

ORDINANCE NO. 36

AN ORDINANCE AMENDING ORDINANCE NO. 35 OF THE LEMON GROVE SANITATION DISTRICT DESCRIBING METHODS FOR CALCULATING SEWER SERVICE CHARGES

The Board of Directors of the Lemon Grove Sanitation District does ordain as follows:

SECTION 1. Ordinance No. 35, Article III shall be amended to read as follows:

ARTICLE III

SEWER SERVICE CHARGES

SECTION 30. ESTABLISHMENT OF SEWER SERVICE CHARGES. There is hereby levied and assessed upon each premise within the District that discharges sewage into the sewer lines of the District and upon each person owning, letting, or occupying such premises an annual sewer service charge.

The annual sewer service charges are designed to recover the cost of ongoing sewer operations, required improvements to the sewer system, and repair and replacement of existing sewer system assets. In general, these costs include, without limitation, (1) the District's annual cost to provide customer service functions and collect and transport wastewater, (2) the District's annual cost for wastewater treatment and disposal as fees paid to the City of San Diego for capacity and use of the San Diego Metropolitan Sewer System, and (3) the District's share of the regional Pure Water San Diego Program. Total annual costs are allocated to users of the District's system by classification of type of property ("customer class") based on the number of accounts, volume of wastewater, and constituent levels of sewer strength discharged into the sewer system, as measured by milligrams per liter (mg/l) of biochemical oxygen demand (BOD) and suspended solids (SS).

The structure of the annual sewer service charges uses a combination of equivalent dwelling units (EDU) for residential users and volume-based rates for commercial users. Residential users are one (1) EDU per dwelling unit. The annual sewer service charges for each residential user shall be a flat rate per EDU and not based on water usage. Commercial users are grouped based on their estimated sewage strengths into three (3) classes of users (low, medium, and high) strength. Each commercial customer shall be charged for sewer service based on water usage. Potable water delivered through the water meter shall be used to estimate the volume of wastewater discharge for commercial customers. Each year, 100% of the property's bi-monthly metered water usage records from Helix Water District for a recent 12-month period shall be used to estimate the volume of wastewater and determine the upcoming year's annual sewer service bill unless the discharger or legal owner presents evidence to the contrary, and this evidence is satisfactory to the District Engineer (or designee). The District Engineer (or designee) may adjust the user's annual sewer service bill in proportion to the estimated volume of wastewater discharged to the sewer. See Section 30.4 for Appeal process.

Where metered water usage data is unavailable for a commercial parcel connected to the sewer system (and for parcels newly connected), the volume of sewer discharge for the parcel will be estimated using (1) permit records, (2) the average commercial volume of sewer discharge, or (3) other estimation method as determined by the District Engineer (or designee) unless the discharger or legal owner presents evidence to the contrary and this evidence is satisfactory to the District Engineer (or designee). The District Engineer (or designee) may adjust the user's annual sewer service bill in proportion to the estimated volume of wastewater discharged to the sewer. See Section 30.4 for Appeal Process. The estimated volume of wastewater discharge shall be used for the calculation of the sewer service charge until 12 months of consecutive metered water usage records is collected. For this ordinance, the average commercial volume of sewer discharge per account is 3,447 cubic feet per month (6,894) cubic feet per bi-monthly period).

For this ordinance, properties are classified as either residential or commercial. Commercial properties are further categorized into the three (3) strength categories (low, medium, and high) based on the constituent level of sewage strength discharged into the sewer system that is typically generated for the type of business. Exhibit 1 lists the types of properties included within the residential class and the commercial classifications, which are based on the discharge characteristics, by property type, as set forth in the current edition of the California State Water Resources Control Board publication *"Policy for Implementing The State Revolving Fund For Construction of Water Treatment Facilities"*.

EXHIBIT 1: CUSTOMER CLASSES AND WASTEWATER STRENGTH ASSIGNMENT			
RESIDENTIAL (≤ 200 mg/l BOD & SS)	COMMERCIAL - LOW (≤ 200 mg/l BOD & SS)	COMMERCIAL - MEDIUM (201-400 mg/l BOD & SS)	COMMERCIAL - HIGH (401-800+ mg/l BOD & SS)
Single-family Condominium Mobile home Duplex Tri-plex Four-plex Apartment	Basic commercial Car wash Convalescent Laundromat Light manufacturing Office building/storage Medical/dental/veterinary School/college	Bars without dining Commercial laundry Hotel/motel without dining Mixed use Shopping centers/theaters Repair shop/service station	Auto steam cleaning Bakery, wholesale Bars with dining Special manufacturing Hotel/motel with dining Industrial laundry Supermarket/deli Mortuary Restaurant Septage hauler

1 - mg/l = milligrams per liter; BOD = biochemical oxygen demand; SS = suspended solids.

Each user under the authority of this ordinance is assigned to the residential customer class or one of the three (3) commercial strength classes for purposes of calculating and assessing the sewer service charges. For property types not listed in Exhibit 1, the District Engineer (or designee) shall assign each user under the authority of this ordinance to a customer classification based on comparable industry standards for purposes of assessing the sewer service charges.

For this ordinance, the discharge characteristics of an average residential user is one (1) EDU and shall be composed of wastewater flow of 675 cubic feet per month (or 166 gallons per day for 365 days per year) and constituent levels of sewage strength of 200 mg/l BOD and 200 mg/l SS.

For this ordinance, the discharge characteristics for purposes of assessing sewer service charges for commercial customers shall be a minimum of one (1) EDU equal to 675 cubic feet per month (or 166 gallons per day for 365 days per year) and constituent levels of sewage strength of 200 mg/l BOD and 200 mg/l SS. Higher sewer service charges shall be assessed for metered water usage over 675 cubic feet per month (1,350 per bi-monthly period) and/or higher constituent levels of sewer strength per Exhibit 1.

The District Engineer (or designee) shall assign EDUs for each residential customer which shall be equal to the number of dwelling units for purposes of assessing the sewer service charges. For commercial customers, the District Engineer (or designee) shall assign the flow quantity and strength category for each commercial parcel based upon actual metered water usage and the strength of wastewater that is typically generated for each type of commercial customer. The number of dwelling units, water usage, and strength classification so assigned shall be used in computing the sewer service charges for residential and commercial customers.

SECTION 30.1. Residential Sewer Service Charges. The maximum annual and annual sewer service charges shall be determined for residential customers as follows:

Residential customers shall be assessed an annual sewer service charge based on a maximum Rate per EDU (per dwelling unit) as shown in Exhibit 2. Vacant residential properties connected to the sewer system shall be assessed an annual fixed charge per dwelling unit to recover fixed sewer system costs incurred regardless of the actual volume or strength of wastewater discharge.

The maximum annual sewer service charges for Fiscal Years 2023/24 through 2027/28 are shown in Exhibit 2.

EXHIBIT 2: RESIDENTIAL SEWER SERVICE CHARGES					
Residential Categories	MAXIMUM ANNUAL SEWER SERVICE CHARGES				
	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
A. Occupied Residential - \$/dwelling unit	\$655.20	\$674.86	\$695.10	\$715.95	\$737.43
B. Vacant Residential - \$/dwelling unit	\$58.64	\$60.40	\$62.21	\$64.08	\$66.00

The residential annual sewer service charges for FY 2026/27, which reflects the FY 2025/26 sewer service charge with an escalation are shown in Exhibit 4.

EXHIBIT 4: SEWER SERVICE CHARGE BY PROPERTY CLASSIFICATION	
CLASSIFICATION	SEWER SERVICE CHARGE FY 2026-27
Residential	
A. Occupied Residential - \$/dwelling unit	\$688.36
B. Vacant Residential - \$/dwelling unit	\$61.61
1 - One cubic foot is equivalent to 7.48 gallons. 675 cubic feet is equivalent to 5,049 gallons. HCF = 100 cubic feet.	

The maximum annual and annual sewer service charge (SSC) for residential customers shall be calculated using the formula below:

SSC = EDU value (number of dwelling units) x applicable year sewer service charge
For example, for FY 2026/27 the formula for an occupied single-family home (1 dwelling unit) would be as follows:

$$SSC = 1 \times \$688.36 = \$688.36$$

The formula for an occupied 4-unit multi-family dwelling the formula would be as follows:

$$SSC = 4 \times \$688.36 = \$2,753.44$$

For a vacant single-family residential property, the formula would be as follows:

$$SSC = 1 \times \$61.61 = \$61.61$$

For subsequent fiscal years, the formula is the same but the rate per dwelling unit changes each year through FY 2027/28 per the schedule shown in Exhibit 2.

SECTION 30.2. Assignment of Sewer Discharge for Commercial Customers.

Assignment of sewer discharge for commercial/industrial properties shall be based on (1) the volume of wastewater discharged into the sewer system as measured by metered water usage and (2) the constituent level of sewage discharged into the sewer system as determined by the assigned commercial strength class by property type as shown in Exhibit 1. The discharge characteristics for purposes of assessing sewer service charges for commercial customers shall be a minimum of one (1) EDU equal to 675 cubic feet per month (or 166 gallons per day for 365 days per year) and constituent levels of sewage strength of 200 mg/l BOD and 200 mg/l SS. Higher sewer service charges will be assessed for metered water consumption over 675 cubic feet per month and/or higher constituent levels of sewer strength per Exhibit 1 and Exhibit 3.

SECTION 30.3. Commercial/Industrial Sewer Service Charges. The maximum annual and annual sewer service charges shall be determined for commercial customers as follows:

The commercial sewer service charge includes an annual base charge per parcel that includes recovery of customer-related costs and the first 675 cubic feet of metered water supplied per month (1,350 cubic feet per bi-monthly basis), plus a volume charge per 100 cubic feet (Hcf) of water over the amount of water included in the base charge. Each commercial user shall pay a minimum annual charge of one base rate plus a volume charge for all consumption over 675 cubic feet per month that varies depending on the commercial strength classification assigned to each commercial user.

The maximum annual and annual sewer service charges for Fiscal Years 2023/24 through 2027/28 are shown in Exhibit 3.

EXHIBIT 3: COMMERCIAL SEWER SERVICE CHARGES					
Commercial Categories	MAXIMUM ANNUAL SEWER SERVICE CHARGES				
	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
A. Occupied Commercial					
1. Base Charge - \$/parcel (includes first 675 cubic feet of water per month)	\$655.20	\$674.86	\$695.10	\$715.95	\$737.43
2. Volume Charge - \$/hcf (over 675 cubic feet of water per month)					
Commercial-Low	\$7.04	\$7.26	\$7.47	\$7.70	\$7.93
Commercial-Medium	\$8.95	\$9.22	\$9.50	\$9.78	\$10.08
Commercial-High	\$13.18	\$13.57	\$13.98	\$14.40	\$14.83
B. Vacant Commercial - \$/account	\$80.23	\$82.64	\$85.12	\$87.67	\$90.30

1 - One cubic foot is equivalent to 7.48 gallons. 675 cubic feet is equivalent to 5,049 gallons. Hcf = 100 cubic feet.

The volume charge component of the SSC for individual commercial property sewer bills for FY 2026/27 shall be calculated based on each parcel's March 2025 through February 2026 actual bi-monthly metered water usage supplied by the Helix Water District. Sewer bills in subsequent fiscal years will be calculated based on each parcel's actual bi-monthly metered water usage records from Helix Water District for a recent 12-month period (March through February).

The commercial annual sewer service charges for FY 2026/27, which reflects the FY 2025/26 sewer service charge with an escalation, are shown in Exhibit 4.

EXHIBIT 4: SEWER SERVICE CHARGE BY PROPERTY CLASSIFICATION	
CLASSIFICATION	SEWER SERVICE CHARGE FY 2026-27
Residential	
A. Occupied Residential - \$/dwelling unit	\$688.36
B. Vacant Residential - \$/dwelling unit	\$61.61
Commercial	
A. Occupied Commercial	
1. Base Charge - \$/parcel (includes first 675 cubic feet of water per month)	\$688.36
2. Volume Charge - \$/HCF (over 675 cubic feet of water per month)	
Commercial-Low	\$7.40
Commercial-Medium	\$9.40
Commercial-High	\$13.85
B. Vacant Commercial - \$/account	\$84.29

1 - One cubic foot is equivalent to 7.48 gallons. 675 cubic feet is equivalent to 5,049 gallons.
HCF = 100 cubic feet.

The formula for calculating the commercial customer maximum annual and annual sewer service charge (SSC) is shown below:

$$\text{Bi-Monthly Commercial Customer SSC} = (\text{Base Charge}/6) + ((W_Q - (2 \times 675)) \times \text{Rate}_{L,M,H})$$

Annual Commercial Customer SSC = Sum of Bi-Monthly Commercial SSC for the FY

In the above formula, the terms are defined as follows:

Base Charge = Minimum annual Base Charge per account. The charge changes each year based on the schedule shown in Exhibit 3. On a bi-monthly basis the charge is equal to the Base Charge divided by 6 months. The Base Charge includes 675 cubic feet of metered water usage per month or 1,350 cubic feet per bi-monthly water consumption records.

W_Q = Bi-Monthly metered water usage measured in cubic feet for each commercial customer as provided by Helix Water District.

675 = Monthly metered water usage allowance measured in cubic feet that is included in the Base Charge for each commercial parcel. Since bills are calculated on bi-monthly usage, the formula multiplies 675 cubic feet by 2 which is equal to 1,350 cubic feet.

Rate L, M, H The Volume Charge per hundred cubic feet (Hcf) as shown in Exhibit 3 for commercial properties based on the strength categories of commercial-low, commercial-medium, and commercial-high.

Vacant commercial properties connected to the sewer system shall be assessed an annual fixed charge per account to recover fixed sewer system costs incurred regardless of the actual volume or strength of wastewater discharge.

For example, for FY 2026/27 the formula for a vacant commercial property would be as follows:

$$SSC = 1 \times \$84.29 = \$84.29$$

SECTION 30.4. Appeal Process. The owner or agent of any premises subject to the sewer service charge may apply in writing to the District Engineer (or designee) for an exception as herein provided. The applicant shall complete an official application for review of annual sewer service charges, supplied by the District, and provide necessary factual data to support such application. If the District Engineer (or designee) agrees that charges for the user should be adjusted, the District Engineer (or designee) may approve a re-computation of the user's annual sewer service bill.

Upon denial by the District Engineer (or designee), any applicant dissatisfied with such decision may appeal same in writing to the Executive Director. The Executive Director's decision shall be final.

The following are potential justifications for an exception:

- A. **Commercial Strength Classification.** The property discharges a lower strength BOD and SS concentration than their assigned commercial strength classification.

- B. **Return to Sewer Factor.** A portion of the user's metered water usage, larger than ten percent, is not discharged into the sewer system ("return to sewer") due to a substantial portion of the water used for commercial/industrial process, recreational, horticultural, agricultural, or other purposes where water does not enter the sewer system.
- C. **Estimated Water Usage.** The assigned volume of wastewater does not accurately reflect the actual water usage or volume of wastewater of the property.
- D. **Property with Separate Irrigation Meters.** When water is supplied to premises by one or more water meters and one or more of such water meters does not provide water which is discharged into the sewer system.
- E. **Leaks.** When excessive water consumption is caused by unknown water pipe leaks.

SECTION 30.5. Refund/Reduction of Sewer Service Charges. The Executive Director (or designee) is authorized to reduce the sewer service charge of over-charged parcels. The Executive Director (or designee) is authorized to allow refunds of annual sewer service charges to property owners which have been over-charged for sewer service charges. Only those amounts which were over-charged will be refunded and without accrued interest. Refunds may be issued for up to three years in arrears during which the property owner was over-charged for sewer service.

SECTION 30.6. Back Charges for Unpaid Sewer Service. The Executive Director (or designee) is authorized to require back charges if a property has been discharging into the sewer system without payment of sewer service charges or connection fees. The back charges may be imposed up to three years in arrears.

SECTION 2. DATE OF LEVY OF NEW CHARGES. The Charges referenced above shall take effect on August 20, 2026, in the manner allowed by law. The SSC shall be placed on customers' annual property tax bills or by direct mail for tax-exempt properties.

NOW, THEREFORE, BE IT RESOLVED that the District Board of Lemon Grove Sanitation District, Lemon Grove, California, does ordain as follows:

Section 1. The following recitals are true and correct.

Section 2. This Ordinance shall be effective thirty (30) days following its adoption. Within fifteen (15) days following its adoption, the District Clerk shall publish the title thereof, as a summary as required by state law.

INTRODUCED by the District Board on July 7, 2026. **PASSED AND ADOPTED** by the District Board of the Lemon Grove Sanitation District, Lemon Grove, State of California, on July 21, 2026 by the following vote:

AYES: Snow, Smith, Mendoza, Heredia, Altamirano

NOES: None

ABSENT: None

ABSTAIN: None

Signed in Counterparts

Alysson Snow, District Chair

Attest:

Signed in Counterparts

Joel G. Pablo, District Clerk

Approved as to Form:

Kristen Steinke

Kristen Steinke, District Attorney

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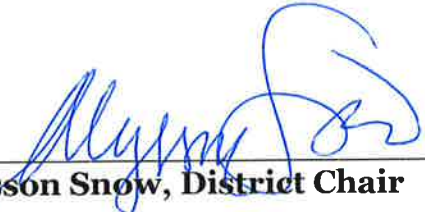
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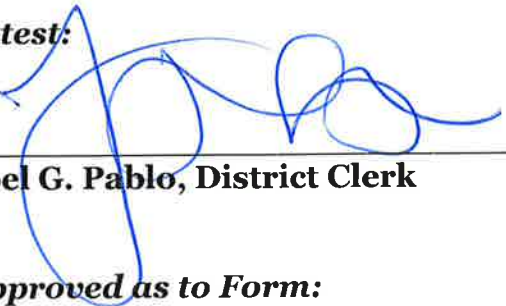
ABSENT: None

ABSTAIN: None



Alysson Snow, District Chair

Attest:



Joel G. Pablo, District Clerk

Approved as to Form:



Kristen Steinke, District Attorney

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NOES: **None**

ABSENT: **None**

ABSTAIN: **None**

Alysson Snow, District Chair

Attest:

Joel G. Pablo, District Clerk

Approved as to Form:



Kristen Steinke, District Attorney