

**Annual Garbage Collection  
and Disposal Service Fee Report  
Fiscal Year 2026-27**

**Mesa Heights Garbage Disposal District**



**Prepared By:  
County of Los Angeles  
Public Works  
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**LOS ANGELES COUNTY PUBLIC WORKS  
ANNUAL GARBAGE COLLECTION AND DISPOSAL SERVICE FEE REPORT  
FISCAL YEAR 2026-27  
MESA HEIGHTS GARBAGE DISPOSAL DISTRICT**

**INTRODUCTION**

Section 5470, et seq. of the California Health and Safety Code requires that, if existing garbage collection and disposal service fees are to be continued and collected on the property tax roll, a report shall be prepared each year and filed with the Executive Officer of the County of Los Angeles Board of Supervisors (Board).

The report must contain a description of each parcel receiving such services and the amount of the fee for each parcel for the year. The Executive Officer shall file a copy of the report with the Auditor-Controller on or before August 10 of each year, with a statement that the report has been finally adopted by the Board, and the Auditor-Controller shall enter the amounts of the fees against the respective parcels of land as they appear on the current assessment roll.

This report documents the methodology and cost basis for increasing the Annual Garbage Collection and Disposal Service Fee (Service Fee) per refuse unit in the Mesa Heights Garbage Disposal District (GDD) for Fiscal Year (FY) 2026-27. The Mesa Heights GDD provides refuse, recyclable material, green waste, and abandoned waste collection services to approximately 6,500 parcels with an estimated population of 19,000 residents. The District encompasses only County unincorporated territory, as shown in Exhibit 1. It is essential that operation of the refuse collection and disposal services within the Mesa Heights GDD be continued without interruption to protect the health and safety of the District's residents, businesses, and the general public. The necessary funds must be available to pay the cost of refuse, recyclable material, green waste and abandoned waste collection services, and administration of the District's contract.

**ANNUAL GARBAGE COLLECTION AND DISPOSAL SERVICE FEES**

In 1980, the Board adopted an ordinance establishing the Service Fee to supplement property taxes for the collection and disposal of refuse, recyclables, organic waste, and illegal dumping in the Mesa Heights GDD. The collection of the Service Fee on the property tax roll is the most cost-effective mechanism for the billing and accounting of the fees.

The current Service Fee for the Mesa Heights GDD is established in Title 20, Division 4A, Chapter 20.90, Part 11 of the Los Angeles County Code. The Service Fee is levied annually upon each parcel of real property within the District and is calculated by multiplying the fee per refuse unit by the number of refuse units assigned to each parcel according to the parcel's property use classification pursuant to Table 1 in Section 20.90.550 of the Los Angeles County Code. The number of refuse units per parcel varies

from one-half unit for a vacant parcel to 18 units for a community shopping center. A parcel containing a single-family residential unit is assigned one refuse unit.

On November 7, 2023, the Board approved and awarded a service contract to provide solid waste collection services, as well as monitoring and removal of illegal dumping, for the Mesa Heights GDD. The contract reflected a significant cost increase from previous years due to enhanced service requirements, including, but not limited to, daily monitoring and removal of illegal dumping and implementation of an Organic Waste Collection Program in accordance with Senate Bill (SB) 1383. SB 1383 requires local jurisdictions to provide source-separated collection of refuse, recyclables, and organic waste, and to divert organic waste from landfills. Additional drivers of increased costs include inflationary pressure and increased overhead costs.

The current Service Fee for the Mesa Heights GDD, as indicated in Section 20.90.530 of the County Code, is \$225 per refuse unit. The estimated revenues from the Service Fee at the current rate are insufficient to finance the District's projected annual operating costs. District reserves have declined from \$9,389,000 in FY 2021-22 to an estimated \$5,788,000 as of June 30, 2026. Continuing to collect the Service Fee at the existing rate would exhaust reserves and jeopardize services.

Public Works made a preliminary estimate of annual expenses for the Mesa Heights GDD and calculated the necessary Service Fee to finance those expenses by projecting anticipated costs for refuse collection and related services for the upcoming fiscal year. To determine the Service Fee required for financial sustainability, an analysis was conducted on these projected expenditures in relation to the total refuse service needs of the District. The resulting Service Fee was established to distribute the cost of service incrementally over a five-year period, which factored operational considerations and cost projections. This approach ensures that the fee structure reflects actual service demands and anticipated costs, supporting the District's long-term financial stability while minimizing ratepayer impact, as detailed in the table below.

The projected expenditures, revenues, and reserves for the Mesa Heights GDD beginning in FY 2026-27 are set forth in Table 1, below.

**Table 1. Mesa Heights GDD Projected Annual Expenditures,  
Revenues, and Reserves Beginning FY 2026-27.**

	<b>FY 2026-27</b>	<b>FY 2027-28</b>	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>
Number of Refuse Units	8,325	8,325	8,325	8,325	8,325
Proposed Annual Service Fee per Refuse Unit	260	300	346	399	460
Operating Revenue <sup>(1)</sup>	3,249,000	3,597,000	3,997,000	4,456,000	4,984,000
Reserves <sup>(2)</sup>	989,000	849,000	668,000	439,000	152,000
Total Financing Sources	4,238,000	4,446,000	4,665,000	4,895,000	5,136,000
Labor <sup>(3)</sup>	164,000	169,000	175,000	181,000	187,000
Equipment <sup>(4)</sup>	6,180	6,365	6,556	6,753	6,956
Miscellaneous <sup>(5)</sup>	22,660	23,340	24,040	24,761	25,504
Task 1 Customer Service <sup>(6)</sup>	3,978,450	4,177,373	4,386,241	4,605,553	4,835,831
Task 2 County Service <sup>(7)</sup>	66,150	69,458	72,930	76,577	80,406
Total Cost	4,238,000	4,446,000	4,665,000	4,895,000	5,136,000

Notes:

- (1) Operating revenue includes the annual Service Fee (proposed annual service fee multiplied by number of refuse units) and other revenue such as ad valorem and interest.
- (2) When operating revenue is insufficient to cover the total cost of the District, reserves are used to supplement funding. When operating revenue is sufficient, any additional revenue will be transferred to reserves.
- (3) Estimated Public Works labor costs are determined based on the positions needed to perform the service. The calculation applies FY 2025-26 System Employee Benefit and Overhead rates and cost of living adjustment (COLA); and is made by multiplying the estimated number of hours required for each position by the fully loaded hourly rates. For each Fiscal Year, an estimated 3 percent COLA is added.
- (4) Estimated equipment such as contract monitoring vehicles are calculated based on prior year actual costs, adjusted for CPI. For each Fiscal Year, an estimated 3 percent annual CPI is added.
- (5) Estimated miscellaneous charges including costs for outreach material and services from other County departments are calculated based on prior year actual costs, adjusted for CPI. For each Fiscal Year, an estimated 3 percent annual CPI is added.
- (6) Task 1 Customer Service cost is calculated by multiplying the number of refuse units by the monthly unit waste hauler cost from FY 2024-25 for 12 months, plus a 5 percent annual rate increase to determine estimated costs for FY 2025-26. For the estimated Task 1 Customer Service costs for each year, a 5 percent annual rate adjustment is added.
- (7) Task 2 County Service cost is calculated using prior year actual cost for waste hauler illegal dumping monitoring/collection and public receptacles, plus a 5 percent annual rate increase to determine estimated costs for FY 2025-26. For estimated Task 2 County Service costs for each year, a 5 percent annual rate adjustment is added.

Based on this calculation, Public Works held community meetings on the proposed fee increases on May 21, 2026 and June 13, 2026, and provided written notice of the proposed fee increase to the record owners of all identified parcels within the GDD by U.S. Mail on April XX, 2026, in accordance with article XIII D, section 6 of the California Constitution. The notice included the maximum proposed Service Fee to be collected in FYs 2026-27, 2027-28, 2028-29, 2029-30, and 2030-31; the basis for calculating the increased fee amounts; the reason for the proposed increases; and the date, time, and location of the public hearing on this matter.

Upon the Board's approval, the annual Service Fee for the Mesa Heights GDD will increase to: \$260 per refuse unit for FY 2026-27; \$300 per refuse unit for FY 2027-28; \$346 per refuse unit for FY 2028-29; \$399 per refuse unit for FY 2029-30; and \$460 per refuse unit beginning in FY 2030-31.

#### COMPLIANCE WITH PROPOSITION 218 AND PROPOSITION 26

The Service Fee for the Mesa Heights GDD is allocated uniformly per refuse unit. Each parcel within the District pays only its proportional share of the District's cost of service, in accordance with Article XIII D, section 6, subdivisions (b)(3) and (4). Revenues from the fee will not exceed and may not be used for purposes other than the District's solid waste collection and disposal services. (Cal. Const., art. XIII C, § 1 3 (2).)

Written notice of the proposed increases to the Service Fee was provided to the record owners of all identified parcels within the District at least 45 days prior to the public hearing on this matter. The increases will not be adopted if written protests are received from the majority of affected parcel owners.

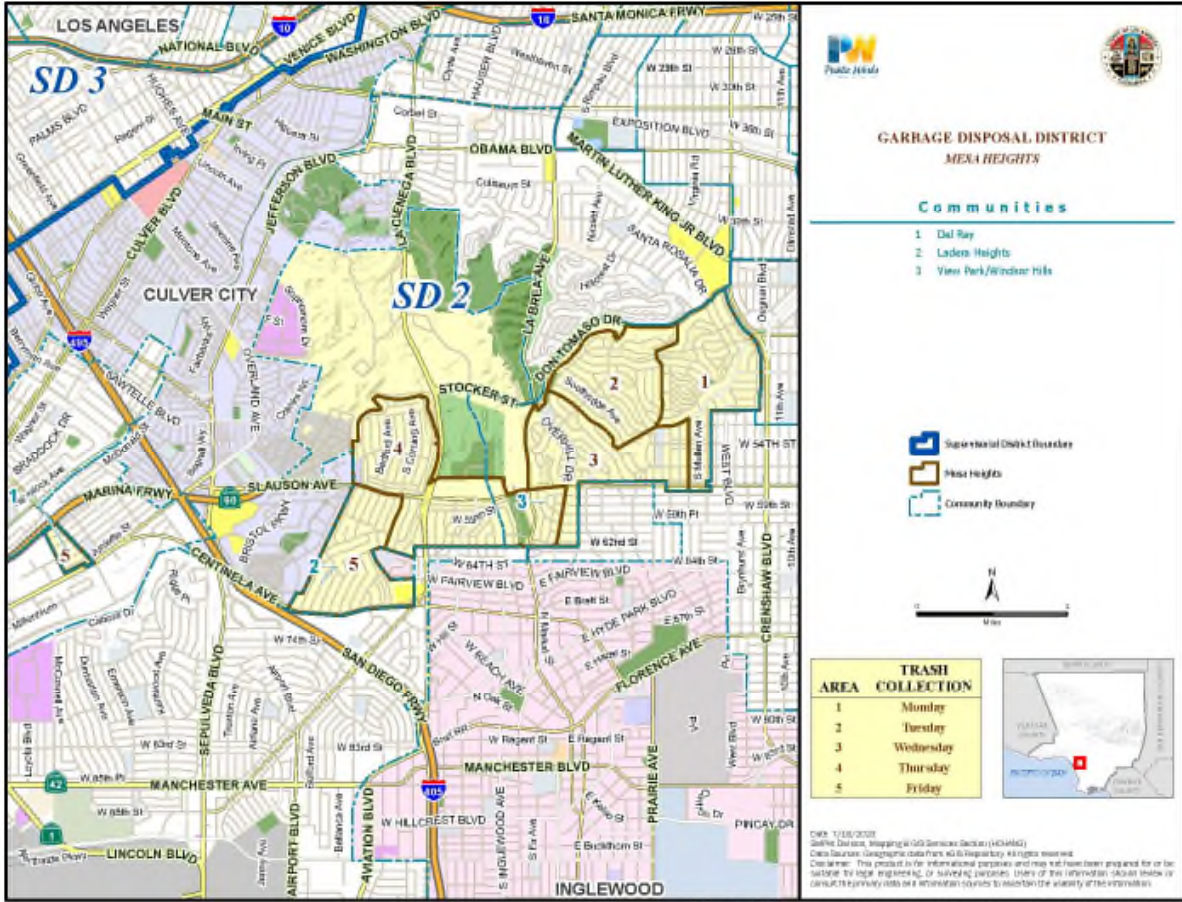
#### IDENTIFICATION OF PARCELS TO BE CHARGED

Exhibit 2 lists the tax rate areas for the Mesa Heights GDD for FY 2026-27. Parcels within the District are further described in maps on file at the Los Angeles County Assessor's Office. Each parcel within the District will be charged a Service Fee in the amount of its proportionate share of the District's total cost of service.

# EXHIBIT 1

## GARBAGE DISPOSAL DISTRICT BOUNDARIES

### MESA HEIGHTS GARBAGE DISPOSAL DISTRICT



**EXHIBIT 2**  
**GARBAGE COLLECTION AND DISPOSAL SERVICE FEE**  
**LIST OF TAX RATE AREAS**  
**MESA HEIGHTS GARBAGE DISPOSAL DISTRICT**

<b>ACCOUNT NO.</b>	<b>ANNUAL FEE PER REFUSE UNIT (\$)</b>	<b>TAX RATE AREA</b>	<b>ACCOUNT NO.</b>	<b>ANNUAL FEE PER REFUSE UNIT (\$)</b>	<b>TAX RATE AREA</b>
3421	225.00	63	3421	225.00	11151
3421	225.00	71	3421	225.00	12852
3421	225.00	502	3421	225.00	12855
3421	225.00	1149	3421	225.00	14755
3421	225.00	1163	3421	225.00	14756
3421	225.00	1371	3421	225.00	14757
3421	225.00	1372	3421	225.00	15932
3421	225.00	1465	3421	225.00	15934
3421	225.00	1472	3421	225.00	15935
3421	225.00	1473	3421	225.00	15936
3421	225.00	1474	3421	225.00	15937
3421	225.00	1482	3421	225.00	15938
3421	225.00	1484	3421	225.00	16115
3421	225.00	1525	3421	225.00	16116
3421	225.00	1528	3421	225.00	16117
3421	225.00	1530	3421	225.00	16118
3421	225.00	1534			
3421	225.00	1540			
3421	225.00	1541			
3421	225.00	1548			
3421	225.00	1552			
3421	225.00	1554			
3421	225.00	1585			
3421	225.00	2397			
3421	225.00	4599			
3421	225.00	4602			
3421	225.00	4604			
3421	225.00	4607			
3421	225.00	4609			
3421	225.00	4611			
3421	225.00	4612			
3421	225.00	4617			
3421	225.00	4623			
3421	225.00	4625			
3421	225.00	4644			
3421	225.00	4648			
3421	225.00	4649			
3421	225.00	4650			