

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 28

To be held at the OFFICE OF THE DISTRICT  
1955 Workman Mill Road, Whittier, California

***For the public to join the meeting virtually, click <https://us02web.zoom.us/j/8091438308> or enter the Meeting ID 809 143 8308 into the Zoom app on your smartphone or computer. Alternatively, you may join by phone by calling (669) 900-9128 and entering the Meeting ID. The meeting is not required to be broadcast via Zoom, but as a courtesy for public attendance. You may find further information at: <http://www.lacsd.org/agendas>***

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY		May 28, 2025		At 1:30 P.M.
BOWMAN	EICH	DAVITT (Chairperson)	FOSSAN	HOBSON

1. Public Comment
2. Approve Minutes of Regular Meeting Held April 23, 2025
3. Approve February 2025 Expenses in Amount of \$1,137

Summary: Local District expenses represent costs that are the sole responsibility of the individual District. Allocated expenses, which are generally distributed twice per year in conjunction with the receipt of the District’s service charge revenue, represent the District’s proportionate share of expenses made by the Joint Outfall System pursuant to the Joint Outfall Agreement. The Agreement provides for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all the shared facilities for all of the signatory Districts, along with the methodology for determining the proportionate costs for each District. A listing of Districts’ payments and previously approved budgets can be found on the Districts’ website at [lacsd.org/financial-documents](http://lacsd.org/financial-documents). This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

Local District Expenses:  
 Operations & Maintenance  
 Total Expenses

\$1,137  
\$1,137

4. Re: Wastewater Revenue Program
  - (a) Hold Public Hearing on Service Charge Report
  - (b) Adopt Service Charge Report

Summary: Holding a public hearing and then adopting the Service Charge Report is required each year to collect the wastewater service charge on the property tax roll. While the current service charge rate per single-family home is \$0 per month (\$0 per year) and no change to this rate is being proposed, filing of a Service Charge Report is recommended per the adopted ordinance. This item is consistent with the Districts’ Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

5. Re: Adopt Policies as Follows:
  - (a) [Wastewater Financial Reserve Policy](#)
  - (b) [Joint Outfall System \(JOS\) Financial Reserve Policy](#)

Summary: The Wastewater and JOS Financial Reserve Policies are the cornerstone of the Districts’ financial practices and are crucial to maintaining the Districts’ financial stability. As part of the continuing effort to ensure the Districts follows best practices as it relates to its financial matters, revisions to the Policies are being recommended. Proposed revisions simplify and consolidate funds, reduce reserve target levels, ensure current practices are incorporated, and clarify certain provisions. On March 26, 2025, the Personnel Committee, comprised of the Chairpersons of all active Districts, unanimously endorsed the proposed revisions. A letter summarizing the proposed revisions, together with the updated Policies, is attached. This item is consistent with the Districts’ Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

6. Re: Update on Pure Water Southern California (PWSC) Program, a Partnership with Metropolitan Water District of Southern California (MWD)

Summary: The Districts previously approved the *Amended and Restated Agreement for the Pure Water Southern California Program* (Agreement) with MWD to jointly investigate the production and distribution of purified water at the A.K. Warren Water Resource Facility. Among other things, the Agreement provides for the joint preparation of planning and preliminary engineering studies and documentation to comply with the California Environmental Quality Act (CEQA) for the potential full-scale project, including supporting MWD in preparation of the Draft Environmental Impact Report (DEIR). The Chief Engineer and General Manager will provide an update on the DEIR and next steps for the PWSC Program.

Adjourn

**Status Report:** Prior to or during the meeting session, the Chief Engineer and General Manager may update the Directors on various matters concerning the Districts that may be of current interest to the Directors.

**Public Comment:** Members of the public may address the Board of Directors on any item shown on the agenda or matter under the Board's authority. A "Request to Address Board of Directors" form is available. In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Secretary to the Boards' Office (562) 908-4288, extension 1100. Notification of 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.101 et seq. ADA Title II).

**Document Requests:** Links to supporting documents are available online at the time of posting. Agendas and supporting documents or other writings that will be distributed to Board members in connection with matters subject to discussion or consideration at this meeting that are not exempt from disclosure under the Public Records Act are available for inspection following the posting of this agenda at the office of the Secretary to the Boards of Directors located at the Districts' Joint Administration Building, 1955 Workman Mill Road, Whittier, California, 90601, or at the time of the meeting at the address posted on this agenda.

# COUNTY SANITATION DISTRICT NO. 28 OF LOS ANGELES COUNTY

## SERVICE CHARGE REPORT FOR FISCAL YEAR 2025-26

### INTRODUCTION

County Sanitation District No. 28 of Los Angeles County encompasses a portion of the city of La Cañada Flintridge.

District No. 28 is one of seventeen (17) contiguous sanitation districts within the urbanized Los Angeles Basin signatory to the Amended Joint Outfall Agreement. These Districts, known as the Joint Outfall Districts, have formed a regional wastewater management system known as the Joint Outfall System. This regional system provides for operation and maintenance of large sewers, pumping plants, inland water reclamation plants, and the Joint water Pollution Control Plant. These services are essential to protect the public health of the people served by the system.

District No. 28, as a member of the Joint Outfall System, must provide a proportionate share of the revenue required to operate and maintain the facilities. Additionally, District No. 28 is responsible for any costs associated with the local sewers that are owned by District No. 28 and are solely for its benefit. The general revenue sources currently available to the District include a pro rata share of the ad valorem (property) taxes, service charges, industrial wastewater surcharges, grants, state low-interest loans, interest income, contract revenue and reserves. Any surplus will be transferred to designated reserves to meet targeted reserve requirements.

### PROPOSED SYSTEM DESCRIPTION

The supplemental revenue required under the *Master Service Charge Ordinance of County Sanitation District No. 28 of Los Angeles County* will be allocated among classes of developed parcels of real property on the basis of use of the sewerage system. The revenue derived from the service charge will be used for operation and maintenance and capital costs.

All industrial dischargers in District No. 28 discharging more than 1.0 million gallons per year are required to file a wastewater surcharge statement as prescribed in the Wastewater Ordinance to pay their appropriate share of the costs based on their use of the sewerage system. All other users of the sewerage system, except for contractual and local government users, will pay service charges.

The basic term used to define the service charge is a sewage unit. A sewage unit represents the average daily quantity of sewage flow and strength from a single-family home measured in terms of flow, chemical oxygen demand, and suspended solids. The number of sewage units (SU) per unit of measure shall be determined by the following formula:

$$\text{SU} = A \left( \frac{\text{FLOW}_{\text{avg}}}{\text{FLOW}_{\text{sfh}}} \right) + B \left( \frac{\text{COD}_{\text{avg}}}{\text{COD}_{\text{sfh}}} \right) + C \left( \frac{\text{SS}_{\text{avg}}}{\text{SS}_{\text{sfh}}} \right)$$

where:

- A = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to flow;
- B = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to COD;
- C = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to suspended solids;

**COUNTY SANITATION DISTRICT NO. 28 OF LOS ANGELES COUNTY  
SERVICE CHARGE REPORT FOR FISCAL YEAR 2025-26**

- FLOW<sub>sfh</sub> = Average flow of wastewater from a single-family home in gallons per day;
- COD<sub>sfh</sub> = Average loading of COD in the wastewater from a single-family home in pounds per day;
- SS<sub>sfh</sub> = Average loading of suspended solids in the wastewater from a single-family home in pounds per day;
- FLOW<sub>avg</sub> = Estimated flow of wastewater which will enter the sewerage system from a user in gallons per day;
- COD<sub>avg</sub> = Estimated loading of COD which will enter the sewerage system from a user in pounds per day;
- SS<sub>avg</sub> = Estimated loading of suspended solids which will enter the sewerage system from a user in pounds per day.

For fiscal year 2025-26, the proportions of the total operation and maintenance and capital costs attributable to flow, chemical oxygen demand, and suspended solids have been assigned the following values:

A	=	0.3049
B	=	0.3348
C	=	0.3603

The service charge for each sewage unit is determined by dividing the total required supplemental revenue by the total number of sewage units in the District. The service charge for each parcel is determined by multiplying the service charge for each sewage unit by the number of sewage units attributable to the parcel, which in turn, is determined by the class of real property and the sewage unit formula and the flow, COD and SS loadings from Table 1, which shows the corresponding value for each class of real property in District No. 28.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2025-26 is \$0 per sewage unit. Parcels with significantly lower water usage may be eligible for a reduced rate pursuant to the terms of the *Master Service Charge Ordinance of County Sanitation District No. 28 of Los Angeles County*.

**DESCRIPTION OF PARCELS RECEIVING SERVICES AND IDENTIFICATION OF AMOUNT OF CHARGE FOR EACH PARCEL**

All parcels of real property within the 2025-26 Tax Rate Areas as shown in Table 2 are receiving or benefiting from the services and facilities of District No. 28. Said parcels are more particularly described in maps prepared in accordance with Section 327, Revenue and Taxation Code, which are on file in the office of the County Assessor, which maps are hereby incorporated herein by reference.

All commercial and institutional parcels assessed a service charge based on the Los Angeles County Assessor's current tax roll shall be charged on the basis of not less than one (1.0) sewage unit.

No charge shall be imposed on the owner or owners of any parcels as to which the fair market value of improvements is less than \$1,000 as determined on the basis of the Assessor's current tax roll. This assumption is predicated on the fact that this type of parcel would be a vacant piece of land; however, should subsequent evaluation reveal that the property is not vacant, then an appropriate service charge would be levied.

**TABLE 1  
LOADINGS FOR EACH CLASS OF LAND USE**

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
<b>RESIDENTIAL</b>				
Single Family Home	Dwelling Unit	260	1.22	0.59
Condominiums	Dwelling Unit	195	0.92	0.44
Multi-Unit Residential	Dwelling Unit	156	0.73	0.35
Mobile Home Parks	No. of Spaces	156	0.73	0.35
<b>COMMERCIAL</b>				
Golf Course – Club House	Water (MGY)	2,740	26.07	0.21
Hotel/Motel/Rooming House	Room	125	0.54	0.28
Store	1000 ft <sup>2</sup>	100	0.43	0.23
Supermarket	1000 ft <sup>2</sup>	150	2.00	1.00
Shopping Center	1000 ft <sup>2</sup>	325	3.00	1.17
Regional Mall	1000 ft <sup>2</sup>	150	2.10	0.77
Office Building	1000 ft <sup>2</sup>	200	0.86	0.45
Medical, Dental, Veterinary Clinic or Building	1000 ft <sup>2</sup>	300	1.29	0.68
Restaurant	1000 ft <sup>2</sup>	1,000	16.68	5.00
Indoor Theatre	1000 ft <sup>2</sup>	125	0.54	0.28
Car Wash:				
Tunnel – No Recycling	1000 ft <sup>2</sup>	3,700	15.86	8.33
Tunnel – Recycling	1000 ft <sup>2</sup>	2,700	11.74	6.16
Wand	1000 ft <sup>2</sup>	700	3.00	1.58
Bank, Credit Union	1000 ft <sup>2</sup>	100	0.43	0.23
Service Shop, Vehicle Maintenance & Repair Shop	1000 ft <sup>2</sup>	100	0.43	0.23
Animal Kennels	1000 ft <sup>2</sup>	100	0.43	0.23
Gas Station	1000 ft <sup>2</sup>	100	0.43	0.23
Auto Sales	1000 ft <sup>2</sup>	100	0.43	0.23
Wholesale Outlet	1000 ft <sup>2</sup>	100	0.43	0.23
Nursery/Greenhouse	1000 ft <sup>2</sup>	25	0.11	0.06
Manufacturing	1000 ft <sup>2</sup>	200	1.86	0.70
Light Manufacturing	1000 ft <sup>2</sup>	25	0.23	0.09
Lumber Yard	1000 ft <sup>2</sup>	25	0.23	0.09
Warehousing	1000 ft <sup>2</sup>	25	0.23	0.09
Open Storage	1000 ft <sup>2</sup>	25	0.23	0.09
Drive-in Theatre	1000 ft <sup>2</sup>	20	0.09	0.05
Night Club	1000 ft <sup>2</sup>	350	1.50	0.79
Bowling/Skating	1000 ft <sup>2</sup>	150	1.76	0.55
Club & Lodge Halls	1000 ft <sup>2</sup>	125	0.54	0.27
Auditorium, Amusement	1000 ft <sup>2</sup>	350	1.50	0.79

**TABLE 1  
LOADINGS FOR EACH CLASS OF LAND USE**

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
<b>COMMERCIAL</b>				
Golf Course and Park (Structures and Improvements)	1000 ft <sup>2</sup>	100	0.43	0.23
Campground, Marina, Recreational Vehicle Park	Sites, Slips or Spaces	55	0.34	0.14
Convalescent Home	Bed	125	0.54	0.28
Horse Stables	Stalls	25	0.23	0.09
Laundromat	1000 ft <sup>2</sup>	3,825	16.40	8.61
Mortuary, Funeral Home	1000 ft <sup>2</sup>	100	1.33	0.67
Health Spa, Gymnasium:				
With Showers	1000 ft <sup>2</sup>	600	2.58	1.35
Without Showers	1000 ft <sup>2</sup>	300	1.29	0.68
Convention Center, Fairground, Racetrack, Sports Stadium/Arena	Average Daily Attendance	10	0.04	0.02
<b>INSTITUTIONAL</b>				
College/University	Student	20	0.09	0.05
Private School	1000 ft <sup>2</sup>	200	0.86	0.45
Library, Museum	1000 ft <sup>2</sup>	100	0.43	0.23
Post Office (Local)	1000 ft <sup>2</sup>	100	0.43	0.23
Post Office (Regional)	1000 ft <sup>2</sup>	25	0.23	0.09
Church	1000 ft <sup>2</sup>	50	0.21	0.11

**TABLE 2**  
**TAX RATE AREAS IN SANITATION DISTRICT NO. 28**

004008	004011	004012	004013	004016
004017	004029	004069	004070	004717
004722	004725	004734	004737	005380
005451	005485	005562	005565	005566
005567	005568	005574	005575	005776
012608	013227	014649	014766	014838
014839	014840	014842	014843	014846
014849	015278	015280	015282	015284
015287	016133			



May 8, 2025

Board of Directors  
Los Angeles County Sanitation District Nos. 1, 2, 3, 5, 8  
15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 34, and South Bay Cities

Directors:

### **Financial Reserve Policies**

The agenda for upcoming meetings of the Boards of Directors contains an item regarding the proposed revisions to the *Wastewater Financial Reserve Policy* and *Joint Outfall System Financial Reserve Policy*.

The Policies form the cornerstone of the Districts' financial practices and are intended to provide guidance when preparing budgets, adopting rates, and developing long-term capital programs. Use of the Policies helps create financial stability, allowing us to provide the vital services in a cost-effective manner, weather periods of economic downturn without having to impose significant rate increases, and construct capital projects in a timely manner despite fluctuations in costs year-over-year. Revisions to the Policies are recommended to simplify and consolidate funds, reduce reserve target levels, ensure current practices are incorporated, and clarify certain provisions.

For these Districts, which are part of the Joint Outfall System (JOS), there are two relevant policies. The Wastewater Financial Reserve Policy governs the funds that the individual Districts hold, consisting primarily of a relatively small operating fund since the majority of these Districts' expenses are the relatively predictable payments they make toward JOS operations. No changes are proposed that will affect this operating fund.

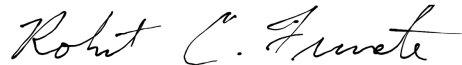
The Joint Outfall System Financial Reserve Policy governs the various funds held by the JOS itself. Since all operational and capital expenses are managed by the JOS, the overall financial stability of the JOS Districts is dependent on the JOS having adequate reserves. For the JOS Financial Reserve Policy, the following changes are recommended:

1. Consolidate Emergency Fund, O&M Financial Stability Fund, and Capital Projects Financial Stability Fund into a new Financial Stability Fund. The new fund will maintain the purposes of the existing funds but would ensure monies can be used for emergency expenses and capital expenses, and to facilitate a smooth transition in rates year-over-year. It also reduces the overall target reserve level, while continuing to maintain adequate reserves to meet the Districts' financial objectives.
2. Sinking Funds have been included to fund future major capital projects. Separate Sinking Funds will be established for each identified project or group of projects and Board approval will be required for each Sinking Fund. There are no immediate plans to utilize these funds for a current project, but it will be considered for specific projects in the future, as needed.

Revisions to the Wastewater Financial Reserve Policy that pertain to District No. 29's reserves related to local sewer operation are proposed that are similar to the JOS policy revisions.

The recommended revisions were unanimously endorsed by the Personnel Committee on March 26, 2025. The updated Policies will be presented to each Board for adoption over the next several months. You may find the link to the updated Policies on the posted agenda on the Districts' website ([www.lacsd.org](http://www.lacsd.org)), or you may contact Ms. Kim Christensen at [kchristensen@lacsd.org](mailto:kchristensen@lacsd.org), for hard copies to be mailed directly to you. If approved, the updated Policies will take effect on July 1, 2026.

Very truly yours,



Robert C. Ferrante

RCF:FP:OT:gc  
Enclosures