Los Angeles County Sanitation Districts

County Sanitation District No. 16 of Los Angeles County

Board of Directors
Regular Meeting

Wednesday, July 22, 2026	**1:30 PM**	**OFFICE OF THE DISTRICT 1955 Workman Mill Road Whittier, CA 90601**

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

ALHAMBRA CITY HALL, Conference Room A, 111 S. First Street, Alhambra, CA 91801
KENNETH HAHN HALL OF ADMINISTRATION, 500 West Temple Street, Room 869, 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: https://lacsd.legistar.com/Calendar.aspx

Roll Call - GOVERNING BODY - Director / Alternate

ALHAMBRA - Maloney / Andrade-Stadler
LOS ANGELES CITY - Vacant / McOsker
PASADENA - Gordo / Cole
SAN MARINO - Chou / C. Lo
SOUTH PASADENA - Rossi / Ferguson
LOS ANGELES COUNTY - Solis / Barger

Remote Public Participation

Members of the public may participate in person or remotely through the teleconference and/or internet-based platform identified on the Districts' website and meeting materials.

Public Comment

Members of the public may address the Board on agenda items before or during consideration and on matters within the Board's jurisdiction. Comments may be made in person or through the designated remote participation platform.

Instructions for remote participation and public comment are available at:
https://www.lacsd.org/about-us/governance/board-agenda-and-minutes

The Board will not require advance submission of public comments and will provide an opportunity for real-time public comment. The Chair may establish reasonable procedures and time limits consistent with the Brown Act and Board policies.

PUBLIC COMMENT

1. Public Comment

APPROVAL OF MINUTES

2. Approve Minutes of Regular Meeting Held May 27, 2026

APPROVAL OF DISTRICT EXPENSES

3. Approve March and April 2026 Expenses in Amount of $13,785,930

Summary: Local District expenses represent costs that are the sole responsibility of the individual District. Allocated expenses, which are generally distributed twice per year in conjunction with the receipt of the District's service charge revenue, represent the District's proportionate share of expenses made by the Joint Outfall System pursuant to the Joint Outfall Agreement. The Agreement provides for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all the shared facilities for all of the signatory Districts, along with the methodology for determining the proportionate costs for each District. A 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.

Attachments: Districts Expenses - 2026 - 03 - 2026 04 - D16

BUDGET MATTERS

4. Re: Wastewater Budget Matters for Fiscal Year 2026-27
(a) Establish by Resolution Appropriations Limit of $20,643,590 as Required by California Government Code Section 7910
(b) Adopt Operating Budget
(c) Adopt Resolution Requesting Tax Levy of $9,179,000
(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.

Attachments: Wastewater Budget Matters for Fiscal Year 2026-27
FY2026-27 Final Board Budget - D16
FY 2026-27 Wastewater Budget Explanation and Glossary of Terms
Appropriations Limit Table FY 2026-27

DISCUSSION ITEM

5. Re: Update on Items Discussed at Personnel Committee Meeting

Summary: The Chief Engineer and General Manager will update the Directors on items Financing Authority actions, the Waste-by-Rail System, the Clearwater Tunnel, and the Scholl Canyon Landfill, as discussed at the June 24, 2026, Personnel Committee Meeting.

ADJOURNMENT

Adjourn the Board meeting until the Regular Meeting of the Board of Directors on September 23, 2026 at 1:30 p.m.

Teleconference and Internet-Based Participation Disruptions

If a disruption prevents the District from broadcasting the meeting or receiving public comment through the advertised platform, the Board will follow the recommendations of this adopted Board Policy:
https://www.lacsd.org/home/showpublisheddocument/16791/639150463365600000

Reasonable Accommodation

In compliance with the Americans with Disabilities Act and applicable California law, requests for disability-related accommodations, auxiliary aids, or services should be directed to the Secretary to the Boards' Office at (562) 908-4288, extension 1100, at least 48 hours before the meeting when feasible.

Language Assistance

Interpretation services or translated agenda materials may be available upon request as required by Government Code 54954.2(a)(1). Requests should be directed to the Secretary to the Boards' Office at least 72 hours before the meeting when feasible.

Document Requests

Supporting documents are available online at the time of posting. Agendas and non-exempt writings distributed to the Board related to agenda items are available for public inspection at the Office of the Secretary to the Boards of Directors, 1955 Workman Mill Road, Whittier, California 90601, or at the meeting location.

Additional information is available at: https://www.lacsd.org/about-us/governance/board-agenda-and-minutes

Status Report

Prior to or during the meeting, the Chief Engineer and General Manager may provide updates on matters of interest concerning the Districts.

AFFIDAVIT OF POSTING

I hereby certify under penalty of perjury and as required by the State of California, Government Code § 54954.2(a), that the foregoing Agenda was posted online at www.lacsd.org and outside the main door of the Office of the District at 1955 Workman Mill Road, Whittier, CA 90601 not less than 72 hours prior to the meeting date and time above. All public records relating to each agenda item, including those distributed less than 72 hours prior to the meeting to a majority of the Board of Directors, are available for public inspection with the Secretary to the Boards of Directors.

/s/ Rechelle Z. Asperin
Secretary to the Boards of Directors
July 16, 2026

Los Angeles County Sanitation Districts

Staff Report

1955 Workman Mill Road,
Whittier, CA 90601
562-908-4288
info@lacsd.org

File #: 26-292 **Agenda Date:** 7/22/2026 **Agenda #:** 2.

Title

Approve Minutes of Regular Meeting Held May 27, 2026

Staff Recommendation

Staff recommends approval of the Minutes.

1955 Workman Mill Road,
Whittier, CA 90601
562-908-4288
info@lacsd.org

Los Angeles County Sanitation Districts

Staff Report

File #: 26-255 **Agenda Date:** 7/22/2026 **Agenda #:** 3.

Title

Approve March and April 2026 Expenses in Amount of $13,785,930

Summary

Summary: Local District expenses represent costs that are the sole responsibility of the individual District. Allocated expenses, which are generally distributed twice per year in conjunction with the receipt of the District's service charge revenue, represent the District's proportionate share of expenses made by the Joint Outfall System pursuant to the Joint Outfall Agreement. The Agreement provides for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all the shared facilities for all of the signatory Districts, along with the methodology for determining the proportionate costs for each District. A 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.

Staff Recommendation

Staff recommends the approval of the District's March and April 2026 expenses.

Sanitation District No. 16 March and April 2026 Expenses

Local District Expenses:		
Operations & Maintenance (O&M)	$	19,720
Capital		-
Allocated Joint Outfall Expenses:		
O&M		13,172,122
Capital		594,088
Total Expenses:	$	13,785,930

Los Angeles County Sanitation Districts

Staff Report

1955 Workman Mill Road,
Whittier, CA 90601
562-908-4288
info@lacsd.org

File #: 26-229 **Agenda Date:** 7/22/2026 **Agenda #:** 4.

Title

Re: Wastewater Budget Matters for Fiscal Year 2026-27

(a) Establish by Resolution Appropriations Limit of $20,643,590 as Required by California Government Code Section 7910
(b) Adopt Operating Budget
(c) Adopt Resolution Requesting Tax Levy of $9,179,000
(d) Authorize Appropriations per Budget

Summary

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.

Staff Recommendation

LOS ANGELES COUNTY
SANITATION DISTRICTS
Converting Waste Into Resources

Robert C. Ferrante
Chief Engineer and General Manager

1955 Workman Mill Road, Whittier, CA 90601-1400
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998
(562) 699-7411 • www.lacsd.org

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 XIIIB* 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,

Robert C. Ferrante

RCF:gc

Enclosures

County Sanitation District No. 16 of Los Angeles County
Final Operating Fund Budget ($ in thousands)
Fiscal Year 2026-27

	Adopted 2025-26 [1]	Proposed 2026-27 [1]
Starting Balance	**$ 26,898**	**$ 27,566**
Sources of Funds		
Service Charge	$ 18,452	$ 22,639
Total Operating Revenue	18,452	22,639
Ad Valorem Tax Revenue	8,724	9,179
Interest	538	551
Total Non-Operating Revenue	9,262	9,730
Total Sources of Funds	**$ 27,714**	**$ 32,369**
Use of Funds		
Joint Outfall Operations	$ 26,344	$ 26,149
Other Operational Expenditures	43	55
Operations and Maintenance Expense	26,387	26,204
Joint Outfall Capital	1,188	7,303
Capital Expense	1,188	7,303
Total Use of Funds	**$ 27,575**	**$ 33,507**
Ending Balance	**$ 27,036**	**$ 26,428**

(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.

County Sanitation District No. 16 of Los Angeles County
Reserve Funds Proposed Budget ($ in thousands)
Fiscal Year 2026-27

	Unrestricted	Designated	
	Operating	Rate Stabilization	**Total**
Starting Balance	$ 27,566	10,835	**38,401**
Operating Revenue	22,639	-	**22,639**
Non-Operating Revenue	9,730	217	**9,947**
Operations and Maintenance Expense	26,204	-	**26,204**
Capital Expense	7,303	-	**7,303**
Ending Balance	**26,428**	**11,051**	**37,480**

County Sanitation District No. 16 of Los Angeles County
Wastewater Budget Rate and Other Information Summary
Fiscal Year 2026-27

	Adopted 2025-26	Proposed 2026-27
Service Charge Rate ($ per Sewage Unit)	160.00	192.00
Industrial Waste (Surcharge) Rates		
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
Total Connection Fee Rate ($ per Capacity Unit)	1,730.00	1,761.00
Projected Sewage Units		
Residential/Commercial	115,322	117,913 (1)
Contract Out	-1,233	-1,194
Total Served Sewage Units	**114,090**	**116,719**

(1) Parcels impacted by the 2025 Eaton Fire will be assessed a service charge starting July 1 after the property is rebuilt.

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 an 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 APRROX. LMT. EXCLUDING MANDATED COSTS	POPULATION CHANGE FACTOR	[1]APPROX. LMT. CHANGE FACTOR	2026-27 APRROX. LMT. EXCLUDING MANDATED COSTS	2026-27 MANDATED COSTS	2026-27 APRROX. 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.

1955 Workman Mill Road,
Whittier, CA 90601
562-908-4288
info@lacsd.org

Los Angeles County Sanitation Districts

Staff Report

File #: 26-242 **Agenda Date:** 7/22/2026 **Agenda #:** 5.

Title

Re: Update on Items Discussed at Personnel Committee Meeting

Summary

Summary: The Chief Engineer and General Manager will update the Directors on items Financing Authority actions, the Waste-by-Rail System, the Clearwater Tunnel, and the Scholl Canyon Landfill, as discussed at the June 24, 2026, Personnel Committee Meeting.

Staff Recommendation

This item is for discussion only.

LOS ANGELES COUNTY
SANITATION DISTRICTS
Converting Waste Into Resources

Robert C. Ferrante
Chief Engineer and General Manager

1955 Workman Mill Road, Whittier, CA 90601-1400
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May 28, 2026

Boards of Directors
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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.

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Very truly yours,

Robert C. Ferrante

RCF:gc

Enclosures