AGN.	NO.	

## MOTION BY SUPERVISOR LINDSEY P. HORVATH

May 13, 2025

## Bill Forgiveness and Foregoing or Refund of Los Angeles County Waterworks District No. 29 Fees Incurred by Properties Destroyed in Recent Wildfires

Los Angeles County Waterworks District No. 29, Malibu ("the District") is responsible for providing potable water to residents and businesses in the City of Malibu and several unincorporated communities, including Sunset Mesa and much of Topanga Canyon. The District serves a population of 22,826 residents through 7,514 service connections. The District's 220 miles of water mains serve some of the most physically isolated and difficult geography in Los Angeles County with domestic potable water.

Many of the communities served by the District were devastated by the recent Palisades, Franklin, and Broad Fires (Fires), particularly areas near Sunset Mesa, Sweetwater Mesa, Serra Retreat, and eastern Malibu. The Fires damaged or destroyed over a thousand homes within the District's service area. Several of the homes that were damaged or destroyed also incurred leaks and damaged pipes during the Fires, leading to sometimes significant water charges accruing before they could be manually closed off by fire fighters or by District staff.

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Many of those impacted by the Fires have begun the process of cleaning up and rebuilding their homes – a process that includes District review and approval, including payment of water supply charges and other fees. Projects, maintenance, and operations of the District are funded entirely by fees paid in by its ratepayers (and limited external grants), and ratepayer fees can only be used for the benefit of the District. All proposed future funding of projects, programs, and administration of this system is funded by District ratepayers, as specified in the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System. Unlike other municipal services provided by Los Angeles County's General Fund, or other countywide special funds, the reserves held by the District were paid for by the District's ratepayers and can only be used for those purposes.

As the governing body of the District, the Board of Supervisors seeks to provide some relief for those ratepayers most severely impacted by the Fires, including with respect to accrued costs that are of limited current benefit to the property owners. Typically, the District levies fees and charges on new or redeveloped structures. However, because of the extraordinary event of having their homes and properties destroyed by the Fires, and given that most of these projects will be simple reconnections to the system, the District should forgo charging, or refund, water supply charges and other fees to existing ratepayers displaced by the Fires for fire rebuilds.

## **I, THEREFORE, MOVE** that the Board of Supervisors:

 Authorize the Director of Public Works or his designee, on behalf of Waterworks District No. 29, Malibu to forgo charging, or to refund, water supply charges and other fees in whole or in part upon the request of those existing District ratepayers displaced by the Fires who seek to rebuild their homes, businesses, and/or allowable structures, provided that those ratepayers are not seeking a larger size water service for any purpose other than as required to meet current indoor fire sprinkler regulations provided that the rebuilding is within the parameters of rebuilding allowed after a disaster within the City of Malibu and the Santa Monica Mountains Coastal Zone Planning Area. These charges and fees are those imposed pursuant to Rules 1-A-30, 1-A-32, 1-A-44, 1-A-46, 1-A-47, and 1-A-50 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System, for ratepayers with homes or businesses that were destroyed or substantially damaged, as determined by the Director of Public Works or his designee, in the Fires, at a total estimated cost of \$6,000,000, with revenue shortfalls to be covered through unrestricted system revenue.

- 2. Authorize the Director of Public Works or his designee, on behalf of Los Angeles County Waterworks District No. 29, Malibu, to forgo charging, or to refund, water bill charges during the billing cycles of the fires for ratepayers with homes or businesses that were destroyed or substantially damaged in the Fires, as determined by the Director of Public Works or his designee, at a total estimated cost of \$500,000, with revenue shortfalls covered through unrestricted system revenues.
- 3. Adopt the Resolution; and
- 4. Find that the actions set forth in this motion are not a project pursuant to

the California Environmental Quality Act as the proposed actions do not constitute a project and are exempt from review under the California Environmental Quality Act Guidelines, Sections 15378(b)(5) and 15061(b)(3).

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## RESOLUTION OF THE BOARD OF SUPERVISORS DELEGATING AUTHORITY TO THE DIRECTOR OF PUBLIC WORKS TO FORGO CHARGING, OR TO REFUND, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU, WATER SUPPLY CHARGES AND OTHER FEES RELATED TO THE PALISADES, FRANKLIN, AND BROAD FIRES

WHEREAS, recently, the Palisades, Franklin, and Broad Fires arose and quickly escalated, affecting many jurisdictions, including the service area of Los Angeles County Waterworks District No. 29, Malibu; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, the Governor of the State of California, and the President of the United States have all proclaimed that an emergency exists due to the conditions created by the Palisades Fire; and

WHEREAS, immediate repair and hardening of water supply facilities is necessary, including capital improvements; and

WHEREAS, it is necessary and appropriate for Los Angeles County Waterworks District No. 29, Malibu to forego charging, or to refund, water supply charges and other fees in whole or in part to ratepayers whose homes or businesses were destroyed or substantially damaged by those fires, in order to reduce the financial impact of the Palisades, Franklin, and Broad Fires on those property owners, including charges associated with reestablishing water service to those ratepayers.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Los Angeles, acting as the governing body of Los Angeles County Waterworks District No. 29, Malibu, does hereby determine and order as follows:

SECTION 1: Foregoing or Refunding Water Supply Charges and other Fees.

The Board of Supervisors, pursuant to Water Code Section 55333, upon substantial evidence set forth above and otherwise in the record, may and hereby does delegate

authority to the Director of Public Works or his designee to forgo charging, or to refund, the District water supply charges and other fees in whole or in part for those existing District ratepayers displaced by the Palisades, Franklin and Broad Fires who seek to rebuild their homes, businesses, and/or allowable structures, provided that those ratepayers are not seeking a larger size water service for any purpose other than as required to meet current indoor fire sprinkler regulations and provided that the rebuilding is within the parameters of rebuilding allowed after a disaster within the City of Malibu and the Santa Monica Mountains Coastal Zone Planning Area. These charges and fees are those imposed pursuant to Rules 1-A-30, 1-A-32, 1-A-44, 1-A-46, 1-A-47, and 1-A-50 of the Rules and Regulations of the Los Angeles County Waterworks Districts and the Marina del Rey Water System. Revenue shortfall shall be covered through unrestricted revenues of Los Angeles County Waterworks District No. 29, Malibu.

SECTION 2: Foregoing and/or Refunding Water Bill Charges. The Board, pursuant to Water Code, Section 55333, upon the substantial evidence set forth above, may and hereby does delegate authority to the Director of Public Works or his designee to forgo charging, or to refund, water bill charges during the billing cycles of the Palisades, Franklin, and Broad Fires, for existing District ratepayers with homes or businesses that were destroyed or substantially damaged in the fires. Revenue shortfalls shall be covered through unrestricted revenues of Los Angeles County Waterworks District No. 29, Malibu.

The foregoing resolution was adopted on the day of, 2025, by the Board of Supervisors of the County of Los Angeles and ex-officio of the governing body of all other special assessment and taxing districts, agencies, and authorities for which the Board of Supervisors so acts.			
	EDWARD YEN		
	Executive Officer of the Board of Supervisors of the County of Los Angeles		
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APPROVED AS TO FORM:	Deputy		
DAWYN R. HARRISON County Counsel			
By Dispersion Tiffani L. SHIN			

Senior Deputy County Counsel