

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 2

To be held in person and via teleconference per Brown Act, Section 54953(b)&(c), at the:

OFFICE OF THE DISTRICT 1955 Workman Mill Road Whittier, CA 90601	and	ARTESIA CITY HALL* 18747 Clarkdale Avenue Artesia, CA 90701
COMPTON CITY HALL* 205 S. Willowbrook Avenue Compton, CA 90220	and	PARAMOUNT CITY HALL* Conference Room 16400 Colorado Avenue Paramount, CA 90723
LONG BEACH CITY HALL* The Colorado Room 411 W. Ocean Boulevard Long Beach, CA 90802	and	VERNON CITY HALL* Conference Room 1 4305 S. Santa Fe Avenue Vernon, CA 90058
KENNETH HAHN HALL OF ADMINISTRATION* 500 West Temple Street, Room 822 Los Angeles, CA 90012		

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. You may find further information at: <http://www.lacsd.org/agendas>

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY	June 10, 2026	At 1:30 P.M.
Governing Body	Director	Alternate
ALHAMBRA	MALONEY	ANDRADE-STADLER
ARTESIA	TREVINO*	RAMOSO
BELL	SALEH	F. FLORES
BELL GARDENS	DE LA ROSA	BARCENA
BELLFLOWER	SANTA INES	SANCHEZ
CERRITOS	JOHNSON	YOKOYAMA
COMMERCE	LAINEZ	ARGUMEDO
COMPTON	SHARIF*	-----
DOWNEY	FROMETA	H. ORTIZ
LONG BEACH	RICHARDSON	SARO*
LOS ANGELES CITY	-----	MC OSKER
MONTEBELLO	TAMAYO	ROMERO
MONTEREY PARK	YANG	H. LO
NORWALK	PEREZ	RAMIREZ
PARAMOUNT	B. OLMOS*	-----
PICO RIVERA	CAMACHO	J. GARCIA
SAN GABRIEL	CHAN	J. WU
SOUTH GATE	BARRON	RIOS
VERNON	YBARRA*	RODRIGUEZ
WHITTIER	BECERRA	WARNER (Chairperson)
LOS ANGELES COUNTY	SOLIS	HAHN*

CONSENT AGENDA

1. Public Comment
2. Approve Minutes of Regular Meeting Held May 27, 2026
3. Approve March 2026 Expenses in Amount of \$117,371,803

Summary: Local District expenses represent costs that are the sole responsibility of the individual District. Allocated expenses represent the District’s proportionate share of expenses made by District No. 2, the administrative District, on its behalf pursuant to either the Joint Administration Agreement or the Joint Outfall Agreement. These Agreements provide for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all of the shared facilities for all the signatory Districts, along with the methodology for determining the proportionate

3. Contd.

costs for each participating District. District No. 2 also acts as the Administrative District for the Solid Waste System expenses, which are managed pursuant to the Solid Waste Management System Agreement, the Los Angeles County Refuse Disposal Trust Fund Agreement, and a series of Joint Powers Agreements. District No. 2 also acts as the Administrative District for Stormwater Management expenses the Districts incur, and are later reimbursed for, in assisting their member cities and unincorporated Los Angeles County address stormwater compliance issues. A variety of financial reports providing additional context, including payment registers and previously approved budgets, are available on the Districts’ website at lacsd.org/financial-documents. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

	District No. 2	Joint Administration	Technical Support	Joint Outfall System	Solid Waste System	Stormwater
Operations & Maintenance	\$ 22,165	\$11,269,220	\$5,042,960	\$23,883,383	\$ 8,728,354	<u>\$25,312</u>
Capital Allocated		<u>1,168,298</u>	<u>754,019</u>	25,884,825	563,516	
Expenses:						
Joint Outfall Operations & Maintenance	25,904,508					
Joint Outfall Capital	<u>1,168,344</u>					
Joint Administration				6,428,710	2,025,666	
Joint Outfall				<u>4,190,177</u>	<u>312,346</u>	
Total Expenses:	<u>\$27,095,017</u>	<u>\$12,437,518</u>	<u>\$5,796,518</u>	<u>\$60,387,095</u>	<u>\$11,629,882</u>	<u>\$25,312</u>

4. Accept Contract No. 5672 and Order Final Payment to Southwest Pipeline and Trenchless Corp., for Construction of *Joint Outfall H Unit 9C Trunk Sewer Rehabilitation Phase II* (Project); Resulting in Total Contract Amount of \$2,263,916.61

Summary: The Project consisted of the rehabilitation of approximately 13,113 feet of 20-inch-diameter corroded concrete pipe and appurtenant structures. The work was located within the City of Covina and unincorporated Los Angeles County. One change order totaling \$15,728.59 was approved for this Project.

5. Authorize Issuance of Purchase Orders as Follows:

- (a) To Manager Tools, LLC, in Amount of Approximately \$240,000 for Leadership Development and Training Services for Supervisors and Managers for Three-Year Period

Summary: As part of the Districts continual improvement efforts, in early 2025, an internal survey of supervisors and managers was conducted to identify key challenges they face and to assess training needs. The survey results identified gaps in the skills required for these leadership positions that are not being adequately covered by existing training programs. To address these gaps, a Request for Proposals was issued for leadership development and training services for all Districts’ supervisors and managers. Proposals were received from 31 firms. Manager Tools, LLC, was ranked the most qualified to provide these services and provided a competitive cost proposal. This item is consistent with the Districts’ Guiding Principle of commitment to continual improvement.

- (b) To ChemTreat, Inc., (ChemTreat) in Amount of Approximately \$400,000 for Water Treatment Chemical Supplies and Professional Services at A.K. Warren Water Resource Facility (Warren Facility) for Three-Year Period

Summary: Professional services and water treatment chemical supplies are required at the Warren Facility to prevent scale, fouling, and corrosion on metal surfaces and control biological growth in various water systems. The Districts solicited proposals to furnish and deliver water treatment chemical supplies and professional services for a three-year period with the option of two 1-year extensions. Proposals were solicited from 16 vendors, and two proposals were received. ChemTreat provided the most technically qualified and lowest cost proposal. This item is consistent with the Districts’ Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

6. Re: Portable Emergency Generators for Pumping Plants

- (a) Authorize Issuance of Purchase Order to Multiquip, Inc., (MQ) in Amount of Approximately \$261,320 for One DCA125SSIU4F and One DCA300SSJU4F3 Portable Emergency Generators
- (b) Authorize Issuance of Purchase Order to Quinn Power Systems (Quinn) in Amount of Approximately \$731,346 for One Caterpillar XQ1140 Portable Emergency Generator

6. Contd.

- (c) Find that Four Portable Emergency Generators are No Longer Required for Districts' Purposes and Authorize Disposal

Summary: The Districts operate 46 pumping plants to support the Joint Outfall System, each equipped with stationary emergency diesel generators, gravity bypass systems, and/or diesel driven pumps to maintain operations during power outages. In the event of an outage, the Districts also deploys portable emergency diesel generators as a secondary power source to provide redundancy and to help prevent potential sanitary sewer overflows. Staff recommends replacing four aging portable emergency generators, which are no longer suitable for their intended use, with three new appropriately sized units capable of supporting the various pumping plant applications and improving overall system resiliency. Purchase of generators is recommended through the Sourcewell Cooperative Purchasing Agreements (Sourcewell). Sourcewell provides nationally leveraged and competitively solicited purchasing contracts and provides a 42 percent discount off the list price for MQ generators and a 21 percent discount off the list price for Caterpillar generators. Quinn is the local authorized Caterpillar dealer. Purchasing the equipment through Sourcewell is the most cost-effective means of procurement. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; commitment to continued improvement; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

7. Authorize Extension of Purchase Orders as Follows:

- (a) To SNF Polydyne, Inc., (Polydyne) in Amount of Approximately \$1,490,000 to Furnish and Deliver Cationic Emulsion Polymer to Saugus, Long Beach, and Palmdale Water Reclamation Plants (WRPs) for One-Year Period

Summary: In June 2024, subsequent to competitive bids, the Board authorized the issuance of a purchase order to Polydyne, the lowest responsive bidder, to furnish and deliver cationic emulsion polymer used in secondary sedimentation at the Saugus, Long Beach, and Palmdale WRPs. The specifications allow for four 1-year extensions based upon mutual agreement. In accordance with the specifications, Polydyne has offered to extend the agreement for an additional year at a unit cost of \$1.38 per pound; this is the second one-year extension. This price increase (\$0.05 per pound) is consistent with the documented rise in the Consumer Price Index (CPI). It would be in the best interest of the Districts to extend the agreement at this time. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

- (b) To Pinnacle Petroleum, Inc., (Pinnacle) in Amount of Approximately \$3,000,000 to Furnish and Deliver Renewable Red Dyed Diesel and Unleaded Gasoline to Various Districts' Locations for One-Year Period

Summary: The Districts uses fuel for its fleet of vehicles and mobile equipment at various locations throughout our service area. To the extent possible, the Districts has committed to expanding the use of alternative fuels for its fleet to reduce greenhouse gas emissions (GHG). Currently, 68 percent of fuel usage is renewable, with a goal to transition to 90 percent by 2030. In 2025, the Board awarded a purchase order to Pinnacle to supply renewable red dyed diesel and unleaded gasoline to all Districts' facilities. The initial term of the agreement was for one year with the option to extend the agreement for two additional one-year periods. Pinnacle has proposed to extend the agreement for a second year per the contract specifications with no change in contract pricing. Staff recommends extending the purchase order for an additional one-year period since the proposal is competitive and in the best interest of the Districts. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

8. Confirm Issuance of Purchase Order to Spiniello Infrastructure West, Inc., (Spiniello) in Amount of Approximately \$11,500,000 for *Emergency Repair of Joint Outfall B Unit 9A Between MHs B 948 and B 19*

Summary: Following rain events in early 2026, Districts' staff inspected a 78-inch-diameter reinforced concrete pipe sewer in the City of Carson and discovered that several manhole structures that are fitted with pressure-rated covers to prevent sewer spills during high flow periods had failed and were leaking below the street surface. Between 2023 and 2025, four sewer spills occurred from this sewer due to failed manhole pressure covers during significant rain events; therefore, it was included in the District's Capital Improvement Plan for cleaning and repair within the next 10 years. Due to the risk of potential sewer spills during the upcoming rainy season, it is necessary to clean approximately 12,000 feet of sewer and repair 14 manhole structures now on an emergency basis. Spiniello was selected to perform this emergency repair work due to its qualifications, immediate availability, and familiarity with this type of sewer cleaning and repair work. Staff has determined that the activities described herein are exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21080(b)(4) and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15301. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

9. Confirm Issuance of Supplemental Purchase Order to Mladen Buntich Construction Co., Inc., (Mladen Buntich) in Amount of \$1,100,000 for *Emergency Repair of Joint Outfall A Unit 9 between Manholes A 1200 and A 1207*

Summary: On November 12, 2025, the Board authorized a purchase order to Mladen Buntich for the emergency repair of a 39-inch-diameter clay-tile-lined reinforced concrete sewer between manholes A1200 and A1207. The initial purchase order amount authorized was \$3,500,000 based on a time-and-materials estimate. Additional funds of \$1,100,000 are now required to compensate the contractor for the removal of excessive amounts of clay-tile debris from the sewer, which included the construction of an additional access pit to remove the debris. Staff has determined that the activities described herein are exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21080(b)(4) and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Section 15301. This item is consistent with the Districts’ Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

REGULAR AGENDA

1. Report on Bids and Award of Orders as Follows:

- (a) For *Annual Stock Supply and Delivery of Laboratory Products to Districts’ Locations*

Summary: Essential laboratory items, including beakers, graduated cylinders, acids, and related supplies, are critical for maintaining daily operations across all Districts’ facilities. On January 28, 2026, an Invitation to Bid for the *Annual Supply and Delivery of Laboratory Products to Districts’ Locations* was issued. A total of four bids were received and opened on February 25, 2026. Staff recommends that the award be made to the lowest responsive and responsible bidder for each item. Authorization is requested for three years at a total cost of approximately \$1,359,540, which is approximately \$431,260 for the first year, with two additional one-year extensions with an allowance for price increases not to exceed the increase in the consumer price index, or 5 percent, whichever is less. The first-year award is split among Thomas Scientific, LLC, Fisher Scientific, LLC, and Pacific Star Corporation in the amounts of approximately \$52,914, \$129,495, and \$248,848, respectively. The bid summary/recommendation to award is attached. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

- (b) To *Furnish and Deliver Granular Vapor Phase Activated Carbon* to A.K. Warren Water Resource Facility and Wastewater Collection Systems

Summary: Activated carbon is used to remove volatile organic and odor-causing components from gases in wastewater collection and treatment facilities. Staff recommends that a purchase order in the amount of approximately \$1,287,000 be issued to Carbon Activated Corporation, the lowest, responsive, and responsible bidder, for a three-year period. The bid summary/recommendation to award is attached. This item is consistent with the Districts’ Guiding Principle to protect financial and facility assets through prudent investment and maintenance programs.

2. Report on Proposals for *On-Call Manhole Rehabilitation Services*; Reject Proposals and Re-Advertise

Summary: A limited number of proposals were received for the manhole rehabilitation work. Due to the low response rate, changes to the proposal documents will be made to attract additional bidders and increase competition. The proposal summary/recommendation to reject proposals and re-advertise is attached.

3. Re: Parts and Service to Support Districts’ Fleet of Caterpillar Equipment for Three-Year Period

- (a) Approve and Order Executed [*Customer Service Agreement*](#) with Quinn Company (Quinn)

- (b) Authorize Issuance of Purchase Order to Quinn in Amount of Approximately \$3,000,000 for Parts and Service

Summary: The Districts currently owns and operates a fleet of 36 pieces of heavy equipment manufactured by Caterpillar. This equipment is predominantly used in Solid Waste Operations. Quinn is the only authorized Original Equipment Manufacturer (OEM) dealer for Caterpillar equipment in Los Angeles County. By entering into an agreement, Quinn will provide percentage discounts, up to 37 percent, on commonly used parts and services to help support the Districts’ fleet of Caterpillar equipment. The use of OEM parts has proven to be the most cost-effective way to maintain the fleet when factoring in the extended warranties provided by the dealer. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

4. Approve and Order Executed as Follows:

- (a) [*Engineering Services Agreement*](#) with Schneider Electric Buildings Americas, Inc., (Schneider) to Develop Investment Grade Audit (IGA) as part of Energy Services Company (ESCO) Service at Long Beach Water Reclamation Plant

4. Contd.

Summary: California Government Code Section 4217 allows local government and public agencies to use ESCOs to perform energy-efficient projects. As a result of a solicitation of proposals, three proposals were received. Schneider was selected based on their applicable experience, technical expertise, committed schedule, and design approach to perform an IGA for the plant. The IGA will include project costs and associated energy-saving estimates associated with replacing the existing process air compressors and upgrading the aeration system, as well as other energy conservation measures identified at the plant. The IGA will include completion of the Preliminary Design (50 percent design) and guarantee a firm, fixed price cost to complete the design and construction, and to identify potential funding sources for the project. After the IGA is completed, the District will have the option to enter into a negotiated Energy Savings Performance Contract (ESPC) with Schneider to complete the project design, and then construct and verify project performance and predicted cost savings. If the District chooses not to proceed with design completion and project construction with Schneider, then the District is required, per the contract, to pay a lump sum fee of up to a maximum of \$1,646,380 to Schneider for IGA work products; otherwise, this cost will be rolled over into the guaranteed savings energy services construction contract. In either case, the District will retain ownership of the IGA, including preliminary design documents such as a Basis of Design Report, 50 percent construction drawings, and specifications. Based on industry standards, the proposed development costs for the IGA are reasonable and within industry norms. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

- (b) [Agreement for Purchase and Sale of Recycled Water and Related Facilities](#) (Agreement) with RH Cemetery Corp. (Rose Hills)

Summary: The existing agreement for the use of shared facilities and sale of recycled water with Rose Hills, which was originally executed in 1992 and amended in 2019, allows for the sale of recycled water from the San Jose Creek Water Reclamation Plant to Rose Hills and use of shared facilities for storing and delivering recycled water. Major provisions of the Agreement include the following: (a) establishes Rose Hills's recycled water allotment at a level to meet their current and proposed use, with provisions to decrease the allotment if Rose Hills does not use specified amounts of recycled water over a consecutive three-year period; (b) establishes annual minimum recycled water purchase milestones; (c) provides for a 25-year agreement duration with an optional extension; (d) aligns pricing with the *Joint Outfall System Master Recycled Water Rate Ordinance (Master Ordinance)*, adopted December 13, 2023; and (e) requires Rose Hills to pay approximately \$168,500 for interest owed on its proportionate share of capital costs for shared recycled water delivery infrastructure. Staff has determined that the approval of the Agreement does not constitute a "Project" under the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15378. This item is consistent with the Districts' Guiding Principles to maximize use of our assets and resources (recycled water, recyclables, and energy); and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

5. *Adopt An Ordinance Prescribing Fee and Charge Rates for Solid Waste Management Activities at Puente Hills Material Recovery Facility (MRF) and South Gate Transfer Station (SGTS) (Ordinance) and Find that Ordinance is Exempt from California Environmental Quality Act Under Public Resources Code Section 21080(b)(8) and Title 14 of California Code of Regulations ("CEQA Guidelines") Section 15273 (requires two-thirds vote – 14 affirmative votes)*

Summary: A letter describing the recommended Board action and the proposed rate increases was provided to the Directors prior to a public hearing and the introduction of the Ordinance at the Board's regular meeting on May 27, 2026. A copy of the letter and the proposed Ordinance accompany the agenda. The Ordinance would increase the municipal solid and inert waste (MSW) rate at the Puente Hills MRF from \$107.09 per ton to \$112.44 per ton and increase the MSW rate at the SGTS from \$117.26 per ton to \$123.12 per ton, effective July 15, 2026. Changes to the rates for hard-to-handle and bulky items are also proposed at both facilities. The proposed rate increases are necessary to keep up with inflation and increasing operational and capital costs. 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: Pure Water Southern California (PWSC) Project Federal and State Grants

- (a) *Adopt Resolution of the Board of Directors of County Sanitation District No. 2 of Los Angeles County Declaring Support for Grant Amendment Request to United States Bureau of Reclamation (USBR) WaterSMART: Large-Scale Water Recycling Projects (LSWRP) for Pure Water Southern California (LSWRP Resolution)*
- (b) *Authorize Chief Engineer and General Manager or Designee to Execute and Implement an Amendment to Subrecipient Agreement with Metropolitan Water District of Southern California (Metropolitan) for Administration of USBR LSWRP Grant*

6. Contd.

- (c) Adopt *Resolution of the Board of Directors of County Sanitation District No. 2 of Los Angeles County Declaring Support for Grant Application to the State Water Resources Control Board (SWRCB) Water Recycling Funding Program (WRFP) for Pure Water Southern California (WRFP Resolution)*
- (d) Authorize Chief Engineer and General Manager or Designee to Execute and Implement an Agreement with the SWRCB for a WRFP Grant

Summary: In October 2024, the Board approved the *Amended and Restated Agreement for the Pure Water Southern California Program* with Metropolitan that, among other things, stated that the District would design, construct, and operate the pretreatment facilities for PWSC, including the Sidestream Centrate Treatment (SCT) system. The SCT system would reduce nutrients in the wastewater, facilitating treatment to drinking water standards and reducing the nutrient load when treated water is discharged to the Pacific Ocean. The District previously received a subaward from Metropolitan through the LSWRP grant for final design of the SCT system. The SCT system construction will cost \$108 million, inclusive of contract administration and construction management expenses. The proposed grant amendment would shift a portion of Federal grant money earmarked for Metropolitan-funded PWSC project components to the construction of the SCT system. Requesting grant funding does not commit the District to construction of the SCT system, which will be submitted for Board approval at a later date. If the amendment is approved, the District could receive up to \$27 million in grant funds contingent upon the District providing up to \$81 million in matching funds. Adoption of the proposed LSWRP Resolution authorizes the District to provide a letter of commitment to USBR for these matching funds. Staff recommends that the Board authorize the Chief Engineer and General Manager to amend the existing subrecipient agreement with Metropolitan to reflect the amended Federal grant amendment. Additionally, in November 2024, voters approved Proposition 4 that allocated approximately \$386 million in grants for projects related to water reuse and recycling. Under this program, the District may apply for up to \$15 million of State grant funding for SCT construction, which could be used as partial matching funds for the federal grant, thereby reducing the District's share of the match. To obtain State funding, the District will need to enter into an agreement with the SWRCB that includes the grant terms. Staff has determined that adoption of the proposed LSWRP Resolution and WRFP Resolution does not constitute a "Project" under the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15378. This item is consistent with the Districts' Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

7. Re: Wastewater Budget Matters for Fiscal Year 2026-27

- (a) Establish by Resolution Appropriations Limit of \$48,606,064 as Required by California Government Code Section 7910
- (b) Adopt Operating Budget
- (c) Adopt Resolution Requesting Tax Levy of \$12,098,000
- (d) Authorize Appropriations per Budget

Summary: A letter discussing fiscal year 2026-27 wastewater budget matters accompanies the agenda. 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.

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 or need assistance with language translation 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.

TO: BOARD OF DIRECTORS OF COUNTY SANITATION
DISTRICT NO. 2 OF LOS ANGELES COUNTY

RE: AGENDA ITEM NO. R-1(a)

FOR BOARD MEETING June 10, 2026

BIDS were received at the District Office on Wednesday, February 25, 2026 at 11:00 a.m.

FOR ANNUAL SUPPLY AND DELIVERY OF LABORATORY PRODUCTS TO DISTRICTS' LOCATIONS

No. of Bids Received: 4

<u>BIDDER</u>	<u>TOTAL BID</u>
Hach Co* (2/368) line items	\$96,555.80
Thomas Scientific, LLC (80/368) line items	\$52,913.76
Fisher Scientific, LLC (37/368) line items	<u>\$129,495.08</u>
Pacific Star Corporation (251/368) line items	<u>\$248,847.57</u>

*Bidder was deemed non-responsive.

RECOMMENDATION:

Award purchase orders to Thomas Scientific, LLC., Fisher Scientific, LLC., and Pacific Star Corporation, the lowest, most responsive, and responsible bidders for specific line items, for the Annual Stock Supply and Delivery of Laboratory Products to Districts' Locations. The award would cover a three-year period at a total cost of approximately \$1,359,540, which is approximately \$431,260 for the first year, with two additional one-year extensions with an allowance for price increases not to exceed the increase in the consumer price index, or 5 percent, whichever is less.

Engineer's Estimate \$550,000/year



Robert C. Ferrante
Chief Engineer and
General Manager

TO: BOARD OF DIRECTORS OF COUNTY SANITATION
DISTRICT NO. 2 OF LOS ANGELES COUNTY

RE: AGENDA ITEM NO. R-1(b)

FOR BOARD MEETING JUNE 10, 2026

BIDS were received at the District Office on Wednesday, March 18, 2026, at 11:00 a.m.

FOR FURNISH AND DELIVER GRANULAR VAPOR PHASE ACTIVATED CARBON

No. of Bids Received: 3

<u>BIDDER</u>	<u>TOTAL BID</u>
Carbon Activated Corporation	<u>\$429,000.00</u>
Pacific Coast Carbon LLC	<u>\$506,000.00</u>
CarbUSA LLC *	<u>\$539,000.00</u>

*Bidder did not provide a required sample and was therefore deemed nonresponsive.

RECOMMENDATION:

Award purchase order to Carbon Activated Corp. as the lowest responsive bidder, in the amount of approximately \$429,000 to furnish and deliver granular vapor phase activated carbon for an initial one-year term, with the option to extend for up to two (2) additional one-year periods. Accordingly, approval is requested from the board for the full three-year term in the total amount of approximately \$1,287,000.

Engineer's Estimate: \$400,000/year 1



Robert C. Ferrante
Chief Engineer and
General Manager

TO: BOARD OF DIRECTORS OF COUNTY SANITATION
DISTRICT NO. 2 OF LOS ANGELES COUNTY

RE: AGENDA ITEM NO. R-1(c)

FOR BOARD MEETING: June 10, 2026

PROPOSALS were received at the District Office on Monday, April 13, 2026, at 11:00 a.m.

FOR ON-CALL MANHOLE REHABILITATION SERVICES

No. of Proposals Received: 3

<u>PROPOSER</u>	<u>TOTAL</u>
Garney Pacific, Inc.	\$152.00 per hour
Ayala Engineering, Inc.	\$154.50 per hour
Vortex Services, LLC. dba Sancon Technologies	\$300.00 per hour

RECOMMENDATION:

Reject proposals, revise request for proposals, and authorize Chief Engineer and General Manager to establish date for re-advertisement and receipt of proposals.

Only three proposals were received, which is an insufficient number of contractors needed to handle the volume and type of work required. It is anticipated that including additional proposers and rebidding will result in more competition and ensure cost-effective proposals.

Engineer's Estimate: \$202.17 per hour



Robert C. Ferrante
Chief Engineer and
General Manager



May 21, 2026

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

Dear Directors:

**Rate Increase for Puente Hills Materials Recovery Facility (MRF)
and South Gate Transfer Station (SGTS)**

The agenda for the May 27, 2026, meeting of the Board of Directors of Sanitation District No. 2 includes an item to introduce a new rate ordinance (Ordinance) for the Puente Hills Materials Recovery Facility (MRF) and South Gate Transfer Station (SGTS). The proposed Ordinance would increase the Municipal Solid and Inert Waste (MSW) rate at the Puente Hills MRF from \$107.09 per ton to \$112.44 per ton and increase the MSW rate at SGTS from \$117.26 per ton to \$123.12 per ton. Changes to the rates for hard-to-handle and bulky items are also proposed. The proposed Ordinance is attached to the agenda. If approved, the new Ordinance would take effect July 15, 2026.

The proposed rate increases are necessary to keep up with inflation and increasing operational and capital costs. A schedule of the current and proposed rates is attached.

Should any Director have questions regarding the new rates, please contact me at extension 1501 or Mr. Mark Revilla, Solid Waste Management Department Head, at extension 2415.

Very truly yours,

Robert C. Ferrante

RCF:gc

**PUENTE HILLS MATERIALS RECOVERY FACILITY
RECOMMENDED MSW AND RECYCLABLES RATES**

	Current Rate	Proposed Rate Effective July 15, 2026
Municipal Solid and Inert Waste (1-ton minimum charge)	\$107.09 per ton	\$112.44 per ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	\$122.09 per ton	\$127.44 per ton
Segregated Uncontaminated Green Waste (1-ton minimum charge)	\$103.50 per ton	\$107.33 per ton
Food Waste (1-ton minimum charge)	\$100.00 per ton	\$103.70 per ton
Food Waste/Green Waste Program (1-ton minimum charge)	\$126.22 per ton	\$130.89 per ton
Pull-Offs	\$62.65 per load	\$62.65 per load

Notes:

1. Uncovered Loads Capable of Producing Litter: \$5.40 per ton or \$5.40 per load surcharge.
2. All rates include the following state, county, and local fees and taxes (fees expressed on a per ton basis do not apply to Green Waste, Food Waste, and Pull-Offs):
 - California Integrated Solid Waste Management Fee: \$1.40 per ton.
 - Los Angeles County Solid Waste Management Fee: \$1.50 per ton.
 - Los Angeles County Department of Health Services Regulatory Service Fee: \$0.41 per ton.
3. Rates for materials that benefit operation of the facility or that promote solid waste management alternatives are subject to change without notification.
4. All Food Waste placed with Green Waste must be in plastic bags.

**SOUTH GATE TRANSFER STATION
RECOMMENDED MSW RATES**

	Current Rate	Proposed Rate Effective July 15, 2026
Municipal Solid and Inert Waste (1-ton minimum charge)	\$117.26 per ton	\$123.12 per ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	\$132.26 per ton	\$138.12 per ton
Pull-Offs	\$62.65 per load	\$62.65 per load

Notes:

1. Uncovered Loads Capable of Producing Litter: \$5.40 per ton or \$5.40 per load surcharge.
2. All rates include the following state, county, and local fees and taxes (fees expressed on a per ton basis do not apply to Pull-Offs):
 - California Integrated Solid Waste Management Fee: \$1.40 per ton.
 - Los Angeles County Solid Waste Management Fee: \$1.50 per ton.
 - Los Angeles County Department of Health Services Regulatory Service Fee: \$0.41 per ton.

**AN ORDINANCE PRESCRIBING FEE AND CHARGE RATES
FOR SOLID WASTE MANAGEMENT ACTIVITIES
AT THE PUENTE HILLS MATERIALS RECOVERY FACILITY
AND THE SOUTH GATE TRANSFER STATION**

**THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES
COUNTY ORDAINS AS FOLLOWS:**

SECTION 1 – SHORT TITLE

This Ordinance shall be known as the *Sanitation Districts System Solid Waste Rate Ordinance*.

SECTION 2 – PURPOSE

The purpose of this Ordinance is to establish the fee and charge rates for the Puente Hills MRF and the South Gate Transfer Station, to provide for the issuance of agreements for the acceptance of solid waste and other waste management services, and to provide for customer credit agreements.

SECTION 3 – DISPOSAL FEES AND CHARGES

The following fee and charge rates are hereby prescribed for the following facilities, effective July 15, 2026, as listed below. These rates are subject to change as described in Section 6 and Section 11:

A. Puente Hills MRF

Municipal Solid and Inert Waste (MSW) [1-ton minimum charge]	\$112.44 per ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	\$127.44 per ton
Pull-Offs	\$62.65 per load

B. South Gate Transfer Station

MSW [1-ton minimum charge]	\$123.12 per ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	\$138.12 per ton
Pull-Offs	\$62.65 per load

SECTION 4 – UNCOVERED LOADS

A surcharge of \$5.40 per ton, subject to a minimum charge of \$5.40, will be charged with respect to all uncovered loads capable of producing litter.

SECTION 5 – RECYCLABLE MATERIALS

- 5.1 The Districts Chief Engineer and General Manager (Chief Engineer) may adjust any fee or charge rate for materials and services that benefit the operation of the facility, or that promote solid waste management alternatives. These materials may include, but are not restricted to, segregated shredded or unshredded organic material suitable for composting or recycling and various other recyclable materials.
- 5.2 The Chief Engineer shall determine the materials and services that are eligible for a rate adjustment and the amount of the rate adjustment. The Chief Engineer shall make the determination in writing, and it will be made available to members of the public on request.
- 5.3 The Chief Engineer may purchase loads of recyclable materials that have value to the District or that promote solid waste management alternatives. These materials may include, but are not restricted to: paper, cardboard, plastic containers, glass bottles, aluminum cans, scrap metal, scrap plastic, and commingled recyclables.

SECTION 6 – ADJUSTMENT OF FEES AND CHARGES

- 6.1 The District’s Chief Engineer may adjust the MSW rates in Section 3 from time-to-time as described in Sections 6.1.1 and 6.1.2.
- 6.1.1 Upward by up to five (5) percent, if the facility’s Tons Received remains stable or increases averaged over any four consecutive calendar weeks. In no event will the rate exceed the District’s reasonable costs of handling solid waste or increase by more than 20% in any consecutive 12 months.
- 6.1.2 Downward by up to five (5) percent, if the facility’s Tons Received declines more than five (5) percent over any four consecutive calendar weeks, except that the MSW fee shall not be less than the MSW rate listed in Section 3.
- 6.2 The Chief Engineer may purchase loads of recyclable materials that have value to the District or that promote solid waste management alternatives. These materials may include, but are not restricted to: paper, cardboard, plastic containers, glass bottles, aluminum cans, scrap metal, scrap plastic, and commingled recyclables.
- 6.3 Adjustments to the Disposal Fees and Charges as a result of this Section shall be made with a minimum 21-day notice and become effective on the first day of the next calendar month. In no event will a facility’s MSW rate be adjusted more than four times in any consecutive 12 months.
- 6.4 In the event of a change in the MSW rate the Hard-to-Handle, Bulky Items fees and charges rates will be set at the MSW rates plus \$15.00.

SECTION 7 – SOLID WASTE MANAGEMENT SERVICES AGREEMENT

The District may enter into agreements with customers for the acceptance of agreed quantities of solid waste, recyclable materials, or other solid waste management services at the Puente Hills MRF and the South Gate Transfer Station. The agreements may establish fees and charges applicable to specific solid waste management services, including processing of commingled recyclables and dry commercial waste and commitments for delivery of agreed quantities of materials. The terms and conditions of agreements under this Section will supersede any fees and charges prescribed in Sections 3 and 6. To maintain adequate capacity for the general public, the combined committed tonnage of the waste services agreements will not exceed 50% of the combined capacity of the District’s facilities.

SECTION 8 – CREDIT AGREEMENTS

The Chief Engineer may offer credit agreements to solid waste facility customers for payment of fees and charges. The Chief Engineer shall establish and enforce policies for administration of credit agreements, subject to all applicable laws and regulations.

SECTION 9 – COLLECTION OF FEES PURSUANT TO THE PUBLIC RESOURCES CODE

All fees and charges specified in this Ordinance include an amount necessary to cover fees required pursuant to Sections 48000 through 48008 of the Public Resources Code (imposed by the State of California under Section 48000), Sections 40900 through 41956 of the Public Resources Code (imposed by the County of Los Angeles under Section 41901), and Sections 43200 through 43610.1 of the Public Resources Code (imposed by the County of Los Angeles under Section 43213).

SECTION 10 – COLLECTION OF FEES AND TAXES PURSUANT TO LOS ANGELES COUNTY ORDINANCES

All fees and charges specified in this Ordinance include an amount necessary to collect fees imposed by the County of Los Angeles pursuant to Los Angeles County Ordinances Nos. 2008-0056 and 2011-0042.

SECTION 11 – ADJUSTMENTS FOR GOVERNMENTAL FEES AND CHARGES

Notwithstanding the requirements listed in Section 6, the Chief Engineer may increase or decrease, as appropriate and at any time, any fees and charges specified in Sections 3, 4, or 5 of this Ordinance by an amount estimated to equal any revision in the fees or taxes specified in Sections 9 and 10 of this Ordinance, or by an amount estimated to equal any other mandatory fees or taxes imposed by federal, state, or local government which must be paid by County Sanitation District No. 2 of Los Angeles County as operator of the facilities listed in Section 3.

SECTION 12 – REPORTING

The Chief Engineer will make an annual presentation to the Board of Directors regarding the fees and charges established in this Ordinance. If any adjustments, as described in Section 6, are made after the last presentation to the Board of Directors, the Chief Engineer will report on the adjustments at the next regular meeting of the Board of Directors.

SECTION 13 – SUPERSESION

This Ordinance supersedes the *Sanitation Districts System Solid Waste Rate Ordinance* adopted May 28, 2025, establishing fees or charges relating to the Puente Hills MRF and the South Gate Transfer Station.

SECTION 14 – EFFECTIVE DATE

This Ordinance shall become effective on July 15, 2026.

ATTEST:

Clerk of the Board of Directors
County Sanitation District No. 2
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 2
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County on _____, by the following Vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Secretary of the Board of Directors
County Sanitation District No. 2
of Los Angeles County



June 4, 2026

Mr. Shivaji Deshmukh, General Manager
Metropolitan Water District of Southern California
700 Alameda Street
Los Angeles, CA 90012

Dear Mr. Deshmukh:

**Metropolitan Water District of Southern California's June 2026 U.S. Bureau of Reclamation
Request to Amend Grant No. R25AP00229 for *Pure Water Southern California* –
Los Angeles County Sanitation Districts' Letter of Commitment and Support**

On behalf of the Los Angeles County Sanitation Districts (Sanitation Districts), I am pleased to provide you with this letter of commitment in support of the Metropolitan Water District of Southern California's (Metropolitan) request to amend existing Grant No. R25AP0029 for *Pure Water Southern California* (Project) under the U.S. Bureau of Reclamation's Large-Scale Water Recycling Projects (LSWRP) Program. By way of background, the Sanitation Districts provide wastewater and solid waste services to approximately 5.5 million people in 78 cities and unincorporated areas in Los Angeles County. Since 2010, Metropolitan and the Sanitation Districts have been working in partnership to develop the Project to beneficially reuse water currently discharged to the Pacific Ocean. The Project consists of a new advanced water purification facility capable of producing up to 150 million gallons per day located adjacent to the Sanitation Districts' A. K. Warren Water Resource Facility (Warren Facility) in Carson, CA. The full-scale facility would treat effluent from the Warren Facility using an advanced treatment train comprising a membrane bioreactor (MBR), reverse osmosis (RO), and an advanced oxidation process driven by ultraviolet light (UV). After MBR-RO-UV treatment, the product water would be distributed through up to 39 miles of new pipelines and used for groundwater recharge. Future opportunities are also being considered to expand the Project, including direct potable reuse (DPR) through raw water augmentation at Metropolitan's water treatment plants. The Project further achieved a major milestone in February 2026 when our agencies approved the Final Environmental Impact Report.

Subrecipient Agreement No. AR-1228 provides approximately \$22 million of subaward from Metropolitan to the Sanitation Districts via Grant No. R25AP0029. We understand that the amendment will include changing the scope of work and reallocating a portion of the grant funds toward the construction of a new DPR demonstration facility and the sidestream centrate treatment system (SCT) at the Warren Facility. As previously agreed, the Sanitation Districts would design, construct, and operate the pretreatment facilities for the Project, including the SCT. A resolution was approved by Board of Directors of Sanitation District No. 2 (see attached) on June 10, 2026, declaring support for the grant amendment request and committing to provide funding as follows:

1. **Funding commitment amount:** The Sanitation Districts have committed to fund up to \$81 million for matching funds for the construction of the SCT system.
2. **Date the funds will be available to the applicant:** The cost of the SCT project is in the Sanitation Districts' Capital Improvement Project budget, and funding is available at the commencement of the activities to be conducted under the proposed grant. The Sanitation Districts and Metropolitan will need to amend the Subrecipient Agreement No. AR-1228 to reflect the additional allocation of grant funding and the requirement to provide matching funds.
3. **Time constraints on the availability of funds:** There are no time constraints on the Sanitation Districts' funding for the proposed grant activities.

4. **Contingencies associated with the funding commitment:** There are no known contingencies on the Sanitation Districts' funding for the proposed grant activities.

The Sanitation Districts strongly support Metropolitan's grant amendment request to the U.S. Bureau of Reclamation that allows reallocation of grant funds toward construction of the SCT system and the DPR demonstration facility. Consistent with local, state, and federal water supply and water quality policies, this Project has the potential to substantially reduce ocean discharge of effluent, maximize the use of recycled water, and provide a substantial new climate-resilient water supply for the region. We look forward to working with you on the continued development and implementation of the Project.

Very truly yours,



Robert C. Ferrante

RCF:drs

cc: Ms. Maribeth Menendez, Program Analyst,
U.S. Bureau of Reclamation

Attachment

DOC [7759996](#) - *Resolution of the Board of Directors of County Sanitation District No. 2 of Los Angeles County Declaring Support for Grant Amendment Request to United States Bureau of Reclamation WaterSMART: Large-Scale Water Recycling Projects for Pure Water Southern California*

**RESOLUTION OF THE BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY
DECLARING SUPPORT FOR GRANT AMENDMENT REQUEST TO
UNITED STATES BUREAU OF RECLAMATION WATERSMART:
LARGE-SCALE WATER RECYCLING PROJECTS
FOR PURE WATER SOUTHERN CALIFORNIA**

WHEREAS, County Sanitation District No. 2 of Los Angeles County (the “**District**”) and 23 other County Sanitation Districts of Los Angeles County, each organized and existing under the provisions of the County Sanitation District Act, California Health and Safety Code Section 4700 et seq., make up the Los Angeles County Sanitation Districts (“**Sanitation Districts**”); and

WHEREAS, the District is empowered to act as the administrative district for the Sanitation Districts, including matters which concern the Joint Outfall System and the A. K. Warren Water Resource Facility (“**Warren Facility**”); and

WHEREAS, the District and The Metropolitan Water District of Southern California (“**Metropolitan**”) previously entered into the *Regional Recycled Water Program Agreement* (CSD Contract No. 4940), dated November 16, 2015, and the *First Amendment to the Regional Recycled Water Program Agreement* (CSD Contract No. 4940A), dated November 16, 2020 (**collectively “Prior Agreement”**) to guide development of the Pure Water Southern California (“**PWSC**”) program. On October 30, 2024, the District and Metropolitan executed the *Amended and Restated Agreement for the Pure Water Southern California Program* (CSD Contract No. 4940B) (“**Amended Agreement**”).

WHEREAS, the Amended Agreement restates and clarifies the applicable provisions of the Prior Agreement and incorporates new provisions, including the Districts’ responsibility to design, construct, own, and operate the pretreatment facilities to reduce nitrogen levels in the source water for the PWSC advanced water purification facility.

WHEREAS, one approach to reduce nitrogen in the source water for PWSC and corresponding reduction in nutrient discharge to the ocean is to remove centrate nitrogen from solids processing, through a sidestream centrate treatment (“**SCT**”) system known as deammonification, which is a proven, cost-effective treatment process used in other treatment facilities around the world that was successfully demonstrated by Sanitation Districts’ staff to achieve nitrogen reduction during pilot-scale testing from 2013-2014.

WHEREAS, in January 2025, the United States Bureau of Reclamation (“**USBR**”) and Metropolitan executed a financial assistance agreement (“**Grant Agreement**”) that awarded \$125,472,855.00 of federal funds to Metropolitan under USBR’s WaterSMART Large-Scale Water Recycling Projects (“**LSWRP**”) grant program.

WHEREAS, the District’s Board of Directors approved a Subrecipient Agreement in March 2025 with Metropolitan to accept approximately \$22 million in LSWRP grant funding from Metropolitan through the USBR LSWRP for PWSC-related work, including the final design of the SCT system at the Warren Facility, and authorized the District to provide approximately \$66 million in matching funds for the SCT system.

WHEREAS, Metropolitan and the District wish to amend the scope of work in the USBR LSWRP Grant (“**Grant Amendment**”) to better align with the current PWSC progress, schedule, and anticipated staging of, which will include: (a) shifting a portion of funds earmarked for design and property acquisition to the construction of a new direct potable reuse demonstration facility and the SCT system; and (b) extending the period of performance of the work.

WHEREAS, since the Districts are the party responsible for PWSC pretreatment facilities under the Amended Agreement, the District will be responsible for the SCT system construction costs, inclusive of contract administration and construction management, of approximately \$108 million.

WHEREAS, if USBR approves the Grant Amendment, the Grant Amendment is expected to provide up to \$27 million toward SCT system construction costs, with the District required to provide a minimum 75 percent cost share and to amend the existing Subrecipient Agreement with Metropolitan to reflect the additional matching funds commitment.

WHEREAS, the receipt and use of LSWRP Grant funds would substantially reduce the Sanitation Districts’ costs for the SCT system.

NOW, THEREFORE, the District’s Board of Directors finds and resolves as follows:

Section 1. The above recitals are true, correct, and are specifically incorporated in and made a substantive part of this Resolution.

Section 2. The District’s Board of Directors hereby supports Metropolitan’s LSWRP Grant Amendment request, which Metropolitan will be responsible for preparing and submitting to USBR.

Section 3. If USBR approves the Grant Amendment, the District’s Board of Directors authorizes the Chief Engineer and General Manager or his designee to execute an amendment to the existing Subrecipient Agreement with Metropolitan for the acceptance of up to \$27 million in LSWRP Grant funding to construct the SCT system at the Warren Facility.

Section 4. The District’s Board of Directors declares that the District is authorized to provide matching funds up to \$81 million for SCT system construction, subject to the Districts’ Board of Directors approval of a contract for construction for this project.

[signatures appear on following page]

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County at a meeting held on June 10, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY

By _____
Chairperson, Board of Directors

ATTEST:

By _____
Secretary to the Board

**RESOLUTION OF THE BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY
AUTHORIZING AND SUPPORTING A GRANT APPLICATION FOR THE STATE
WATER RESOURCES CONTROL BOARD'S WATER RECYCLING FUNDING
PROGRAM FOR PURE WATER SOUTHERN CALIFORNIA**

WHEREAS, County Sanitation District No. 2 of Los Angeles County (the “**District**”) and 23 other County Sanitation Districts of Los Angeles County, each organized and existing under the provisions of the County Sanitation District Act, California Health and Safety Code Section 4700 *et seq.*, make up the Los Angeles County Sanitation Districts (“**Sanitation Districts**”); and

WHEREAS, the District is empowered to act as the administrative district for the Sanitation Districts, including all Joint Outfall System and the A. K. Warren Water Resource Facility (“**Warren Facility**”) matters; and

WHEREAS, the District and The Metropolitan Water District of Southern California (“**Metropolitan**”) previously entered into the *Regional Recycled Water Program Agreement* (CSD Contract No. 4940), dated November 16, 2015, and the *First Amendment to the Regional Recycled Water Program Agreement* (CSD Contract No. 4940A), dated November 16, 2020, to guide development of the Pure Water Southern California (“**PWSC**”) project.

WHEREAS, on October 30, 2024, the District and Metropolitan executed the *Amended and Restated Agreement for the Pure Water Southern California Program* (CSD Contract No. 4940B) (“**Amended Agreement**”).

WHEREAS, the Amended Agreement restates and clarifies the applicable provisions of the Prior Agreement and incorporates new provisions, including the Districts’ responsibility to design, construct, own, and operate the pretreatment facilities to reduce nitrogen levels in the source water for the PWSC advanced water purification facility.

WHEREAS, one approach to reduce nitrogen in the source water for PWSC and a corresponding reduction in nutrient discharge to the ocean is to remove centrate nitrogen from solids processing, through a sidestream centrate treatment (“**SCT**”) process known as deammonification, which is a proven, cost-effective treatment process used in other treatment facilities around the world that was successfully demonstrated by Sanitation Districts’ staff to achieve nitrogen reduction during pilot-scale testing from 2013-2014.

WHEREAS, in November 2024, California voters approved the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Pub. Res. Code §§90000-95015), which authorized the issuance of bonds in the amount of \$10 billion to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs.

WHEREAS, pursuant to Public Resources Code §91010, \$386.25 million was allocated to the State Water Resources Control Board (SWRCB) for grants for water reuse and recycling projects as part of the Water Recycling Funding Program (WRFPP), including large-scale water recycling projects such as PWSC and nutrient removal treatment projects such as the SCT system.

WHEREAS, qualifying large-scale water recycling projects may receive grants up to \$15 million per project component or phase, with a cap of 35% of the eligible cost of the project component or phase, subject to appropriation of WRF funding by the California Legislature.

WHEREAS, if the SWRCB approves the District's application, the District could receive up to \$15 million for construction of the SCT system at the Warren Facility and would be responsible for the balance of the cost.

WHEREAS, the receipt and use of WRF grant funds would substantially reduce the Sanitation Districts' costs for the SCT system and could be used as partial matching funds for the U.S. Bureau of Reclamation ("USBR") WaterSMART Large-Scale Water Recycling Projects ("LSWRP") grant program funding, thereby reducing the District's share of match for that award.

WHEREAS, the receipt and use of through a grant amendment requested by the Metropolitan Water District for the USBR LSWRP grant could be used as partial matching funds for the WRF grant, thereby reducing the District's share of funds for this award.

WHEREAS, the SWRCB requires that grant applicants indicate by resolution that it has designated an authorized representative or their designee to sign and file a financial assistance application, and provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from SWRCB and any amendments or changes thereto.

NOW, THEREFORE, the District's Board of Directors finds and resolves as follows:

Section 1. The above recitals are true, correct and are specifically incorporated in and made a substantive part of this Resolution.

Section 2. The Chief Engineer and General Manager ("Authorized Representative"), or his/her designee, is hereby authorized to sign and file, for and on behalf of the District, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and/or construction of the SCT Project.

Section 3. This Authorized Representative, or his/her designee, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control and any amendments or changes thereto.

Section 4. This Authorized Representative, or his/her designee, is designated to represent the District in carrying out the District's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the District and compliance with applicable state and federal laws.

[signatures appear on following page]

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County at a meeting held on June 10, 2026, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY

By _____
Chairperson, Board of Directors

ATTEST:

By _____
Secretary to the Board



May 28, 2026

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

Dear Directors:

Wastewater Budget Matters for Fiscal Year 2026-27

The agendas for the upcoming meetings of the Boards of Directors contain items relating to wastewater budget matters for fiscal year 2026-27. These items include establishing the appropriations limit on the proceeds of taxes; adopting the sewerage system final budget; requesting the tax levy; and authorizing appropriations per the sewerage system budget.

APPROPRIATIONS LIMIT

The Constitution of the State of California places a limit on the authorization to expend the proceeds of taxes levied by state and local governments in California. In addition, the Government Code requires the governing body for each local jurisdiction to establish, by resolution, the appropriations limit for each fiscal year. The appropriations limit for fiscal year 2026-27 has been determined by adjusting the previous limit for fiscal year 2025-26 based upon population change factors for Los Angeles County and the change in the California Personal Per Capita Income. The appropriations limit has also been adjusted to include the increased operation and maintenance and capital costs of treatment processes and facilities needed to comply with state and federal requirements. All of this is in accordance with the procedures outlined in *Article XIII B* of the Constitution and *Section 7910* of the Government Code. The proposed appropriations limit and anticipated tax revenue are enclosed. This information has been available to the public at the Districts' Joint Administration Office in conformance with the requirement that the documentation used in the determination of the appropriations limit be available fifteen (15) days prior to its establishment by the Board of Directors.

FINAL BUDGET FOR FISCAL YEAR 2026-27

Enclosed for your review are the proposed fiscal year 2026-27 final budgets for each District and the proposed fiscal year 2026-27 final budget for the Joint Outfall System (JOS), if applicable. Budgets include a list of proposed capital projects (if any) along with descriptions of the projects; a list of user fees; information on the monies set aside in various funds/reserves; and an explanation of terms used in the budget. The JOS budget will only be adopted by District No. 2, the administrative District for the JOS. Joint Administration and Joint Outfall costs are allocated to each District according to the ratio of the number of sewage units in a District to the total number of sewage units in all the Districts signatory to each agreement. A sewage unit represents the average daily sewage flow and strength (measured in terms of chemical oxygen demand and suspended solids) from a single-family home. This method of allocating costs considers flow as well as the strength of sewage from all types of users and is the most equitable way to distribute joint costs.

SUMMARY OF REQUIRED ACTIONS

At the June Board meetings, it will be recommended that the Boards of Directors consider adopting a resolution establishing the appropriations limit on the proceeds of taxes; adopt the final budget for fiscal year 2025-26; adopt a resolution requesting the tax levy; and authorize appropriations in the sewerage system budget.

Very truly yours,

A handwritten signature in cursive script that reads "Robert C. Ferrante".

Robert C. Ferrante

RCF:gc

Enclosures

**County Sanitation District No. 2 of Los Angeles County
Final Operating Fund Budget (\$ in thousands)
Fiscal Year 2026-27**

	Adopted 2025-26 ⁽¹⁾	Proposed 2026-27 ⁽¹⁾⁽²⁾
<u>Starting Balance</u>	\$ 37,084	\$ 40,830
<u>Sources of Funds</u>		
Service Charge	\$ 44,207	\$ 51,948
Total Operating Revenue	44,207	51,948
Ad Valorem Tax Revenue	11,495	12,098
Interest	742	817
Total Non-Operating Revenue	12,237	12,915
Total Sources of Funds	\$ 56,443	\$ 64,862
<u>Use of Funds</u>		
Joint Outfall Operations	\$ 51,809	\$ 50,116
Other Operational Expenditures	147	142
Operations and Maintenance Expense	51,956	50,258
Joint Outfall Capital	2,337	13,996
Capital Expense	2,337	13,996
Total Use of Funds	\$ 54,293	\$ 64,254
<u>Ending Balance</u>	\$ 39,235	\$ 41,438

(1) The Adopted FY 25-26 Budget is presented as adopted by the Board in 2025. The ending balance reflects the estimate at that time, and therefore may not match the current estimated starting balance for the Proposed FY 26-27 Budget.

(2) District only has operating fund.

**County Sanitation District No. 2 of Los Angeles County
Wastewater Budget Rate and Other Information Summary
Fiscal Year 2026-27**

	Adopted 2025-26	Proposed 2026-27
<u>Service Charge Rate (\$ per Sewage Unit)</u>	197.00	232.00
<u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per MGY)	891.00	1,073.00
COD (\$ per 1000 lbs)	178.20	210.00
SS (\$ per 1000 lbs)	426.20	614.60
Peak Flow (\$ per gpm)	121.90	156.30
Short Form Rate (\$ per million gallon per year)	3,939.50	4,979.38
Liquid Waste Disposal (\$ per 100 gallon)	5.80	7.80
<u>Total Connection Fee Rate (\$ per Capacity Unit)</u>	1,767.00	1,801.00
<u>Projected Sewage Units</u>		
Residential/Commercial	224,399	223,912
Total Served Sewage Units	224,399	223,912

Joint Outfall System
Final Operating Fund Budget (\$ in thousands)
Fiscal Year 2026-27

	Adopted 2025-26 ⁽¹⁾	Proposed 2026-27 ⁽¹⁾
Starting Balance	\$ 475,092	\$ 337,141 ⁽²⁾
Sources of Funds		
Industrial Waste Charges	\$ 69,395	\$ 77,193
Operating Payments by Districts	399,761	389,707
Contract Revenue	5,945	5,833
Agricultural and Recycled Water Sales	11,043	12,013
Total Operating Revenue	486,144	484,746
Interest	9,587	6,743
Total Non-Operating Revenue	9,587	6,743
Loan Proceeds	60,000	62,105
Bond Proceeds	250,927	283,288
Capital Payments by Districts	18,030	108,837
Total Capital Revenue	328,957	454,229
Transfers from Designated Funds	22,800	-
Transfers from Restricted Funds	-	7,887
Transfers from Districts	4,268	-
Total Transfers In	27,068	7,887
Total Sources of Funds	\$ 851,756	\$ 953,605
Use of Funds		
Joint Administration Operations	\$ 125,166	\$ 131,050
Sewer System Operations	89,727	85,811
Treatment Plant Operations	252,708	244,713
Composting Facility Operations	16,125	18,653
Contract Disposal Operations	1,589	1,609
Other Operational Expenditures	10,415	9,652
Operations and Maintenance Expense	495,731	491,488
Joint Administration Capital	12,094	21,511
Sewer System Capital	121,449	165,697
Treatment Plant Capital	149,360	196,491
Composting Facility Capital	1,200	515
Field Office Capital	1,000	1,030
Contract Disposal Capital	157	1,000
Capital Expense	285,260	386,244
Loan Repayment	5,373	5,355
Bond Repayment	10,725	10,724
Debt Service	16,099	16,080
Total Use of Funds	\$ 797,089	\$ 893,812
Ending Balance	\$ 529,758	\$ 396,934

(1) The Adopted FY 25-26 Budget is presented as adopted by the Board in 2025. The ending balance reflects the estimate at that time, and therefore may not match the current estimated starting balance for the Proposed FY 26-27 Budget.

(2) The FY2026-27 starting operating fund balance is lower than the FY2025-26 budgeted ending balance, primarily due to a more aggressive bond financing assumption in FY2025-26, which included an additional \$251M bond issuance.

**Joint Outfall System
Capital Projects Wastewater Budget (\$ in thousands)**

Project Name	Description	FY26-27 Budget	Estimated Completion	Total Budget ⁽¹⁾
Gardena Pumping Plant Facility Replacement	Pumping plant improvements	20,600	12-31-2028	64,600
Joint Outfall B Unit 9B Trunk Sewer Rehabilitation	Rehabilitation and reestablishment of corroded sewer	13,442	06-30-2029	20,000
Joint Outfall J Unit 1E Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	11,330	06-30-2028	19,000
District 21 Interceptor Sewer Rehabilitation Phase 2	Rehabilitation of corroded sewer	9,064	06-30-2028	17,300
Joint Outfall D Units 6 and 6 Relief Trunk Sewer Rehabilitation Phase I	Rehabilitation of corroded sewer	6,798	06-30-2028	8,000
South Bay Cities Main Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	6,777	06-30-2027	8,000
On-Call Manhole Rehabilitation Services Group 1	On-call manhole rehabilitation services	5,150	06-30-2029	15,000
Joint Outfall D Unit 4 Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	5,021	06-30-2027	8,900
Joint Outfall B Trunk Sewers Group 3 Rehabilitation	Rehabilitation of corroded sewer	4,767	06-30-2028	7,300
Joint Outfall B Unit 8G Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	4,764	06-30-2027	5,175
Spring Street Pumping Plant Facility Improvements	Pumping plant improvements	4,223	06-30-2027	13,200
Marina Pumping Plant No. 2 Site Improvements	Pumping plant improvements	4,120	06-30-2028	9,270
Joint Outfall H Trunk Sewers Group 2 Rehabilitation	Rehabilitation of corroded sewer	3,605	06-30-2028	6,000
Joint Outfall G Unit 8 Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	3,461	06-30-2027	4,000
Joint Outfall F Unit 4 Relief Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	3,296	06-30-2027	4,200
District 22 Trunk Sewers Group 4 Rehabilitation	Rehabilitation of corroded sewer	3,142	06-30-2027	6,700
Joint Outfall F Unit 3A Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	3,090	06-30-2028	4,500
Joint Outfall H - Unit 9B Trunk Sewer Rehabilitation Phase IV	Rehabilitation of corroded sewer	3,090	06-30-2028	9,420
Bloomfield Pumping Plant Force Main Upgrades	Force main improvements	3,090	06-30-2028	7,200
District 02 Trunk Sewers Group 1 Rehabilitation	Rehabilitation of corroded sewer	2,781	06-30-2027	5,900
Joint Outfall H - Unit 9C Trunk Sewer Rehabilitation Phase IV	Rehabilitation of corroded sewer	2,697	06-30-2028	3,100
Joint Outfall A Unit 3C Trunk Sewer Rehabilitation Phase 3	Rehabilitation of corroded sewer	2,524	06-30-2027	8,900
Joint Outfall H Unit 9C Trunk Sewer Rehabilitation Phase I	Rehabilitation of corroded sewer	2,472	06-30-2027	3,600
Joint Outfall G Unit 9 Trunk Sewer Rehabilitation Phase V	Rehabilitation of corroded sewer	2,304	06-30-2027	3,445
District 02 Trunk Sewers Group 2 Rehabilitation	Rehabilitation of corroded sewer	1,906	06-30-2027	2,700
Joint Outfall H Unit 9C Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	1,648	06-30-2027	2,200
Joint Outfall Sewer System Hydraulic Model Development	Development of sewer system hydraulic model	1,461	06-30-2027	22,451
District 01 Trunk Sewers Group 2 Rehabilitation	Rehabilitation of corroded sewer	1,339	06-30-2027	3,250
Aviation Boulevard Trunk Sewers Group 1 Rehabilitation	Rehabilitation of corroded sewer	1,339	06-30-2028	3,000
South Whittier Outfall Trunk Sewer Rehabilitation Phase I	Rehabilitation of corroded sewer	1,133	06-30-2028	7,900
Worsham Creek Relief Trunk Sewer Section 1	Construction of new relief sewer	1,030	06-30-2028	2,700
Joint Outfall H Unit 3 Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	1,030	06-30-2028	3,200
South Bay Cities Trunk Sewers Group 1 Rehabilitation	Rehabilitation of corroded sewer	824	06-30-2027	1,350
Compton Disposal Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	721	06-30-2028	1,630
Herondo Street Pumping Plant Force Main Upgrades	Force main improvements	515	06-30-2027	5,600
Lomita Trunk Sewer Relocation Rehabilitation	Rehabilitation of corroded sewer	515	06-30-2028	1,000
Western Avenue Pumping Plant Force Main Upgrades	Force main improvements	515	06-30-2029	2,900
Joint Outfall D Trunk Sewer System Odor Control Facility	Improvements to sewer	515	06-30-2030	30,400

**Joint Outfall System
Capital Projects Wastewater Budget (\$ in thousands)**

Project Name	Description	FY26-27 Budget	Estimated Completion	Total Budget ⁽¹⁾
Joint Outfall H Unit 4 Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	515	06-30-2029	10,600
Bloomfield Pumping Plant Facility Upgrades	Pumping plant improvements	515	12-31-2029	7,100
Main Street Pumping Plant Facility Upgrades	Pumping plant improvements	515	06-30-2033	43,000
Shoemaker Pumping Plant Site Improvements and Pump Replacement	Pumping plant improvements	515	12-31-2029	4,580
South Bay Cities Main Pumping Plant Facility Upgrades	Pumping plant improvements	515	06-30-2029	5,000
Bluff Cove Pumping Plant Site Improvements and Pump Replacement	Pumping plant improvements	422	12-31-2026	450
Joint Outfall F Unit 3A Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	412	06-30-2031	23,370
Abalone Cove Pumping Plant Electrical Upgrades	Pumping plant improvements	412	12-31-2027	2,000
Davidson City Pumping Plant Facility Upgrades	Pumping plant improvements	412	06-30-2030	4,000
Herondo Street Pumping Plant Facility Upgrades	Pumping plant improvements	412	12-31-2029	3,000
Long Point Pumping Plant Facility Upgrades	Pumping plant improvements	412	06-30-2029	3,600
Lunada Bay Pumping Plant Facility Upgrades	Pumping plant improvements	412	06-30-2030	3,500
Malaga Cove No. 2 Pumping Plant Facility Upgrades	Pumping plant improvements	412	06-30-2030	4,000
Pomona Pumping Plant No. 3 Facility Upgrades	Pumping plant improvements	412	06-30-2030	4,000
Fawcett Avenue Pumping Plant Pump Replacement	Pumping plant improvements	391	12-31-2026	450
Gertruda Avenue Pumping Plant Electrical Upgrades	Pumping plant improvements	391	06-30-2027	600
Douglas Cut Pumping Plant Site Improvements and Pump Replacement	Pumping plant improvements	361	06-30-2028	450
Marina Pumping Plant No. 1 Site Improvements	Pumping plant improvements	361	06-30-2027	5,600
District 5 Main Trunk Sewer Rehabilitation Phase IV A	Rehabilitation of corroded sewer	309	06-30-2028	4,900
District 2 Main Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	309	06-30-2029	7,100
Joint Outfall C Unit 1 Force Main Rehabilitation	Force main improvements	309	06-30-2031	31,200
JOS Removal of Link Pipe Repair Sleeves and Installation of UV Sectional Liners	Improvements to sewer	309	06-30-2027	500
Hollywood Riviera Pumping Plant Facility Upgrades	Pumping plant improvements	309	06-30-2030	5,000
Indiana Street Pumping Plant Facility Upgrades	Pumping plant improvements	309	06-30-2030	4,300
Lunada Bay Pumping Plant Pump Replacement	Pumping plant improvements	283	06-30-2027	300
Malaga Cove Pumping Plant No. 2 Electrical Upgrades Phase 1	Pumping plant improvements	283	12-31-2026	300
WCS Engineering Directed Pumping Plant Capital Projects	Pumping plant improvements	258	06-30-2052	14,000
WCS Engineering Directed Sewer Rehabilitation Capital Projects	Rehabilitation of corroded sewer	258	06-30-2052	27,000
La Mirada Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	206	06-30-2028	4,400
Los Coyotes Water Reclamation Plant Interceptor Sewer Rehabilitation Phase III	Rehabilitation of corroded sewer	206	06-28-2030	14,300
Joint Outfall H Unit 1F Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	206	06-30-2028	2,260
Peck Road Extension Trunk Sewer	Construction of new sewer	206	06-30-2029	3,500
Abalone Cove Pumping Plant Facility Upgrades	Pumping plant improvements	206	06-30-2030	5,000
Bluff Cove Pumping Plant Electrical Equipment Relocation and Standby Generator Replacement	Pumping plant improvements	206	06-30-2029	750
Clifton Pumping Plant Facility Upgrades	Pumping plant improvements	206	12-31-2029	4,000
Coyote Creek Pumping Plant Facility Upgrades	Pumping plant improvements	206	06-30-2031	5,000
Malaga Cove No. 1 Pumping Plant Facility Upgrades	Pumping plant improvements	206	06-30-2030	4,000
Pomona Pumping Plant No. 2 Facility Upgrades	Pumping plant improvements	206	06-30-2031	3,750
Western Avenue Pumping Plant Submergence Protection of Electrical Equipment	Pumping plant improvements	206	06-30-2029	2,000

**Joint Outfall System
Capital Projects Wastewater Budget (\$ in thousands)**

Project Name	Description	FY26-27 Budget	Estimated Completion	Total Budget ⁽¹⁾
Joint Outfall A Unit 9 Trunk Sewer Rehabilitation Phase III	Rehabilitation of corroded sewer	165	06-30-2029	4,300
Clifton Pumping Plant Pump Replacement	Pumping plant improvements	155	06-30-2028	400
Joint Outfall C Unit 3C Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	124	06-30-2030	10,250
Bluff Cove Pumping Plant Force Main Upgrades	Pumping plant improvements	118	06-30-2030	2,300
Old River School Road Relief Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2032	4,830
District 5 Main Trunk Sewer Rehabilitation Phase V	Rehabilitation of corroded sewer	103	06-30-2030	16,750
San Jose Creek Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	103	06-30-2028	1,920
JOA-1A Etiwanda-Edison Wastewater Line Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	4,720
South Whittier Outfall Relief Trunk Sewer Rehabilitation Phase 6	Rehabilitation of corroded sewer	103	06-30-2030	15,300
Signal Hill Outfall Trunk Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	1,200
Monrovia Outfall Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2028	2,230
Nadeau Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2028	740
District 5 Main Trunk Sewer Rehabilitation Phase IV B	Rehabilitation of corroded sewer	103	06-30-2029	9,800
Joint Outfall E Unit 2 Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2033	27,200
Joint Outfall H - Unit 2C Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	1,980
Joint Outfall H Unit 6 Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	7,570
Joint Outfall A Unit 3C Trunk Sewer Protection Between Manholes A38 and A39	Protection of Sewer	103	06-30-2028	2,000
Woodruff Avenue Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2028	1,990
Marina Pumping Plant No. 2 Force Main Upgrades	Force main improvements	103	06-30-2029	2,300
Joint Outfall J Unit 2A Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2032	10,250
Joint Outfall H Unit 5A Relief Trunk Sewer Phase II	Construction of new relief sewer	103	06-30-2031	8,000
Davidson City Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	103	06-30-2028	2,760
Joint Outfall D Units 6 and 6 Relief Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	103	06-30-2030	8,200
Gramercy Place Trunk Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	3,230
Long Beach WRP Influent Sewer Rehabilitation	Rehabilitation of reinforced concrete sewer pipe	103	06-30-2029	1,500
Joint Outfall B - Unit 6H Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	3,330
Tri-Cities Outfall Trunk Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	3,620
So Whittier Relief Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	1,730
Los Coyotes Water Reclamation Plant Interceptor Sewer Rehabilitation Phase IV	Rehabilitation of corroded sewer	103	06-30-2032	36,340
Montebello Diversion Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2028	1,860
Dalton Trunk Sewer Section 3 Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2028	3,330
Joint Outfall J - Unit 1C Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	4,070
Long Beach WRP Sludge Gravity Relief Sewer	Construction of new relief sewer	103	06-30-2030	4,800
Florence Avenue Trunk Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	1,330
Joint Outfall E Unit 5 Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	7,350
First Street Trunk and Pomona Influent Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	2,200
JOB-8J Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	2,970
Orr And Day Road Trunk Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	2,900
Joint Outfall E Unit 1 Trunk Sewer Rehabilitation Phase III	Rehabilitation of corroded sewer	103	06-30-2029	2,950

**Joint Outfall System
Capital Projects Wastewater Budget (\$ in thousands)**

Project Name	Description	FY26-27 Budget	Estimated Completion	Total Budget ⁽¹⁾
Los Coyotes Water Reclamation Plant Interceptor Sewer Connection	Improvements to sewer	103	06-30-2029	6,550
Walnut Creek Trunk	Rehabilitation of corroded sewer	103	06-30-2031	3,450
Joint Outfall J Unit 2D Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2032	8,890
Pomona Boulevard Interceptor Trunk & Pomona WRP Influent Sewer #2 Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	1,680
Joint Outfall C Unit 7B Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2028	2,700
Joint Outfall H Unit 5A Trunk Sewer Rehabilitation Phase III	Rehabilitation of corroded sewer	103	06-30-2032	25,350
Pomona Pumping Plant No. 1 Diversion Trunk Sewer	New sewer construction	103	06-30-2031	4,000
Cameron and Cameron Relief Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	5,970
Joint Outfall H Unit 8L Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2028	1,390
JOA-1A District 5 Interceptor Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	13,970
Joint Outfall G Unit 7 Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2030	7,350
Joint Outfall A Unit 3C Trunk Sewer Rehabilitation Phase IV	Rehabilitation of corroded sewer	103	06-30-2030	17,300
Joint Outfall C - Unit 3C Rehabilitation	Rehabilitation of corroded sewer	103	06-30-2031	19,000
Davidson City Pumping Plant Electrical Upgrades	Pumping plant improvements	103	12-31-2027	500
Douglas Cut Pumping Plant Electrical Equipment Relocation and Standby Generator Replacement	Pumping plant improvements	103	06-30-2029	750
Bloomfield Pumping Plant Electrical Upgrades	Pumping plant improvements	77	06-30-2028	600
Hollywood Riviera Pumping Plant Instrumentation Upgrades	Pumping plant improvements	77	12-31-2027	250
Clifton Pumping Plant Electrical Upgrades	Pumping plant improvements	72	12-31-2028	400
Sea Cove Pumping Plant Force Main Upgrades	Force main improvements	52	06-29-2029	1,620
North Torrance Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	52	06-30-2028	4,600
Joint Outfall B Units 9B & 9C Relief	Construction of new relief sewer	52	06-30-2040	350,000
San Marino Outfall Trunk Sewer Rehabilitation and Relocation Between MHs 16 0333 and 16 0334	Rehabilitation of corroded sewer	52	06-30-2030	2,000
Coyote Creek Pumping Plant Force Main Upgrades	Force main improvements	52	06-30-2029	850
Joint Outfall J Unit 2C Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	52	06-30-2029	6,650
South Inglewood-Orange Avenue Relief Trunk Sewer	Construction of new relief sewer	52	06-30-2030	5,500
Long Point Pumping Plant Force Main Upgrades	Force main improvements	52	06-29-2029	3,000
Herondo Street Pumping Plant Pump Replacement	Pumping plant improvements	52	12-31-2028	350
Pomona Pumping Plant No. 3 Pump Replacement	Pumping plant improvements	52	06-30-2028	600
Joint Outfall H Trunk Sewer Odor Control Facility	Sewer odor control facility	52	06-30-2031	15,000
Joint Outfall A Unit 9 Trunk Sewer Rehabilitation Phase IV	Rehabilitation of corroded sewer	41	06-30-2029	6,850
Joint Outfall J Unit 1F Force Main Relocation	Force main improvements	26	06-30-2031	57,000
Construction of an Airline from Manhole H 0406 to SJC Odor Control Facilities	Construction of air pipeline for odor control	26	06-30-2029	1,500
Worsham Creek Trunk Sewer Abandonment Between Manhole 18 0974 and 18 0973	Abandonment of sewer reach and relocation of lateral connections	5	06-30-2028	100
Sewer System Total		165,697		
JWPCP Effluent Outfall Tunnel	Improvements to effluent outfalls	41,200	06-30-2031	800,000
San Jose Creek WRP Stage III Process Air Compressor Replacement and Aeration Process Upgrades	Improvements to secondary treatment facilities	15,450	06-30-2030	71,500
JWPCP Replacement of Cryogenic Oxygen Plant Nos. One and Two	Improvements to secondary treatment facilities	12,154	12-31-2026	44,100
Los Coyotes WRP Process Air Compressor Replacement	Improvements to secondary treatment facilities	10,815	06-30-2027	29,000

**Joint Outfall System
Capital Projects Wastewater Budget (\$ in thousands)**

Project Name	Description	FY26-27 Budget	Estimated Completion	Total Budget ⁽¹⁾
San Jose Creek WRP Stage III Primary Sedimentation System Expansion	Improvements to primary treatment facilities	9,013	12-31-2026	26,000
AK Warren Water Resource Facility Effluent Outfalls - Cathodic Protection Repair	Improvements to effluent outfalls	7,725	06-30-2028	8,000
San Jose Creek WRP Generator Switchgear Control System Upgrades	Electrical and instrumentation infrastructure improvements	7,284	06-30-2028	14,447
San Jose Creek WRP Stages I and II Concrete Repair and Biotrickling Filters	Improvements to primary treatment facilities	6,180	06-30-2033	59,200
Whittier Narrows WRP Influent Pump Station Replacement	Improvements to primary treatment facilities	6,180	12-31-2032	57,389
AK Warren Water Resource Facility Replacement of Return Activated Sludge Pumps	Improvements to secondary treatment facilities	5,330	06-30-2027	6,000
Upgrade obsolete DCS and legacy OT infrastructure at Warren Plant	Process infrastructure improvements	5,150	06-30-2035	50,000
Pomona WRP Primary Structures Concrete Lining and Biotrickling Filters	Improvements to primary treatment facilities	5,150	06-30-2027	21,600
Los Coyotes WRP Control Building Replacement	Infrastructure improvements	4,120	11-02-2028	17,150
AK Warren Water Resource Facility East Laboratory Building Biosafety Improvements	Improvements to laboratory facilities	3,605	06-30-2028	8,000
AK Warren Water Resource Facility Sidestream Centrate Treatment Facility	Pure Water Southern California Project	2,925	06-30-2032	68,960
Whittier Narrows WRP Generator Switchgear Control System Upgrades	Electrical and instrumentation infrastructure improvements	2,699	07-01-2027	4,800
AK Warren Water Resource Facility Administration Building Women's Restroom Addition	Restroom facility addition	2,678	12-31-2027	3,175
AK Warren Water Resource Facility SIPS and SIPS Force Main Redundancy	Improvements to treatment plant reliability	2,575	06-30-2028	5,000
AK Warren Water Resource Facility Non-Functional Turf Replacement	Install drought-tolerant landscaping to comply with AB 1572	2,575	06-30-2028	3,000
AK Warren Water Resource Facility Perimeter Fencing Upgrades	Improvements to site security	2,060	06-30-2028	6,000
Long Beach WRP Aeration System Improvements	Improvements to secondary treatment facilities	2,060	06-30-2033	30,000
JWPCP Remediation System Expansion	Remediation of contaminated soil and groundwater	1,841	06-30-2030	16,185
AK Warren Water Resource Facility Pure Water Southern California Membrane Bioreactor Facilities - Phase 1	Pure Water Southern California Project	1,648	06-30-2037	710,000
AK Warren Water Resource Facility Demolition and Removal of Rectangular Digesters	Improvements to solids processing facilities	1,545	06-30-2031	30,000
JWPCP Misc Capital Projects (WM)	Infrastructure improvements	1,545	06-30-2032	14,100
San Jose Creek East WRP Stage Two Process Air Distribution Upgrades	Capital improvements to water reclamation plant	1,545	12-31-2026	9,015
AK Warren Water Resource Facility Truck Loading Stations Improvements	Improvements to solids processing facilities	1,442	12-31-2031	28,100
AK Warren Water Resource Facility Secondary Reactor Aerator Gearbox Overhaul	Improvements to secondary treatment facilities	1,339	06-30-2029	7,000
AK Warren Water Resource Facility Reactor G RAS Piping Modifications	Improvements to secondary treatment facilities	1,339	06-30-2027	2,000
Whittier Narrows WRP Influent and Effluent Pumping Improvements	Process infrastructure improvements	1,339	06-30-2027	1,800
San Jose Creek Water Reclamation Plant Seismic Evaluation	Seismic Evaluation of San Jose Creek WRP	1,288	06-30-2028	1,550
San Jose Creek East WRP Influent Pump and Motor Replacement	Improvements to primary treatment facilities	1,285	12-31-2027	2,500
Pomona WRP Replacement of Secondary Clarifier Launderers	Improvements to secondary treatment facilities	1,236	12-31-2026	2,300
AK Warren Water Resource Facility Replacement of Switchboard 9	Electrical and instrumentation infrastructure improvements	1,030	06-30-2033	10,000
AK Warren Water Resource Facility Replacement of Primary Sedimentation Tank Covers - Phase III	Improvements to secondary treatment facilities	1,030	06-30-2027	4,000
AK Warren Water Resource Facility Total Energy Facility (TEF) Spare Fuel Gas Compressor	Improvements to energy recovery facilities	1,030	06-30-2029	13,000
San Jose Creek WRP Stage III Secondary Clarifier Modifications	Install baffles in secondary clarifiers at SJCWRP Stage III	1,030	06-30-2028	3,000
JWPCP East Lab Sample Receiving & Storage Annex	Improvements to laboratory facilities	927	06-30-2027	900
AK Warren Water Resource Facility Inlet Works Spare Pump Purchases	Improvements to treatment plant reliability	927	06-30-2027	900
Pomona WRP Power Distribution System Modifications	Electrical and instrumentation infrastructure improvements	773	01-01-2032	25,050
Long Beach WRP Seismic Evaluation	Seismic Evaluation of Long Beach WRP	670	06-30-2028	1,000
San Jose Creek East WRP Maintenance Building Restrooms & Lunch Room Improvements	Infrastructure improvements	629	12-31-2027	2,000
Pure Water Southern California - Program Management and Evaluation	Pure Water Southern California Project	618	06-30-2034	6,000

**Joint Outfall System
Capital Projects Wastewater Budget (\$ in thousands)**

Project Name	Description	FY26-27 Budget	Estimated Completion	Total Budget ⁽¹⁾
San Jose Creek East WRP Filter Control Upgrades	Improvements to tertiary treatment facilities	574	12-31-2026	750
Transformer Bus Duct Arc Flash Mitigation	Transformer bus duct arc flash mitigation	515	06-30-2028	4,000
AK Warren Water Resource Facility Secondary Influent Pump Station (SIPS) Pump Replacement	Improvements to secondary treatment facilities	515	06-30-2030	6,500
Pure Water Southern California - Planning and Site Preparation	Pure Water Southern California Project	515	06-30-2027	7,150
AK Warren Water Resource Facility Grit	Improvements to primary treatment facilities	515	12-31-2033	49,290
AK Warren Water Resource Facility Replacement of Switchboard 1K3B	Replacement of Switchboard	515	06-30-2027	500
Long Beach WRP Maintenance Buildings Roof Replacements	Roof replacement for the Storage Building	515	12-31-2026	500
Los Coyotes WRP Aeration System Improvements	Improvements to secondary treatment facilities	515	06-30-2031	12,000
San Jose Creek East WRP Maintenance Building Expansion	Infrastructure improvements	515	06-30-2032	34,000
Whittier Narrows WRP Secondary Clarifiers Modifications	Install baffles and additional launders in the secondary sedimentation tanks	515	06-30-2028	1,500
San Jose Creek West WRP Restroom and Lunch Room Improvements	Remodel of the restrooms and lunchroom	464	06-30-2028	500
AK Warren Water Resource Facility TEF Gas Turbine Starter Upgrades	Improvements to treatment plant reliability	412	06-30-2027	500
AK Warren Water Resource Facility Joint Outfall B Unit 1A Diversion Structure Repair	Infrastructure improvements	412	06-30-2030	6,800
Long Beach WRP Landscaping Improvements	Long Beach WRP landscaping improvements	412	06-30-2027	400
Los Coyotes Water Reclamation Plant Seismic Evaluation	Seismic Evaluation of Los Coyotes WRP	412	06-30-2028	750
Washwater Pumping Improvements	This project increases capacity and adds redundancy to the washwater system	402	06-30-2027	400
AK Warren Water Resource Facility Replacement of Radiators at Secondary Influent Pump Station	Improvements to secondary treatment facilities	309	06-30-2029	2,400
San Jose Creek East WRP Pavement Repairs	Capital improvements to water reclamation plant	298	06-30-2028	400
San Jose Creek West WRP Upgrade Various PCUs and Control Panels-West	Electrical and instrumentation infrastructure improvements	285	12-31-2028	670
AK Warren Water Resource Facility Warehouse Relocation	Infrastructure improvements	258	12-31-2032	28,550
San Jose Creek West WRP Security Camera System	Improvements to security systems	258	06-30-2027	250
AK Warren Water Resource Facility TEF Gas Turbine Overhaul and 5-year Maintenance Agreement	Improvements to energy recovery facilities	247	06-30-2041	33,200
Long Beach WRP Washwater and Nonpotable Water Systems Improvements	Infrastructure improvements	232	12-31-2027	450
Pomona Liquid Waste Disposal Station Building Replacement	Infrastructure improvements	232	06-30-2027	250
Installation of Electric Vehicle Chargers	Installation of electric vehicle chargers at the Warren Facility	206	06-30-2028	600
Long Beach WRP Security Camera and Facility Access Control Systems	Improvements to security systems	206	06-30-2028	400
Long Beach WRP Final Analyzer Building	Infrastructure improvements	206	12-31-2027	250
Long Beach WRP Polymer System Upgrades	Improvements to secondary treatment facilities	206	12-31-2026	550
Los Coyotes WRP Process Improvements	Process infrastructure improvements	206	06-30-2029	800
San Jose Creek East WRP East Miscellaneous Maintenance and E&I Capital Improvement Projects	Infrastructure improvements	206	06-30-2036	4,618
San Jose Creek Stage III WRP Miscellaneous Maintenance and E&I Capital Improvement Projects	Infrastructure improvements	206	06-30-2036	3,900
Long Beach WRP Storm Water Drainage System Improvements	Infrastructure improvements	200	12-31-2026	400
Pomona WRP Security Camera and Facility Access Control Systems	Improvements to security systems	180	06-30-2029	300
AK Warren Water Resource Facility Conveyor Support Structures Rehabilitation	Infrastructure improvements	178	12-31-2026	5,000
San Jose Creek East WRP Security Camera System	Improvements to security systems	155	06-30-2028	250
San Jose Creek East WRP Upgrade Various PCUs and Control Panels-East	Electrical and instrumentation infrastructure improvements	104	12-31-2028	500
Long Beach WRP Sodium Bisulfite Station	Improvements to tertiary treatment facilities	103	12-31-2027	360
Long Beach WRP Replacement of CCT Baffles	Improvements to tertiary treatment facilities	103	06-30-2028	250
Long Beach WRP Miscellaneous Maintenance and E&I Capital Improvement Projects	Infrastructure improvements	103	06-30-2036	2,425

**Joint Outfall System
Capital Projects Wastewater Budget (\$ in thousands)**

Project Name	Description	FY26-27 Budget	Estimated Completion	Total Budget ⁽¹⁾
Los Coyotes WRP Security Camera and Facility Access Control Systems	Improvements to security systems	103	06-30-2029	500
Los Coyotes WRP Miscellaneous Maintenance and E&I Capital Improvement Projects	Infrastructure improvements	103	06-30-2036	2,010
Los Coyotes WRP Replacement of Filter Influent	Improvements to tertiary treatment facilities	103	06-30-2030	500
San Jose Creek Stage III WRP Pavement Repairs	Infrastructure improvements	103	06-30-2029	325
Pomona WRP Miscellaneous Maintenance and E&I Capital Improvement Projects	Infrastructure improvements	103	06-30-2036	1,832
Long Beach WRP Effluent Forebay Modifications	Process infrastructure improvements	90	06-30-2027	200
Long Beach WRP Effluent Filter Valve and Actuator Replacement	Capital improvements to water reclamation plant	86	12-31-2026	400
Los Coyotes WRP Influent Channel No. 1 Mixing System	Improvements to primary treatment facilities	52	12-31-2026	350
Los Coyotes WRP Filter Effluent Pump Station Upgrades	Improvements to tertiary treatment facilities	52	06-30-2028	350
San Jose Creek WRP Stages 1 & 2 Storm Water Drainage System Improvements	Capital improvements to water reclamation plant storm water system	52	06-30-2031	400
San Jose Creek WRP Stage 3 Storm Water Drainage System Improvements	Capital improvements to water reclamation plant storm water system	52	06-30-2028	400
Whittier Narrows WRP Miscellaneous Maintenance and E&I Capital Improvement Projects	Infrastructure improvements	52	06-30-2036	2,400
Pomona WRP Storm Water Drainage System Improvements	Infrastructure improvements	52	12-31-2028	300
Los Coyotes WRP Replacement of CCT Inlet and Outlet Gates and Actuators	Improvements to tertiary treatment facilities	26	12-31-2034	250
La Canada WRP Storm Water Drainage System Improvements	Infrastructure improvements	26	06-30-2028	50
La Canada WRP Miscellaneous Maintenance and E&I Capital Improvement Projects	Infrastructure improvements	26	06-30-2036	550
Long Beach WRP Control Room and Laboratory Restroom Improvements	Long Beach WRP control room and laboratory restroom improvements	10	06-30-2028	400
La Canada WRP Process Improvements	Process infrastructure improvements	10	06-30-2030	600
Long Beach WRP Backwash Recovery Pump & Piping Upgrades (WM)	Improvements to tertiary treatment facilities	5	12-31-2026	170
	Treatment Plants Total	<u>196,491</u>		
Tulare Lake Compost Farm Water Conveyance Infrastructure Improvements - Phase I	TLC farm water conveyance infrastructure improvements	515	12-31-2029	8,900
	Composting Facilities Total	<u>515</u>		
Carson Field Office and Maintenance Yard	Infrastructure improvements	1,030	06-30-2034	69,000
	Field Offices Total	<u>1,030</u>		
D16 City of LA Wastewater Capital Charges	Capital expenses for disposal contracts	392	06-30-2039	7,693
D05 City of LA Wastewater Amalgamated System Sewerage Facilities Charge	Capital expenses for disposal contracts	6	06-30-2040	58
D05 City of LA Wastewater Capital Charges	Capital expenses for disposal contracts	600	06-30-2039	7,851
D16 City of LA Wastewater Amalgamated System Sewerage Facilities Charge	Capital expenses for disposal contracts	2	06-30-2040	374
	Contract Disposal Total	<u>1,000</u>		
	Total Capital Projects	<u><u>364,733</u></u>		

(1) Includes past, present, and future amounts.

Joint Outfall System
Reserve Funds⁽¹⁾⁽²⁾ Proposed Budget (\$ in thousands)
Fiscal Year 2026-27

	Unrestricted	Restricted		Total
	Operating	Capital Improvement	Closure/ Postclosure Reserves	
Starting Balance	\$ 337,141	1,464	514	339,119
Operating Revenue	484,746	-	-	484,746
Non-Operating Revenue	6,743	29	10	6,782
Capital Revenue	454,229	6,394	-	460,623
Transfers In	7,887	-	-	7,887
Operations and Maintenance Expense	491,488	-	-	491,488
Capital Expense	386,244	-	-	386,244
Debt Service	16,080	-	-	16,080
Transfers Out	-	7,887	-	7,887
Ending Balance	<u>396,934</u>	<u>-</u>	<u>524</u>	<u>397,458</u>

(1) Pursuant to the revised financial reserve policy to take effect on July 1, 2026, the Emergency Fund, O&M Financial Stability Fund, and Capital Projects Financial Stability Fund have been consolidated into a new Financial Stability Fund.

(2) The Financial Stability Fund has no reserves for FY2026-27.

**Joint Outfall System
Wastewater Budget Rate and Other Information Summary
Fiscal Year 2026-27**

	Adopted 2025-26	Proposed 2026-27 ⁽³⁾
<u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per MGY)	891.00	1,073.00
COD (\$ per 1000 lbs)	178.20	210.00
SS (\$ per 1000 lbs)	426.20	614.60
Peak Flow (\$ per gpm)	121.90	156.30
Short Form Rate (\$ per million gallon per year)	3,939.50	4,979.38
Liquid Waste Disposal (\$ per 100 gallon)	5.80	7.80
<u>Projected Sewage Units</u>		
Industrial Waste	203,497	195,602
Industrial Waste Contract	24,818	20,834
Total Served Sewage Units	228,315	216,436

(3) Rates will be prorated based on the effective date of the ordinances.

Sanitation Districts of Los Angeles County

Wastewater Budget Explanation and Glossary of Terms

Fiscal Year 2026-27

INTRODUCTION

The budget package for each District consists of the following sections:

- **Operating Fund Budget:** Details of the sources and uses of funds for the Operating Fund and Unrestricted Reserve Fund, described in the District’s wastewater reserve policies. The proposed budget for the upcoming fiscal year is compared to the adopted budget for the current fiscal year.
- **Proposed Capital Projects:** Shows major capital projects budgeted expenditures for the fiscal year. If a District has no major capital projects budgeted, this section is omitted. Joint Outfall System capital projects are not listed on individual district budgets and are instead listed in the Joint Outfall System budget.
- **Unrestricted, Designated and Restricted Reserve Budget:** Provides beginning and ending balances of each category of reserves along with major inflows to and outflows from that reserve.
- **Rate and Other Information Summary:** Shows adopted and proposed rates for the various user fees, summary of projected sewage units, and other metrics.

TERMS USED IN THE BUDGET

Below are explanations of budget line items and other terms used in the budgets. Note that some terms may not apply for certain Districts.

Operating Fund Starting Balance	Projected cash balance in the Operating Fund as of July 1 at the beginning of the fiscal year shown.
Ad Valorem Tax Revenue	A District’s share of Ad Valorem (property) taxes paid by property owners in a District.
Service Charge Rate	Fees paid by residential, commercial and small industrial users of a District’s wastewater system. These fees are generally collected on the property tax bill as a separate line item.
Industrial Waste Rates	Fees paid by large industrial users of a District’s wastewater system. For districts in the Joint Outfall System, Industrial Waste Revenue is shown on the Joint Outfall System budget, not each individual districts budget.
Contract Revenue	Revenue from commodity and energy revenue sales; leases; and other similar sources of revenue.
Agricultural and Recycled Water Sales	Revenue from commodity sales of composted material and reclaimed water
Interest	Interest revenue generated by Unrestricted, Designated, and Restricted Reserves.

Grant Proceeds	Grant revenue, generally from state or federal grants toward capital projects.
Loan Proceeds	Funds received from loans taken out to finance capital projects, primarily Clean Water State Revolving Fund (CWSRF) and Water Infrastructure Finance and Innovation Act (WIFIA) loans.
Transfers from Restricted Reserve Funds	Funds transferred from Restricted Funds including transfers from Capital Improvement Funds to be used toward capital expenditures.
Transfers from Designated Reserve Funds	Funds transferred from Designated Funds including the Rate Stabilization Fund.
Transfers from Districts	Funds transferred from the Joint Outfall Districts to Joint Outfall System for the remaining share of balances.
Joint Administration Operations	A District's share of Joint Administration Operating Expenditures less any operational or non-operational Joint Administration Revenues
Joint Outfall Operations	A District's share of Joint Outfall System Operating Expenditures less any operational or non-operational Joint Outfall System Revenues
Sewer System Operations	Expenditures related to operating and maintaining sewers and pumping plants.
Treatment Plant Operations	Expenditures related to operating and maintaining treatment plants.
Composting Facility Operations	Expenditures related to operating and maintaining composting facilities.
Contract Disposal Operations	Expenditures related to the operation and maintenance for conveyance and treatment of wastewater performed by another entity.
Other Operational Expenditures	Operational expenditures that are not directly related to facilities, such as insurance, annexations, and certain regulatory work.
Joint Administration Capital	Capital expenses that are not related to facilities, such as laboratory and administration office projects.
Joint Outfall Capital	Joint Outfall System capital expenses related to facilities.
Sewer System Capital	Capital expenditures related to rehabilitation or expansion of sewers and pumping plants.

Treatment Plant Capital	Capital expenditures related to upgrade, repair or expansion of treatment plants.
Composting Facility Capital	Capital expenditures related to upgrade, repair or expansion of composting facilities.
Field Office Capital	Capital expenditures related to upgrade, repair or expansion of field offices.
Contract Disposal Capital	Capital expenditures related to conveyance and treatment of wastewater performed by another entity.
Loan Repayment	Interest and principal payments toward loans, primarily CWSRF and WIFIA loans.
Bond Repayment	Interest and principal payments toward bond debt.
Transfers to Designated Reserve Funds (Transfers Out)	Surplus funds at the end of the fiscal year not required for operating or cash-flow purposes that are transferred to Designated Reserves. Designated Reserves are primarily used to help stabilize future rates and to set aside funds for future capital projects.
Transfers to Unrestricted Reserve Funds (Transfers in)	Funds transferred to Unrestricted Funds to be used to meet the cash flow needs of the Joint Outfall System.
Operating Fund Ending Balance	Projected balance in the Operating Fund as of June 30 at the end of the fiscal year shown.
Total Served Sewage Units	Total number of Sewage Units (single family home equivalent dischargers) that are served by facilities owned by the Districts.

SUMMARY OF FISCAL YEAR 2026-27 APPROPRIATIONS LIMIT AND TAX LEVY

DISTRICT NUMBER	2025-26 APPROX. LMT. EXCLUDING MANDATED COSTS	POPULATION CHANGE FACTOR	¹ APPROX. LMT. CHANGE FACTOR	2026-27 APPROX. LMT. EXCLUDING MANDATED COSTS	2026-27 MANDATED COSTS	2026-27 APPROX. LMT. INCLUDING MANDATED COSTS	ESTIMATED AD VALOREM TAX REVENUES
1	\$ 24,674,503	0.9936	1.0427	\$ 25,729,305	\$ 2,912,513	\$ 28,641,818	\$ 6,704,000
2	42,460,795	0.9947	1.0439	44,325,502	4,280,562	48,606,064	12,098,000
3	30,167,830	0.9982	1.0476	31,604,907	3,505,001	35,109,908	9,077,000
4	3,945,418	0.9962	1.0455	4,124,979	-	4,124,979	1,172,000
5	62,425,791	0.9936	1.0427	65,094,410	5,215,895	70,310,305	20,537,000
8	11,719,232	0.9936	1.0427	12,220,214	1,168,334	13,388,548	3,885,000
9	1,501,710	0.9936	1.0427	1,565,906	-	1,565,906	163,000
14	70,886,609	1.0035	1.0532	74,659,456	16,236,246	90,895,702	4,615,000
15	24,839,641	0.9959	1.0452	25,962,327	3,747,988	29,710,315	13,078,000
16	17,587,932	0.9974	1.0467	18,410,109	2,233,481	20,643,590	9,179,000
17	2,406,856	0.9936	1.0427	2,509,746	226,344	2,736,090	1,005,000
18	18,659,095	0.9936	1.0427	19,456,746	2,406,568	21,863,314	7,888,000
19	7,303,102	0.9967	1.0460	7,639,016	782,218	8,421,234	2,536,000
20	56,355,765	0.9968	1.0461	58,956,457	13,467,061	72,423,518	2,224,000
21	71,368,490	0.9938	1.0429	74,433,180	3,058,971	77,492,151	8,376,000
22	16,700,854	0.9978	1.0472	17,489,563	2,479,797	19,969,360	7,820,000
23	8,315,795	0.9951	1.0444	8,684,854	66,572	8,751,426	737,000
27	1,253,293	0.9936	1.0427	1,306,870	-	1,306,870	591,000
28	1,414,711	0.9962	1.0455	1,479,043	93,200	1,572,243	1,097,000
29	1,173,207	0.9944	1.0436	1,224,386	113,172	1,337,558	257,000
SBC	32,746,018	0.9964	1.0458	34,244,607	995,247	35,239,854	9,104,000
SCV	30,441,514	0.9965	1.0458	31,836,968	18,231,280	50,068,248	11,053,000
34						² N/A	
NR						² N/A	

¹ This column represents the net change resulting from the percent change in population and the percent change in Per Capital Income of 4.95%.

² This District is not subject to an appropriations limit as it does not receive any proceeds of taxes.