**Los Angeles County  
Revised Parameters and Guidelines and Proposed Standard Costs  
Municipal Storm Water and Urban Runoff Discharges Test Claims**

**Declaration of Leonard Kaye**

Leonard Kaye makes the following declaration and statement under oath:

I, Leonard Kaye, Los Angeles County's [County] representative in this matter, have prepared the attached revised parameters and guidelines [Ps&Gs] and proposed standard costs for the Municipal Storm Water and Urban Runoff Discharges reimbursement program. This version of the (above captioned) Ps&Gs updates the draft which was timely filed by the County on August 28, 2009 and includes reasonable reimbursement methodology [RRM] provisions to simplify claiming repetitive tasks.

I declare that I have met and conferred with eligible claimants and their representatives in developing the County's revised (above captioned) Ps&Gs and proposed standard costs. .

I declare that it is my information and belief that the activities set forth in the revised (above captioned) Ps&Gs are reasonably necessary in providing municipal storm water services which were found to be reimbursable in the Commission on State Mandates statement of decision, adopted on July 31, 2009.

I declare that it is my information and belief that costs incurred in performing the specified activities which are set forth in the County's revised (above captioned) Ps&Gs are reimbursable "costs mandated by the State", as defined in Government Code section 17514.

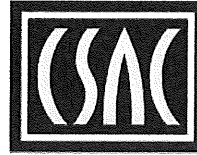
I am personally conversant with the foregoing facts and if so required, I could and would testify to the statements made herein.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct of my own knowledge, except as to the matters which are therein stated as information and belief, and as to those matters I believe them to be true.

5/25/10; Los Angeles, CA

Date and Place

Signature



May 24, 2010

Commission on State Mandates  
Attn: Nancy Patton, Assistant Executive Director  
980 Ninth Street, Suite 300  
Sacramento, CA 95814

RE: Support for Reasonable Reimbursement Methodology (RRM) for Transit Trash Collection Program (SB 90 Stormwater Trash Reimbursement)  
Los Angeles Regional Quality Control Board Order No. 01-182  
Permit CA S004001; Part 4, Section F.5.c.3

Dear Ms. Patton:

On behalf of the League of California Cities (League) and the California State Association of Counties (CSAC), we write to express our joint support for the reasonable reimbursement methodology (RRM) devised for the Municipal Storm Water and Urban Runoff Discharges mandate. The RRM was developed following a survey of six cities (Azusa, Artesia, Bellflower, Carson, Downey and Signal Hill) and Los Angeles County regarding the actual costs of this program. Through the responses, it was determined that the per unit cost per trash pickup was approximately \$6.75. The League and CSAC are in full support of this calculation. If approved, it will ease the administrative burden of filing and processing mandate claims for both the state and local agencies.

The process for devising RRM's was created for just that reason. Some mandates lend themselves to a per-unit reimbursement that fairly approximates each agency's cost, though it might not reflect the full actual cost in a specific year. Using this methodology has the potential to reduce the cost to process mandate claims for both locals and the state. We are pleased that the state and local agencies have been able to navigate the new process and hope that this success will smooth the way for future mandate reimbursements as well.

If you have any questions about our position, please contact either Dan Carrigg (916/658-8200 or [dcarrigg@cacities.org](mailto:dcarrigg@cacities.org)) or Jean Kinney Hurst (916/327-7500 ext. 515 or [jhurst@counties.org](mailto:jhurst@counties.org)).

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Carrigg".

Daniel Carrigg  
Legislative Director  
League of California Cities

A handwritten signature in black ink, appearing to read "Jean Kinney Hurst".

Jean Kinney Hurst  
Legislative Representative  
California State Association of Counties

cc: City Managers, City of Azusa, Artesia, Bellflower, Carson, Downey and Signal Hill  
William T Fujioka, CEO, County of Los Angeles  
Allan Burdick, Staff Director, SB 90 Service  
Regional Managers, League of California Cities, Los Angeles Region





**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE  
AUDITOR-CONTROLLER

MARIA M. OMS  
CHIEF DEPUTY

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS  
JOHN NAIMO  
JUDI E. THOMAS

DECLARATION OF SERVICE

STATE OF CALIFORNIA, County of Los Angeles:

Lorraine Hadden states: I am and at all times herein mentioned have been a citizen of the United States and a resident of the County of Los Angeles, over the age of eighteen years and not a party to nor interested in the within action; that my business address is 603 Kenneth Hahn Hall of Administration, City of Los Angeles, County of Los Angeles, State of California;

That on the 27th day of May 2010, I served the attached:

Documents: Los Angeles County's revised Parameters and Guidelines (Ps&Gs) and proposed standard costs for the Municipal Storm Water and Urban Runoff Discharges test claims, including *a 1 page cover letter of Wendy L. Watanabe, a 17 page Ps&Gs document and 4 exhibits, now pending before the Commission on State Mandates.*

upon all Interested Parties listed on the attachment hereto and by

- by e-mailing a PDF copy of the document(s) listed above to the Commission on State Mandates and mailing the original-signed set to the Commission.
- by placing  true copies  original thereof enclosed in a sealed envelope addressed as stated on the attached mailing list.
- by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Los Angeles, California, addressed as set forth below.
- by personally delivering the document(s) listed above to the person(s) as set forth below at the indicated address.

**PLEASE SEE ATTACHED MAILING LIST**

That I am readily familiar with the business practice of the Los Angeles County for collection and processing of correspondence for mailing with the United States Postal Service; and that the correspondence would be deposited within the United States Postal Service that same day in the ordinary course of business. Said service was made at a place where there is delivery service by the United States mail and that there is a regular communication by mail between the place of mailing and the place so addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 27th day of May 2010 at Los Angeles, California.

Lorraine Hadden



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE  
AUDITOR-CONTROLLER

MARIA M. OMS  
CHIEF DEPUTY

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS  
JOHN NAIMO  
JUDI E. THOMAS

DECLARATION OF SERVICE

STATE OF CALIFORNIA, County of Los Angeles:

Lorraine Hadden states: I am and at all times herein mentioned have been a citizen of the United States and a resident of the County of Los Angeles, over the age of eighteen years and not a party to nor interested in the within action; that my business address is 603 Kenneth Hahn Hall of Administration, City of Los Angeles, County of Los Angeles, State of California;

That on the 27th day of May 2010, I served the attached:

Documents: Los Angeles County's revised Parameters and Guidelines (Ps&Gs) and proposed standard costs for the Municipal Storm Water and Urban Runoff Discharges test claims, including *a 1 page cover letter of Wendy L. Watanabe, a 17 page Ps&Gs document and 4 exhibits, now pending before the Commission on State Mandates.*

upon all Interested Parties listed on the attachment hereto and by

- by e-mailing a PDF copy of the document(s) listed above to the Commission on State Mandates and mailing the original-signed set to the Commission.
- by placing  true copies  original thereof enclosed in a sealed envelope addressed as stated on the attached mailing list.
- by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Los Angeles, California, addressed as set forth below.
- by personally delivering the document(s) listed above to the person(s) as set forth below at the indicated address.

**PLEASE SEE ATTACHED MAILING LIST**

That I am readily familiar with the business practice of the Los Angeles County for collection and processing of correspondence for mailing with the United States Postal Service; and that the correspondence would be deposited within the United States Postal Service that same day in the ordinary course of business. Said service was made at a place where there is delivery service by the United States mail and that there is a regular communication by mail between the place of mailing and the place so addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 27th day of May 2010 at Los Angeles, California.

Lorraine Hadden

# Commission on State Mandates

Original List Date:

Mailing Information: Draft Staff Analysis

Last Updated: 3/22/2010

List Print Date: 05/17/2010

## Mailing List

Claim Number: 03-TC-04, 19, 20, 21

Issue: Municipal Stormwater and Runoff Discharges

### Related Matter(s)

03-TC-04	Transit Trash Receptacles
03-TC-19	Inspection of Industrial/Commercial Facilities
03-TC-20	Waste Discharge Requirements
03-TC-21	Stormwater Pollution Control Requirements

### TO ALL PARTIES AND INTERESTED PARTIES:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.2.)

---

Ms. Jill Kanemasu

State Controller's Office (B-08)

Division of Accounting and Reporting

3301 C Street, Suite 500

Sacramento, CA 95816

Tel: (916)445-8757

Fax:

---

Ms. Lisa Bond

Richards, Watson & Gershon, LLP

355 South Grand Avenue, 40th Floor

Los Angeles, CA 90071

Tel: (213) 626-8484

Fax: (213) 626-0078

---

Mr. Michael Lauffer

State Water Resources Control Board

1001 I Street, 22nd Floor

Sacramento, CA 95814-2828

Tel: (916) 341-5183

Fax: (916) 641-5199

---

Ms. Angie Teng

State Controller's Office (B-08)

Division of Accounting and Reporting

3301 C Street, Suite 500

Sacramento, CA 95816

Tel: (916) 323-6527

Fax:

---

Ms. Courtney Covington

Downey Brand Attorneys LLP

621 Capitol Mall, 18th Floor

Sacramento, CA 95814

Tel:

Fax:

Ms. Tracy Egoscue Los Angeles Regional Water Quality Control Board 320 West 4th Street, Suite 200 Los Angeles, CA 90013-2343	Tel: (213) 576-6600 Fax: (213) 576-6840
Mr. Leonard Kaye Los Angeles County Auditor-Controller's Office 500 W. Temple Street, Room 603 Los Angeles, CA 90012	Tel: (213) 974-9791 Fax: (213) 617-8106
Mr. Jeff Carosone Department of Finance (A-15) 915 L Street, 8th Floor Sacramento, CA 95814	Tel: (916) 445-8913 Fax:
Mr. Sergio Ramirez City of Foster City/Estero Municipal Improvement District 100 Lincoln Centre Drive Foster City, CA 94404	Tel: (650) 286-3544 Fax:
Mr. Jim Spano State Controller's Office (B-08) Division of Audits 300 Capitol Mall, Suite 518 Sacramento, CA 95814	Tel: (916) 323-5849 Fax: (916) 327-0832
Ms. Candice K. Lee Richards, Watson & Gershon, LLP 355 South Grand Avenue, 40th Floor Los Angeles, CA 90071	Tel: (213) 626-8484 Fax: (213) 626-0078
Ms. Susan Geanacou Department of Finance (A-15) 915 L Street, Suite 1280 Sacramento, CA 95814	Tel: (916) 445-3274 Fax: (916) 449-5252
Mr. Howard Gest David W. Burhenn & Gest, LLP 624 S. Grand Ave., Suite 2200 Los Angeles, California 90017	<b>Claimant</b> Tel: (213) 688-7715 Fax: (213) 688-7716
Ms. Emmerline Foote City of Inglewood One Manchester Blvd., Suite 860 Inglewood, CA 90301	Tel: (310) 412-5111 Fax:
Mr. Clark Moseley City of El Monte 11333 Valley Boulevard El Monte, CA 91731-3293	Tel: (626) 580-2001 Fax: 626-580-2274
Ms. Dorothy Rice State Water Resources Control Board P.O. Box 2815 Sacramento, CA 95812-2815	Tel: (916) 341-5615 Fax: (916) 341-5621

Mr. Richard Montevideo Rutan & Tucker, LLP P.O. Box 1950 Costa Mesa, CA 92626-1950	Tel: (714) 662-4642 Fax:
Mr. David Wellhouse David Wellhouse & Associates, Inc. 9175 Kiefer Blvd, Suite 121 Sacramento, CA 95826	Tel: (916) 368-9244 Fax: (916) 368-5723
Mr. Allan Burdick MAXIMUS 3130 Kilgore Road, Suite 400 Rancho Cordova, CA 95670	<b>Claimant Representative</b> Tel: (916) 471-5538 Fax: (916) 366-4838
Ms. Juliana F. Gmur MAXIMUS 2380 Houston Ave Clovis, CA 93611	<b>Claimant Representative</b> Tel: (916) 485-8102 Fax: (916) 485-0111
Ms. Harmeet Barkschat Mandate Resource Services, LLC 5325 Elkhorn Blvd. #307 Sacramento, CA 95842	Tel: (916) 727-1350 Fax: (916) 727-1734
Mr. Glen Everroad City of Newport Beach 3300 Newport Blvd. P. O. Box 1768 Newport Beach, CA 92659-1768	Tel: (949) 644-3127 Fax: (949) 644-3339
Ms. Annette Chinn Cost Recovery Systems, Inc. 705-2 East Bidwell Street, #294 Folsom, CA 95630	Tel: (916) 939-7901 Fax: (916) 939-7801
Ms. Ginny Brummels State Controller's Office (B-08) Division of Accounting & Reporting 3301 C Street, Suite 500 Sacramento, CA 95816	Tel: (916) 324-0256 Fax: (916) 323-6527
Ms. Jolene Tollenaar MGT of America 2001 P Street, Suite 200 Sacramento, CA 95811	Tel: (916) 443-9136 Fax: (916) 443-1766
Ms. Elizabeth Miller Jennings State Water Resources Control Board P.O. Box 100 Sacramento, CA 95812-0100	Tel: (916) 341-5161 Fax: (916) 341-5199
Ms. Paula Higashi, Executive Director Commission on State Mandates 980 Ninth Street, Suite 300 Sacramento, California 95814	Tel: (916) 323-3562 Fax: (916) 445-0278

*original  
signed  
set*