

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Subdivision A.79. of Section 64.00 of Article 4, Chapter VI, Subdivision D.4. of Section 64.30 of Article 4, Chapter VI, and Section 64.41.03 of Article 4.1, Chapter VI of the Los Angeles Municipal Code to amend the Quality Surcharge Fee, Sewer Service Charge, and 64.41.03(f)(5) charge (i.e., the Sewage Conveyance Charge).

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

Section 1. Subdivision A.79. of Section 64.00 of Article 4, Chapter VI of the Los Angeles Municipal Code is amended in its entirety to read as follows:

79. **Suspended Solids (SS)** shall mean the total nonfilterable residue in water, wastewater, or other liquids, which is removable in accordance with the most recent publication of Standard Methods for the Examination of Water and Wastewater, prepared and published by the American Public Health Association, American Water Works Association, and the Water Environment Federation.

Sec. 2. Subdivision D.4. of Section 64.30 of Article 4, Chapter VI of the Los Angeles Municipal Code is amended in its entirety to read as follows:

**4. Quality Surcharge Fee.**

(a) **Quality Surcharge Fee Requirement.** The Sewer Service Charge (SSC), as established under Section 64.41.03 of this Code, recovers the cost of treatment of domestic strength wastes discharged to the Publicly Owned Treatment Works (POTW) for treatment. The SSC is paid by all of the users of the POTW whose Wastewater is treated in a City treatment plant. However, industrial wastewater discharged by industrial users (IUs) can vary significantly in strength from that of Domestic Sewage. industrial wastewater strength can be higher or lower than that of the Domestic Sewage. A permittee 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 Rules and Regulations shall pay a Quality Surcharge Fee.

(b) **Quality Surcharge Fee Determination.** A fee based on the quality/strength of the industrial wastewater discharged into the POTW shall be paid quarterly in arrears by all industrial users or permittees in possession of a valid Industrial Wastewater Permit where the industrial wastewater of said permittees is found to be subject to the City's Quality Surcharge Fee and which is treated in a City treatment plant. The permittee may choose to be billed for the City's Quality Surcharge Fee based on either the provisions of Subparagraphs (b)(1) or (b)(2) of Subdivision 64.30.D.4. below.

(1) Permittees whose industrial wastewater is treated in a City treatment plant and is determined to contain BOD or SS with concentrations in excess of the designated BOD and SS values in the Rules and Regulations shall pay a Quality Surcharge Fee 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 79. 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 Rules and Regulations.

"**DBOD**" is the biochemical oxygen demand concentration designated by the Board in the Rules and Regulations.

"**a**" is the verifiable cost assessed for each pound of suspended solids (SS), as shown in the table below on or after the effective dates shown in the table.

"**b**" is the verifiable cost assessed for each pound of biochemical oxygen demand (BOD), as shown in the table below on or after the effective dates shown in the table.

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

<b>Effective Date</b>	<b>BOD Rate (\$/pound of BOD)</b>	<b>SS Rate (\$/pound of SS)</b>
October 1, 2024	0.73	0.64
March 1, 2025	0.80	0.70
July 1, 2025	0.86	0.74
January 1, 2026	0.96	0.83
July 1, 2026	1.02	0.86
July 1, 2027	1.10	0.92
July 1, 2028	1.17	0.97

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.

(2) Permittees whose industrial wastewater is treated in a City treatment plant and is determined to contain BOD or SS with concentrations less than the designated BOD and SS values in the Rules and Regulations may petition the Board to pay a Low-Strength SSC Rate as defined in Subsection (o) of Section 64.41.01, of this Code. Upon qualification, such permittee may be allowed to pay a Low-Strength SSC Rate where the Low-Strength SSC Rate excludes the cost component associated with the domestic sewage strength included in the SSC rate. However, should such a permittee petition and be allowed to pay a Low-Strength SSC Rate, such permittee shall simultaneously become subject to the Zero-Based Quality Surcharge Fee as defined in this section. This fee is to recover the treatment cost associated with removal of BOD and SS, as defined below, in the permittee's Discharge. This fee is also

representative of, and a replacement for, the cost component associated with the domestic sewage strength included in the SSC rate not included in the Low-Strength SSC Rate as defined in Subsection (o) of Section 64.41.01 of this Code.

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

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

where:

C, V, a, b, k, BOD, and SS are defined under Paragraph (b) of Subdivision 64.30.D.4. above.

**(c) Zero-Based Quality Surcharge Fee Qualifications and Requirements.** Any industrial user or permittee in possession of a valid Industrial Wastewater Permit that petitions to pay a Low-Strength SSC Rate and a Zero-Based Quality Surcharge Fee shall meet the following qualifications and requirements:

(1) The industrial user, if not in possession of a valid Industrial Wastewater Permit, must apply for and obtain an Industrial Wastewater Permit as defined in Subsection A. of Section 64.00 of this Code.

(2) The permittee must petition, in writing, to the Board to be placed on the Zero-Based Quality Surcharge Fee;

(3) The permittee must submit analytical data of its Discharge, at the time of and with its petition, to demonstrate 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 Rules and Regulations;

(4) The permittee shall become subject to self-monitoring and reporting requirements of its Discharge, per policies of the Bureau of Sanitation of the Department of Public Works and also as defined and established in Section 9 of the Rules and Regulations; and

(5) The permittee shall install a sampling facility, for the purposes of self-monitoring, in accordance with the requirements set forth by the Director.

Sec. 3. Section 64.41.03 of Article 4.1, Chapter VI of the Los Angeles Municipal Code is amended in its entirety to read as follows:

### SEC. 64.41.03. CHARGES.

(a) There are hereby imposed a Sewer Service Charge for the receiving, transportation, pumping, treatment, and/or disposal of Sewage through the Sewer System, and a Sewage Conveyance Charge for the receiving, transportation, and pumping of Sewage that is not treated in the City's Sewage treatment facilities.

(b) The Sewer Service Charge (SSC) or the Sewage Conveyance Charge (SCC) will be charged to each User based on the volume of Sewage discharged to the Sewer System from a Premises. The SSC or SCC shall be paid by the User or other person billed by either Water and Power or the Office of Finance, whichever has billed for such charge. If the User is someone other than the Owner of the Premises, the Owner and such User shall be jointly and severally obligated to pay the SSC or SCC. The imposition of the SSC based on the volume of Sewage discharge shall not preclude imposition of a supplemental charge to Industrial Users based on the quality of Sewage discharged ("Quality Surcharge Fee"), as provided by Subdivision D.4. of Section 64.30 of this Code. A Quality Surcharge Fee shall not be imposed on a User upon which an SCC has been imposed.

(c) **(This subsection is intentionally left blank.)**

(d) No Sewer Service Charge or Sewage Conveyance Charge shall be billed to, or collected from, a Premises where no portion of the water supplied or delivered to the Premises, from whatever source, neither traverses any portion of the City's Sewer System nor is treated at the City's Sewage treatment facilities.

(e) **Sewer Service Charge Computation:** The Sewer Service Charge for each User whose Premises discharges Sewage to the Sewer System that is treated in the City's Sewage treatment facilities shall be computed by multiplying the applicable rate, as provided in Subsection (f), by the volume of Sewage discharged to the Sewer System from a Premises, as provided in Subsection (i); and the result shall be decreased by a low-income subsidy, if applicable, as provided in Subsection (j) of this section.

(f) **Sewer Service Charge Rates:** The rates applicable to calculating the Sewer Service Charge shall be determined as follows:

(1) The rates shall be as shown in the table below on or after the effective dates shown in the table per hundred cubic feet (hcf) of Sewage discharged, except as provided in Subdivision (2) of this subsection.

Effective Date	Sewer Service Charge Rates for Users not Subject to Subdivision (2) of this Subsection with Sewage Treated at the City's Treatment Facilities (\$/hcf)
October 1, 2024	7.08
March 1, 2025	7.56
July 1, 2025	8.48
January 1, 2026	9.28
July 1, 2026	10.13
July 1, 2027	11.01
July 1, 2028	11.96

(2) Any Low-Strength Industrial User permittee whose Premises discharges industrial wastewater to the Sewer System that is treated in the City's Sewage treatment facilities may petition the Board and request to pay its Sewer Service Charge at the Low-Strength Sewer Service Charge rates shown in the table below, on or after the effective dates shown in the table below 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, pursuant to Subparagraph (b)(2) and Paragraph (c) of Subdivision 64.30.D.4. of this Code. Fees paid in accordance with this subdivision shall be effective for sewer services provided up to one year prior to the date of the petition to pay such fees.

Effective Date	Low-Strength Sewer Service Charge Rates for Users Subject to Subdivision (2) of this Subsection with Sewage Treated at the City's Treatment Facilities (\$/hcf)
October 1, 2024	4.15
March 1, 2025	4.38
July 1, 2025	5.01
January 1, 2026	5.41
July 1, 2026	6.00
July 1, 2027	6.50
July 1, 2028	7.12

(g) **Sewage Conveyance Charge Computation:** The Sewage Conveyance Charge for each User whose Premises discharges Sewage to the Sewer System that is not treated in the City's Sewage treatment facilities shall be computed by multiplying the applicable rate, as provided in Subsection (h), by the volume of Sewage discharged to the Sewer System from the Premises, as provided in Subsection (i); and the result shall be decreased by a low-income subsidy, if applicable, as provided in Subsection (j).

(h) **Sewage Conveyance Charge Rates:** The rates applicable to calculating the Sewage Conveyance Charge shall be determined as shown in the

table below on or after the effective dates shown in the table per hcf of Sewage discharges.

Effective Date	Sewage Conveyance Charge Rates for Users with Sewage not Treated at the City's Sewage Treatment Facilities (\$/hcf)
October 1, 2024	1.89
March 1, 2025	1.95
July 1, 2025	2.25
January 1, 2026	2.38
July 1, 2026	2.51
July 1, 2027	2.63
July 1, 2028	2.91

(i) **Sewage Volume:** The volume of Sewage discharged from a Premises, used for the purposes of calculating the Sewer Service Charge and Sewage Conveyance Charge, shall be determined as follows, unless the Board has authorized an adjustment pursuant to Subsection (b) of Section 64.41.07:

(1) For Residential Users, the volume for each day billed to a User on a Premises within a Fiscal Year shall be the greater of the following:

(A) the Winter Water Use for that User on that Premises during the most recently determined Rainy Season Review Period multiplied by the corresponding Dry Winter Compensation Factor; or

(B) the minimum reasonable volume of Sewage discharged by a household consisting of one resident as determined by the Board.

**EXCEPTION:** If the volume of water delivered to a Premises during a Billing Period is zero, the volume of Sewage discharged shall be zero. The Board shall establish rules to estimate the volume of Sewage discharged when the record of data for a User on a Premises during the most recently determined Rainy Season is incomplete or nonexistent.

(2) For Commercial, Governmental, Multiple Dwelling, and Industrial Users, the Sewage 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 96%.

**(3) Direct Measurement/Calculation:**

(A) In lieu of Subdivisions (1) or (2) above, the Board may authorize the direct measurement or calculation of the volume of Sewage discharged from a Premises in the following circumstances:

i. Where in the Board's judgment, the flows of Sewage from the Premises are sufficient for accurate measurement, any User may obtain a permit from the Board and install a device or devices approved by the Board to measure all the Sewage discharged into the Sewer System from the Premises. For purposes of this article, the total aggregate Sewage measured through said device or devices sharing a given Billing Period will be deemed to be the Sewage volume discharged from the Premises for said Billing Period.

ii. Where the plumbing on a Premises has been arranged to isolate the plumbing which serves uses that are tributary to the Sewer System from the uses not so tributary, subject to inspection and approval by the Department of Building and Safety, a User may obtain Board authority to install one private water meter for each tributary City water meter serving the Premises. When the private meter is installed on the tributary service, the Sewer Service Charge shall be billed based on the volume of water through the private meter during the Billing Period. When the private meter is installed on the non-tributary service, the Sewer Service Charge shall be billed based on the difference between the volume through the City meter and the private meter during the Billing Period. A User may allow hose bibbs to remain attached to the tributary service, but no credit against the Sewer Service Charge shall be given in such a case. The Board shall promulgate rules which determine whether the meter is to be installed on the tributary or non-tributary service.

A User may choose at any time to revert to volume determination based on the methods in Subdivisions (1) or (2) above, whichever is applicable; however, such a User may not again be approved for private metering before 12 months have elapsed since the effective date of reversion.

The Board may require the User at any time to install a device to telemeter the data obtained by the metering device back to a City computer if the installed meter allows for this to be done.

(B) Whenever the Board has authorized the direct measurement or calculation of Sewage volume discharged from a Premises, the User

shall bear all responsibility for the expense of permits, equipment, installation, and maintenance of any private water meter or Sewage measuring devices. The Board may require periodic testing of installed equipment to ensure reasonable accuracy. If a User does not repair malfunctioning equipment within the time which the Board may specify, the Board may revert the User to volume determination based on the methods in Subdivisions (1) or (2) above, whichever is applicable.

(j) **Low-Income Subsidy:** The Sewer Service Charge and Sewage Conveyance 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, 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.

(k) The Sewer Service Charge or Sewage Conveyance Charge for the volume of Sewage introduced into the Sewer System from any Premises not supplied with water by Water and Power will be determined by the Board and shall be as nearly as possible equivalent to the Sewer Service Charge or Sewage Conveyance Charge established under this Section for similar properties supplied with water from Water and Power.

(l) The Board shall have the power and duty, and is hereby directed to enforce all of the provisions of this article, except as otherwise set forth herein, and shall provide such rules and regulations as are consistent with the provisions of this article and as may be necessary or desirable to aid in the administration, including adjustments, and enforcement of the Sewer Service Charge and Sewage Conveyance Charge.

(m) The Board or any of its authorized representatives may make such inspections or investigations as the Board deems necessary at any reasonable time in any building, Premises, or lot for any of the purposes set forth below. No person shall interfere with, prevent, or refuse to permit the entry of said Board or any of its authorized representatives into or upon any building, Premises, or lot for any of the purposes consistent with this article.

(1) To determine the size, depth, and location of the sewer or storm drain connection;

(2) To determine the outlet of a sewer or storm drain connection by depositing testing materials in any plumbing fixture attached thereto and flushing the same, if necessary;

(3) To determine by measurements and samples the quantity of Sewage or wastewater being discharged into any sewer, storm drain, or water course;

(4) To inspect, test, and sample the discharge of any device (1) used to prevent the discharge into any sewer, storm drain, or water course of illegal waste or illegal quantities of waste, such as floor drains, sand boxes, grease traps, or other clarifiers; or (2) used to grind, shred, pulverize, or otherwise treat garbage or industrial waste before discharging same into a sewer or storm drain;

(5) To determine the location of roof, swimming pool, and surface drains, and whether they are connected to a street gutter, storm drain, or sewer; and

(6) To determine the nature and quantity of flow in any open water course or storm drain.

Sec. 4. 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.

Approved as to Form and Legality

HYDEE FELDSTEIN SOTO, City Attorney

By Adena Hopensland (vc)  
ADENA M. HOPENSTAND  
Deputy City Attorney

Date 7/25/2024

File No. \_\_\_\_\_

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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

\_\_\_\_\_

\_\_\_\_\_

Ordinance Passed \_\_\_\_\_

Approved \_\_\_\_\_