

ORDINANCE NO. 182076

An ordinance amending Sections 64.11.3, 64.16.1, 64.19, 64.30, 64.31, 64.41.01, 64.41.03 and 64.41.07 of the Los Angeles Municipal Code to modify the Sewerage Facilities Charge, the Industrial Wastewater Permit application fee, Inspection and Control fees, Quality Surcharge Fee, and Significant Industrial User Fee, the Septage Disposal Control Permit Application and User Fees, and the Sewer Service Charge, to impose a supplemental charge to the Sewer Service and Low-Strength Sewer Service Charges and to make technical corrections to the Sewer Service Charge appeal process.

**THE PEOPLE OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. The first sentence of Subsection (b) of Section 64.11.3 of the Los Angeles Municipal Code is amended to read as follows:

(b) The sewerage facilities charge rates shall be \$344.00 per 100 gallons per day average flow, \$159.00 per pound per day of BOD and \$147.00 per pound per day of SS from the premises.

Sec. 2. The first paragraph of Subsection (c) of Section 64.16.1 of the Los Angeles Municipal Code is amended to read as follows:

(c) Whenever a credit is allowed, the credit shall be determined by first calculating flow, BOD and SS credits and then calculating an aggregate monetary credit. The flow, BOD and SS credits shall remain with the lot or parcel except as provided in Section 64.16.2 or 64.19(e).

Sec. 3. The first paragraph after Paragraph (iv) of Subdivision (3) of Subsection (c) of Section 64.16.1 of the Los Angeles Municipal Code is amended to read as follows:

The monetary credit shall be calculated by multiplying the rates established pursuant to Section 64.11.3 at the time the Sewerage Facilities charge was paid by the flow, BOD and SS credits and summing the results, provided that the total credit shall not exceed the Sewerage Facilities Charge required to be paid except as provided in Subdivision 6 of Subsection (a) of Section 64.19.

Sec. 4. The first sentence of Subsection (a) of Section 64.19 of the Los Angeles Municipal Code is amended to read as follows:

Any money collected or received by the City in accordance with Section 64.11.2, 64.16.1 or 64.18 may be refunded as provided in this Subsection, or may be credited pursuant to the provisions of Subsection (b) or (e) of this Section, and not otherwise, if a

verified claim in writing is filed with the City Clerk accompanied by the original receipt or certificate for the fees collected.

Sec. 5. Subsection (b) of Section 64.19 of the Los Angeles Municipal Code is amended to read as follows:

(b) The right to any refund under this Section is payable to the permittee. After the time provided in this Section to apply for a refund expires, the right to a credit for a refund runs with the land, except for credits that are issued pursuant to the provisions of Subsection (e) of this Section.

Sec. 6. Subsection (c) of Section 64.19 of the Los Angeles Municipal Code is amended to read as follows:

(c) Where a refund is due under the provisions of Subsection (a) of this Section or a refund credit is due pursuant to the provisions of Subsection (e) of this Section and the refund or refund credit does not exceed the sum of \$25,000, the Board is authorized to make such refund or refund credit without the necessity of first receiving the approval of the City Council, and is authorized to cause a demand to be drawn on the general fund or any other fund in which the fees being refunded may have been deposited.

Sec. 7. Subsections (e), (f), and (g) are added to Section 64.19 of the Los Angeles Municipal Code to read as follows:

(e) The Board is authorized to use refund credits that run with the land authorized pursuant to the provisions of Subsection (b) of this Section to offset the increases to the Quality Surcharge Fee (QSF), which increases begin on the effective date of this Subsection and are imposed pursuant to the provisions of Subdivision (4) of Subsection D of Section 64.30, if all of the following conditions are satisfied:

1. Payment for which a refund credit is authorized was made pursuant to Section 64.11.2 or Section 64.16.1, and the current occupant of the property for which the payment was made is an SIU;
2. The SIU is also an owner of the property for which the payment was made;
3. The flow, as determined pursuant to the provisions of Section 64.11.3(f), from the property is less than the amount for which SFC payment was made;
4. The SIU can demonstrate that the reduced amount of flow identified in Subdivision 3 of this Subsection was caused by the use of water conservation practices, pretreatment of discharge, or use of environmentally responsible practices; and

5. The SIU, at the time of submission of the written claim to the City Clerk required by the provisions of Subsection (a) of this Section, is not delinquent in payment of any monies owed pursuant to any provision of this Article or Article 4.1.

(f) The monetary value of a refund credit that may be offset against QSF fees as authorized pursuant to Subsection (e) of this Section shall be calculated based on the rate at which the fees for which a refund is requested were paid.

(g) Any refund credit that is used pursuant to the provisions of Subsection (e) of this Section to offset QSF fees will be removed from property records, and any future fee required for the property pursuant to the provisions of Section 64.11.2 or Section 64.16.1 will be calculated based on the rates in effect at the time the fee is imposed.

Sec. 8. Subdivision 2 of Subsection D of Section 64.30 of the Los Angeles Municipal Code is amended to read as follows:

2. **Application Fees.** The Board shall require payment of an initial fee of \$370 for each application for an Industrial Wastewater Permit. No permit shall be deemed valid until the initial fee has been paid. The application fee shall be annually adjusted as shown in the table below:

Effective Dates	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020
Permit Application Fees	\$385	\$400	\$424	\$450	\$479	\$510	\$544	\$579	\$616

Sec. 9. Paragraph (b) of Subdivision 3 of Subsection D of Section 64.30 of the Los Angeles Municipal Code is amended to read as follows:

(b) **Inspection and Control Fee Schedule.** The Inspection and Control (I&C) Fee shall be paid quarterly in arrears by each permittee, except permittees in the Class I SubClass group as specified in Subsection D.3(c), in possession of a valid Industrial Wastewater Permit in accordance with the following schedule:

I&C Class	Annual Fee	Quarterly Fee
Class 1	\$ 254.00	\$ 63.50
Class 2	\$ 508.00	\$ 127.00
Class 3	\$ 761.00	\$ 190.25
Class 4	\$1,015.00	\$ 253.75
Class 5	\$1,269.00	\$ 317.25
Class 12	\$3,045.00	\$ 761.25
Class 1D	\$ 51.00	N/A

I&C Fees shall be annually adjusted as shown in the table below:

I&C Class	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020
Class 1	\$264	\$274	\$291	\$308	\$328	\$350	\$373	\$397	\$423
Class 2	\$528	\$549	\$582	\$617	\$657	\$700	\$745	\$793	\$845
Class 3	\$792	\$823	\$873	\$925	\$985	\$1,049	\$1,118	\$1,190	\$1,268
Class 4	\$1,056	\$1,098	\$1,164	\$1,234	\$1,314	\$1,399	\$1,490	\$1,587	\$1,690
Class 5	\$1,320	\$1,372	\$1,455	\$1,542	\$1,642	\$1,749	\$1,863	\$1,984	\$2,113
Class 12	\$3,167	\$3,294	\$3,491	\$3,701	\$3,941	\$4,197	\$4,470	\$4,761	\$5,070
Class 1D	53	55	58	62	66	70	75	80	85

Sec. 10. Subparagraph (1) of Paragraph (b) of Subdivision 4 of Subsection D of the Section 64.30 of the Los Angeles Municipal Code is amended to read as follows:

(1) Permittees whose discharge is determined to contain BOD or SS, as defined in Subsection A of Section 64.00 of this Code, with concentrations in excess of the designated BOD and SS values in the Board Rules and Regulations Governing Disposal of Industrial Wastewater Into the Publicly Owned Treatment Works of the City of Los Angeles shall pay a Quality Surcharge Fee (QSF) according to the following formula and provisions.

The Quality Surcharge Fee, for these permittees, shall be determined pursuant to the following formula:

$$C = V [ a(SS-DSS) + b(BOD-DBOD)]k$$

where:

“C” is the Quality Surcharge Fee.

“V” is the average daily volume of wastewater discharged in gallons and shall be deemed: (1) the volume of water supplied to the premises, adjusted as determined by the Board to account for water not discharged into the POTW; (2) the metered volume of wastewater discharged into the POTW, in accordance with a measuring device approved by the Board; or (3) a figure determined by the Board, based upon any other equitable method.

“SS” is the suspended solids as defined in Subdivision 75 of Subsection A of Section 64.00 of this Code, expressed in milligrams per liter.

“BOD” is the biochemical oxygen demand of the wastewater as defined in Subdivision 6 of Subsection A of Section 64.00 of this Code, expressed in milligrams per liter.

“DSS” is the suspended solids concentration designated by the Board in the Board Rules and Regulations.

“DBOD” is the biochemical oxygen demand concentration designated by the Board in the Board Rules and Regulations.

“a”, is the verifiable cost assessed for each pound of suspended solids, \$0.365.

“b”, is the verifiable cost assessed for each pound of biochemical oxygen demand, \$0.363.

“k”, is  $(365 \times 8.34)/1,000,000$ , a dimensional constant to convert C to dollars.

The values for “a” and “b” shall be annually adjusted as shown in the table below:

Effective Date	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020
New BOD Rate (\$/pounds of BOD)	0.377	0.393	0.416	0.441	0.470	0.500	0.533	0.567	0.604
New SS Rate (\$/pounds of SS)	0.380	0.395	0.419	0.444	0.472	0.503	0.536	0.571	0.608

If the term containing SS or BOD is negative, a value of zero shall be used for the term.

(i) In determining the amount of Quality Surcharge Fee to be paid by various industrial users, the Board may establish industry-wide averages for SS and BOD values. The Board may group permittees into appropriate discharge volume ranges each of which shall be represented by an average discharge volume. Where sampling and volume measurements of any permittee are not practical for physical, economic or other reasons, these averages may be used in establishing such permittee's Quality Surcharge Fee.

(ii) Any permittee whose fee has been determined in the above manner who is not satisfied that the averages are applicable to its discharge, may submit appropriate engineering data to the Board for its consideration. If the Board finds that such permittee's discharge differs significantly from the averages established, it may determine the fee on a more appropriate basis.

Sec. 10. Paragraph (b) of Subdivision 5 of Subsection D of Section 64.30 of the Los Angeles Municipal Code is amended to read as follows:

(b) **PSDF Septage Treatment Cost Recovery User Fee.** A per gallon Septage Treatment Cost Recovery User fee at the rate of \$0.0528 per gallon as applied to the full-tank capacity of each vehicle discharging at the PSDF. The rate shall be annually adjusted as shown in the table below:

Effective Date	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020
User Fees (\$/gallon)	0.0542	0.0557	0.0572	0.0587	0.0603	0.0612	0.0621	0.0631	0.0640

Sec. 11. Subdivisions 6 and 7 of Subsection D of Section 64.30 of the Los Angeles Municipal Code are deleted, and the remaining Subdivisions shall be consecutively renumbered.

Sec. 12. Subdivision 9 of Subsection D of Section 64.30 of the Los Angeles Municipal Code shall be renumbered as Subdivision 7 and amended to read as follows:

7. **Significant Industrial User Fee.** In addition to any fees and charges required by this Subsection, Significant Industrial Users (SIUs), as defined in Section 64.00, shall be charged additional fees in accordance with the following schedule for each applicable Industrial Wastewater Permit:

SIU GROUP	GROUP IDENTIFICATION	AMOUNT OF FEE
I	Categorical Industrial Users with an average discharge equal to or greater than 10,000 gallons per day	\$4,359
II	Categorical Industrial Users other than Electroplaters with an average discharge less than 10,000 gallons per day	\$4,216
III	Category 413 Industrial Users (Electroplaters) with an average discharge less than 10,000 gallons per day	\$2,308
IV	Non-Categorical Industrial Users with an average discharge of equal to or greater than 250,000 gallons per day	\$3,605
V	Non-Categorical Industrial Users with an average discharge of equal to or greater than 40,000 gallons but less than 250,000 gallons per day	\$2,617
VI	Non-Categorical Industrial Users with an average discharge of equal to or greater than 25,000 gallons but less than 40,000 gallons per day, OR; any industrial user that is designated by the Director to have a reasonable potential to adversely affect the POTW's operation or for violating any pretreatment standards or requirement.	\$2,453

SIU Fees shall be annually adjusted as shown in the table below:

SIU Group	Annual Fee and Effective Date								
	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020
Group I	\$4,533	\$4,714	\$4,997	\$5,297	\$5,641	\$6,008	\$6,399	\$6,814	\$7,257
Group II	\$4,385	\$4,560	\$4,834	\$5,124	\$5,457	\$5,812	\$6,189	\$6,592	\$7,020
Group III	\$2,400	\$2,496	\$2,646	\$2,805	\$2,987	\$3,181	\$3,388	\$3,608	\$3,843
Group IV	\$3,749	\$3,899	\$4,133	\$4,381	\$4,665	\$4,969	\$5,292	\$5,636	\$6,002
Group V	\$2,721	\$2,830	\$3,000	\$3,180	\$3,387	\$3,607	\$3,841	\$4,091	\$4,357
Group VI	\$2,551	\$2,654	\$2,813	\$2,982	\$3,175	\$3,382	\$3,602	\$3,836	\$4,085

Sec. 13. Subdivisions 1, 2, 3 and 4 of Subsection K of Section 64.31 of the Los Angeles Municipal Code are amended to read as follows:

1. **Determination of Fees and Charges.** When necessary, as determined by the Board, the Board with the concurrence of the Office of the City Administrative Officer shall propose an appropriate and revised schedule of fees and charges. The Board shall then transmit the schedule of fees and charges to the Mayor and to the City Council for their approval and adoption.

2. **Septage Disposal Permit Fee.** An Annual Septage Disposal Permit Fee of \$ 2500 is required for each Septage Hauler vehicle that is permitted to discharge septage to the City's P.O.T.W. This fee shall be paid annually at the time of submittal of each application for issuance or renewal of a Septage Disposal Permit. The fee shall be annually adjusted as shown in the table below:

Fee	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020
Permit Fee (\$/year)	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000

3. **Septage Treatment Cost Recovery User Fees.** The Septage Treatment Cost Recovery User Fee rate established at Subsection D5(b) of Section 64.30 will be applied to the full tank capacity of the Septage Hauler's vehicle, for each vehicle permitted by the Director.

4. **Emergency or Special Event User Fee.** An Emergency or Special Event User Fee shall be charged to any Septage Hauler requesting access to any designated septage discharge site during non-business hours. The amount of the fee will be determined by the Director and will be equal to the City's costs to provide such a service. The fee shall recover all direct and indirect costs and shall include, at a minimum, City costs equal to the overtime salary rate of an Industrial Waste Inspector for three (3) hours. The fee will be billed to the Septage Hauler and will be charged in addition to the applicable user fee rates imposed pursuant to the provisions of Subdivision (3) of this Subsection.

Sec. 14. The following definition is added in alphabetical order to Section 64.41.01 of the Los Angeles Municipal Code to read as follows and items (e) through (aa) are redesignated correspondingly as (f) through (bb):

(e) **“Default Percentage Discharge”** – The factor by which a commercial, governmental, multiple dwelling or industrial user's water use is multiplied to estimate the discharge into the City sewer system.



Sec. 15. Subdivisions (1), (2), (3) and (4) of Subsection (f) of Section 64.41.03 of the Los Angeles Municipal Code are amended to read as follows:

(1) For users whose premises discharge sewage to the sewer system, and this sewage is treated in the City's facilities, the rate shall be \$3.27 per hcf of sewage discharged, except as provided in Subdivision (2) of this Subsection.

(2) Any Low-Strength Industrial User may petition the Board and request to pay its Sewer Service Charge at the Low-Strength rate of \$2.268 per hcf, for the flow component of its wastewater discharge in addition to paying a "Zero-Based" Quality Surcharge Fee for the strength component of its wastewater discharge per Section 64.30 D.4(b) and (c) of this Code. The petitioner must submit analytical data on its discharge at the time of and with its petition, demonstrating that the average strengths of its BOD and/or SS concentrations discharged over a one-year period are less than the designated BOD and SS values in the Board Rules and Regulations Governing Disposal of Industrial Wastewater into the Publicly Owned Treatment Works of the City of Los Angeles. Fees paid in accordance with this paragraph shall be effective for services provided up to one year prior to date of petition to pay such fees.

(3) A Supplemental Charge shall be added to the charge imposed pursuant to the provisions of Subdivision (1) of this Subsection at the rate of \$0.15 per hcf of sewage discharged, and a Supplemental Charge shall be added to the charges imposed pursuant to Subdivision (2) of this Subsection at the Low-Strength rate of \$0.102 per hcf. The rates identified in this Subdivision shall be annually adjusted as shown in the table below:

Effective dates	July 1, 2012	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020
Supplemental Sewer Service Charge (\$/hcf)	0.30	0.46	0.70	0.96	1.24	1.53	1.84	2.17	2.53
Supplemental Low-Strength Sewer Service Charge (\$/hcf)	0.209	0.32	0.488	0.668	0.858	1.062	1.278	1.509	1.754

(4) The Supplemental Charge imposed pursuant to the provisions of Subdivision (3) of this Subsection shall be subject to all of the provisions of this Article, except that it shall not be subject to the provisions of Subsection (h) or Subsection (i) of this Section.

Sec. 16. Subdivision (5) is added to Subsection (f) of Section 64.41.03 of the Los Angeles Municipal Code to read as follows:

(5) If a premises discharges sewage to the sewage collection system but the sewage is not treated at the City's sewage treatment facilities, the applicable rate shown at Subdivisions (1), (2) and (3) of this Subsection shall be 15% of what it would otherwise be if the sewage was treated at the City's sewage treatment facilities.

Sec. 17. Subdivision (2) of Subsection (g) of Section 64.41.03 of the Los Angeles Municipal Code is amended to read as follows:

(2) For Commercial, Governmental, Multiple Dwelling, and Industrial users, the volume shall be the volume of water supplied to the premises during the billing period multiplied by the Default Percentage Discharge. The Board shall annually adjust the Default Percentage Discharge based, in whole or in part, on Department of Water and Power Water conservation policies, to reflect the amount of flow discharged to the sewer system by commercial, governmental, multiple dwelling, and industrial users, but in no event shall the Default Percentage Discharge be less than 90% or exceed 94%.

Sec. 18. Subsections (h) of Section 64.41.03 of the Los Angeles Municipal Code is amended to read as follows:

(h) **Low-Income Subsidy:** The Sewer Service Charge shall be reduced by 31% for low-income Residential users who pay such charges, the definition of such a class being determined by the Board of Water and Power Commissioners, subject to verification by the Director of Sanitation, for the first 18 billing units (a billing unit being each hcf of sewage entering the sewer system) of each two-month billing period, or the first nine billing units for each one-month billing period as to any such Residential user billed monthly.

Sec. 19. Subdivision (2) of Subsection (b) of Section 64.41.07 of the Los Angeles Municipal Code is amended to read as follows:

(2) The user's sewage volume would otherwise be determined by Section 64.41.03(g)(2) and the user's actual discharge of sewage to the sewage system is determined to be substantially less than the sewage volume calculated pursuant to 64.41.03 (g)(2).

Sec. 20. The first sentence of Subsection (l) of Section 64.41.07 of the Los Angeles Municipal Code is amended by deleting the phrase "Office of Finance" and replacing it with the phrase "City Clerk."


Sec. 21. The last sentence of the first paragraph of Subsection (m) of Section 64.41.07 of the Los Angeles Municipal Code is deleted.

Sec. 22. **Severability.** If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this ordinance, that can be implemented without the invalid provisions, and to this end, the provisions of this ordinance are declared to be severable.

Sec. 23. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of FEB 29 2012.

JUNE LAGMAY, City Clerk

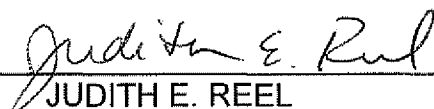
By  \_\_\_\_\_ Deputy

Approved MAR 01 2012 \_\_\_\_\_

 \_\_\_\_\_ Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By  \_\_\_\_\_  
JUDITH E. REEL  
Deputy City Attorney

Date February 16, 2012

File No. 10-1947