

APPENDIX H

**MASTER SERVICE CHARGE ORDINANCE FOR
DISTRICT NO. 20**

AN ORDINANCE PRESCRIBING FEES, TOLLS, RATES, RENTALS, OR OTHER CHARGES FOR SERVICES AND FACILITIES FURNISHED BY, OR AVAILABLE FROM, COUNTY SANITATION DISTRICT NO. 20 OF LOS ANGELES COUNTY, AND PROVIDING FOR THE COLLECTION OF SUCH CHARGES.

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 20 OF LOS ANGELES COUNTY ORDAINS AS FOLLOWS:

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PART I - GENERAL PROVISIONS

SECTION 1.01 -- SHORT TITLE

This Ordinance shall be known as the **Master Service Charge Ordinance of County Sanitation District No. 20 of Los Angeles County**, and may be cited as such.

SECTION 1.02 -- PURPOSE

The purpose of this Ordinance is to impose charges for services and facilities furnished by, or available from, the District in connection with its sewerage system and to provide for collection of said charges.

SECTION 1.03 -- AUTHORITY

The District is empowered to prescribe, revise, and collect fees, tolls, rates, rentals, or other charges for services and facilities furnished by it and to collect such charges on the tax roll or by direct billing.

SECTION 1.04 -- ADDITIONAL REVENUE

The revenue provided for hereby shall be in addition to all revenue otherwise collected by or on behalf of the District, including, but not limited to, ad valorem taxes, federal and state grants and loans, contract revenue, investment income, annexation fees, connection fees, and charges imposed under the District's Wastewater Ordinance.

SECTION 1.05 -- ADMINISTRATION

The Chief Engineer shall administer, implement, and enforce the provisions of this Ordinance. Any powers granted to or duties imposed on the Chief Engineer may be delegated by the Chief Engineer to persons acting in the beneficial interest of or in the employ of the District.

SECTION 1.06 -- VALIDITY

If any part, section, subsection, paragraph, sentence, clause or phrase of this Ordinance is held invalid or unconstitutional for any reason by any court, that decision does not affect the validity or constitutionality of the remainder of this Ordinance. The Board of Directors declares that it would have adopted each provision of this Ordinance irrespective of the validity of any other provision.

SECTION 1.07 -- SUPERSEDEENCE

This Ordinance shall supersede the **Service Charge Ordinance of County Sanitation District No. 20 of Los Angeles County** adopted May 29, 1986 with respect to any rights, duties, or privileges arising after the effective date of this Ordinance.

SECTION 1.08 -- EFFECTIVE DATE

This Ordinance shall become effective July 1,1998.

PART II - DEFINITIONS

This Ordinance shall be construed according to the following definitions:

SECTION 2.01 -- BOARD OF DIRECTORS

Board of Directors shall mean the Board of Directors of County Sanitation District No. 20 of Los Angeles County.

SECTION 2.02 -- CHIEF ENGINEER

Chief Engineer shall mean the Chief Engineer and General Manager of County Sanitation District No. 20 of Los Angeles County or his duly authorized deputy or agent.

SECTION 2.03 -- COD OR CHEMICAL OXYGEN DEMAND

COD or chemical oxygen demand shall mean the measure of chemically decomposable material in wastewater as represented by the oxygen utilized as determined by the procedures specified in Section 414(A) of the Wastewater Ordinance.

SECTION 2.04 -- DISTRICT

District shall mean County Sanitation District No. 20 of Los Angeles County.

SECTION 2.05 -- JOINT OUTFALL DISTRICTS

Joint Outfall Districts shall mean those Districts signatory to an agreement providing for the ownership and operation of a Joint Outfall System. The current Joint Outfall Districts are South Bay Cities Sanitation District of Los Angeles County, and County Sanitation Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23 and 29 of Los Angeles County. *[Although this definition has not been amended by an official Board action, County Sanitation Districts Nos. 28 and 34 of Los Angeles County became signatory to the agreement for the ownership and operation of the Joint Outfall System subsequent to the adoption of the original Master Service Charge Ordinance.]*

SECTION 2.06 -- LOCAL AGENCY

Local agency includes the County of Los Angeles; a city, whether general law or chartered; a school district; a community redevelopment agency; a municipal corporation; a district; or any board, commission, or agency thereof.

SECTION 2.07 -- LOCAL GOVERNMENTAL PARCEL

Local governmental parcel shall mean any parcel which is not subject to the surcharge payment requirement provided for in the District's Wastewater Ordinance and which is owned by a local agency; provided that such parcel is used for a governmental rather than proprietary function and which use is for the direct benefit of the public in general and not for the benefit of a single class or classes of individuals.

SECTION 2.08 -- PARCEL

Parcel shall mean real property upon which an assessment is made.

SECTION 2.09 -- SEWAGE UNIT

Sewage unit shall mean the average daily quantity of sewage flow and strength from a single family home measured in terms of flow, chemical oxygen demand, and suspended solids.

SECTION 2.10 -- SEWERAGE SYSTEM

Sewerage system shall mean the network of wastewater collection, conveyance, treatment, and disposal facilities which are interconnected by means of sewers or any part thereof and either owned in whole or in part by the District or as to which the District has a contractual right of use for which it is obligated to make payment.

SECTION 2.11 -- SUSPENDED SOLIDS

Suspended solids shall mean the insoluble solid matter contained in wastewater under conditions normally found in the sewer that is separable by laboratory filtration in accordance with the procedures specified in Section 414(A) of the Wastewater Ordinance.

SECTION 2.12 -- TAX ROLL

Tax roll shall mean the tax roll pursuant to which ad valorem taxes on property located within Los Angeles county are collected.

SECTION 2.13 -- UNIT OF USAGE

Unit of usage shall mean the basic unit of measure which quantifies the degree of use of a particular parcel (e.g., dwelling unit, square footage). Square footage of an improvement shall be based upon the gross exterior dimensions of the structure.

SECTION 2.14 -- USER CATEGORY

User category shall mean the specific land use classification for a particular parcel which is defined in terms of its use (e.g., single family home, restaurant).

SECTION 2.15 -- WASTEWATER

Wastewater shall mean the liquid carried wastes of the community and all constituents and residues thereof. Wastewater includes domestic and industrial wastewater but does not include rainwater, groundwater, stormwater, or drainage or other water unless otherwise provided for in the Wastewater Ordinance.

SECTION 2.16 -- WASTEWATER ORDINANCE

Wastewater Ordinance shall mean an Ordinance providing for the administration of an industrial wastewater control system, for the regulation of sewer construction and sewer use, for the imposition of permit requirements for industrial wastewater dischargers, for the prohibition, regulation, and/or pretreatment of industrial wastewaters, for the imposition of fees and charges, for the distribution of revenue, for the implementation of federal and state pollution control regulations, and for the implementation of other methods of controlling and regulating the discharge of wastewaters as adopted by the County Sanitation Districts of Los Angeles County effective on April 1, 1972, and as amended effective July 1, 1975, July 1, 1980, July 1, 1983, and November 1, 1989 and as thereafter amended.

PART III - CHARGES

SECTION 3.01 -- IMPOSITION OF CHARGES

Except as hereinafter provided, there shall be imposed upon the owner or owners of each parcel connected, directly or indirectly, to the sewerage system, a charge for services and facilities furnished by or available from the District in connection with its sanitation or sewerage system. Said charge shall be imposed on July 1 with respect to the fiscal year commencing on said date.

The charges provided for hereby shall not be imposed with respect to any facility subject to the surcharge payment requirement provided for in the District's Wastewater Ordinance, nor shall said charges apply to any parcel not located within the District's boundaries, either wholly or in part, with respect to which the discharge of sewage and the payment thereof is covered by a contract with the District, or which is a local governmental parcel.

SECTION 3.02 -- DETERMINATION OF THE SERVICE CHARGE RATE

The total operation and maintenance and capital costs, including repayment of any outstanding financial obligations, required for conveyance, treatment, and disposal of wastewater along with a cash flow requirement for the District for each fiscal year under consideration shall be determined by the Chief Engineer. He shall then determine the amount of supplemental revenue which will be required for each relevant fiscal year to meet budget expenditures taking into account all appropriate sources of revenue for the District and a reserve for contingency. He shall then divide this amount by the total number of sewage units attributable to all residential, commercial, and institutional parcels; and industrial parcels not subject to the surcharge payment requirement located within the District. The resulting value(s) shall be known as the service charge rate(s) and shall be adopted periodically by the Board of Directors.

SECTION 3.03 -- CALCULATION OF THE SERVICE CHARGE

- (1) The service charge for any parcel that is connected directly or indirectly to the sewerage system shall be based on use and shall equal the product of the estimated number of sewage units for the parcel, as determined in paragraphs (2) and (3) of this section, and the service charge rate determined in accordance with Section 3.02 of this Ordinance.
- (2) The use of the sewerage system shall be calculated in terms of sewage units. The number of sewage units (SU) shall be determined by the following formula:

$$SU = A \frac{FLOW_{avg}}{FLOW_{sfh}} B + B \frac{COD_{avg}}{COD_{sfh}} B + C \frac{SS_{avg}}{SS_{sfh}} B$$

where:

A = The proportion of the total operation and maintenance and net capital costs required for conveyance, treatment, and disposal of wastewater for each relevant fiscal year which is attributable to flow;

B = The proportion of the total operation and maintenance and net capital costs required for conveyance, treatment, and disposal of wastewater for each relevant fiscal year which is attributable to COD;

C = The proportion of the total operation and maintenance and net capital costs required for conveyance, treatment, and disposal of wastewater for each relevant fiscal year which is attributable to suspended solids;

FLOW_{sfh} = Average flow of wastewater from a single family home in gallons per day;

COD_{sfh} = Average loading of COD in the wastewater from a single family home in pounds per day;

SS_{sfh} = Average loading of suspended solids in the wastewater from a single family home in pounds per day;

FLOW_{avg} = Estimated flow of wastewater which will enter the sewerage system from a user in gallons per day;

COD_{avg} = Estimated loading of COD which will enter the sewerage system from a user in pounds per day;

SS_{avg} = Estimated loading of suspended solids which will enter the sewerage system from a user in pounds per day.

The Board of Directors shall periodically adopt the values for A, B, C, FLOW_{sfh}, COD_{sfh}, and SS_{sfh}.

- (3) The number of sewage units attributable to a parcel shall be calculated using mean loadings per unit of usage for each parcel's land use category. The mean loadings per unit of usage for flow in gallons per day, COD in pounds per day, and suspended solids in pounds per day shall be based upon the best data currently available, including updated sampling information and data from other jurisdictions and publications. Land use shall be presumed to be in accordance with the classifications set forth on the Los Angeles County Assessor's current tax roll, unless analysis by the Chief Engineer has indicated an improper classification. The Chief Engineer shall determine the land use categories, units of usage for each land use category and the mean loadings per unit of usage. The Board of Directors shall periodically adopt land use categories and mean loadings per unit of usage for each land use category.

All commercial and institutional parcels, and parcels from which industrial wastewater is discharged but which are not required to make a surcharge payment as provided for in the District's Wastewater Ordinance which are assessed a service charge based on the Los Angeles County Assessor's current tax roll shall be charged on the basis of not less than one (1.0) sewage unit.

Except as hereafter provided, no charge shall be imposed on the owner or owners of any parcels as to which the fair market value of improvements is less than \$1,000 as determined on the basis of the Assessor's current tax roll. This assumption is predicated on the premise that this type of parcel would be a vacant piece of land; however, should subsequent evaluation reveal that the property is not vacant, then an appropriate service charge shall be levied.

SECTION 3.04 -- PROTEST, APPEALS, AND RECLASSIFICATION

- (1) In addition to other remedies provided by law, an owner of a parcel of land may protest the imposition of charges imposed by this Ordinance on any of the following grounds: (1) the parcel has not been included in the proper land use category; (2) the number of units of measure for the parcel has been incorrectly measured; (3) the parcel is not connected to the sewerage system; or (4) a clerical error has been made. All protests shall be submitted in writing to the Chief Engineer. The Chief Engineer shall, within 45 days from the date of submission of a written protest, determine whether or not the protest is valid and shall notify, in writing, the protesting owner of his decision. This period may be extended by mutual agreement between the protester and the Chief Engineer. In the event the Chief Engineer determines the protest is valid, he shall process a correction or refund any overpayment. In the event the Chief Engineer fails to make a determination within the said 45 day period, the written protest shall be deemed denied.
- (2) A parcel may petition for reclassification on the basis of water consumption.
 - (a) The owner or owners of any parcel classified as a single family home may petition the Chief Engineer for a reclassification by demonstrating, based upon verifiable water consumption data, that the total water consumption for his or her parcel for the prior 12 consecutive months is less than, or equal to, 60 percent of the average water consumption for all single family homes within the Joint Outfall Districts. Upon the Chief Engineer's verification of such water consumption, the parcel shall be given a water consumption classification for rate determination purposes and shall continue to be classified on that basis until there is a change in ownership or land use. Documentation to support such demonstration must be received by the Chief Engineer on or before May 31 of the year preceding the fiscal year in which the reduced rate will be applied. For cases in which the water consumption data is submitted after this date, the Chief Engineer shall have the option of revising the charge prior to payment or of issuing a refund. In all cases, a petition for reclassification must be submitted by the end of fiscal year for which the petition is being made.
 - (b) The owner or owners of any parcel classified as a condominium may petition the Chief Engineer for a reclassification by demonstrating, based upon verifiable water consumption data, that the total water consumption for his or her parcel for the prior 12 consecutive months is less than, or equal to, 105 percent of the average water consumption for all apartment units within the Joint Outfall Districts. Upon the Chief Engineer's verification of such water consumption, the parcel shall be given a water consumption classification for rate determination purposes, based on the same loading assumptions as that of a single unit in the user category of Five Units or More, and shall continue to be classified on that basis until there is a change in ownership or land use. For condominium complexes which do not have individual water meters but are served by common water meters, the average water consumption of all condominium units within the complex shall be used to determine eligibility for the water consumption classification. Documentation to support such demonstration must be received by the Chief Engineer on or before May 31 of the year preceding the fiscal year in which the reduced rate will be applied. For cases in which the water consumption data is submitted after this date, the Chief Engineer shall have the option of revising the charge prior to payment or of issuing a refund. In all cases, a petition for reclassification must be submitted by the end of fiscal year for which the petition is being made.

- (c) The owner or owners of any commercial or institutional parcel may petition the Chief Engineer for a reclassification of the parcel by submitting verifiable water consumption data which demonstrates that the average water consumption over 12 consecutive months per unit of usage (as defined below) of the parcel is below 80 percent of the flow loading assigned for the corresponding user category in this District's Service Charge Rate Ordinance. Upon the Chief Engineer's verification of the submitted water data, the parcel shall be given a water consumption classification based on the formulas given below:

If the verified water consumption per unit of usage is less than 80 percent but greater than or equal to 70 percent of the mean flow loading of the parcel's user category, the loadings for the parcel shall be 80 percent of the mean loading of the parcel's user category.

If the verified water consumption per unit of usage is less than 70 percent but greater than or equal to 50 percent of the mean flow loading of the parcel's user category, the loadings for the parcel shall be 60 percent of the mean loadings of the parcel's user category.

If the verified water consumption per unit of usage is less than 50 percent of the mean flow loading of the parcel's user category, the loadings for the parcel shall be 40 percent of the mean loadings of the parcel's user category.

The water consumption data for a period no further back in time than the most recently completed calendar year shall be submitted to the Chief Engineer on or before May 31 of the year preceding the fiscal year in which the reduced service charge rate will be applied. For cases in which the water consumption data is submitted after this date, the Chief Engineer shall have the option of revising the charge prior to payment or of issuing a refund. In all cases, a petition for reclassification must be submitted by the end of the fiscal year for which the petition is being made.

Water consumption data will be required for each of the first three consecutive years of demonstration of lower water consumption. After three consecutive years of demonstration of water consumption below 80 percent of the mean flow loading of the parcel's user category, the owner or owners of the parcel need not submit further water consumption data unless so requested by the Chief Engineer. In such event, the charge will continue based on the formula provided above using the water consumption data for the most recently submitted year. The Chief Engineer shall have the authority to request water consumption data for a given parcel at any time in the future to insure continued compliance with the reclassification. Failure to submit recent water consumption data within 60 days of the date of request will result in loss of the water consumption classification. If a review of future water consumption data reveals that the parcel no longer meets the criteria for which it is classified, the Chief Engineer shall place the parcel in the appropriate classification.

The Chief Engineer shall implement administrative procedures for submittal and review of the water consumption data to effectuate the purposes of this Ordinance. These administrative procedures may be modified from time to time to continue to effectuate the purposes of this Ordinance.

- (3) The owner or owners of any parcel for which the number of sewage units attributable to the parcel, as calculated pursuant to Section 3.03 of the Master Service Ordinance, is more than one (1) sewage unit may petition the Chief Engineer for a reduced charge by demonstrating that the parcel was unoccupied for the fiscal year preceding the date of petition. The parcel shall be presumed to be unoccupied if the average daily water consumption for the parcel, for the fiscal year, is less than 20 gallons per day, based upon verifiable water consumption data. In lieu of water consumption data, the Chief Engineer may consider other forms of proof which demonstrate that the parcel was unoccupied for the fiscal year. Upon the Chief Engineer's verification of the submitted data, parcels which are determined to have been unoccupied for the fiscal year shall be charged on the basis of one (1) sewage unit. If the parcel is determined to be unoccupied, the Chief Engineer shall have the option of issuing a refund, or amending the charge if payment has not been made. In all cases, a

petition for a reduced charge must be submitted within one year after the end of the fiscal year for which the petition is being made.

PART IV - COLLECTION OF SERVICE CHARGES

SECTION 4.01 -- COLLECTION ON TAX ROLL

The District may elect to have the charges provided by this Ordinance collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, the ad valorem taxes collected by the County of Los Angeles pursuant to Article XIII A of the California Constitution.

Such election shall be by ordinance or resolution approved by a two-thirds vote of the members of Board of Directors and shall continue until such time as specified in the ordinance or resolution. If no time is specified, collection of said charges on the tax roll shall be authorized until the ordinance or resolution is repealed or until a change is made in the service charge rate.

SECTION 4.02 -- DIRECT BILLING BY DISTRICT

Charges which are not collected pursuant to Section 4.01, shall be collected by direct billing by the District.

All charges collectible by direct billing by the District under the provisions of this Ordinance are due and payable upon serving a notice of charges. Notice of charges shall be served by first class mail, postage prepaid or by such other procedures as will reasonably assure receipt. Unpaid charges shall become delinquent 45 days after mailing or personally serving the notice of charges.

A basic penalty of one percent of the original unpaid amount shall be added to any fee or charge for each day the fee or charge is delinquent. This basic penalty shall not exceed ten percent. Additional penalties and interest shall accrue on the total of all delinquent fees or charges and the basic penalty at three percent over the prime interest rate in effect at the beginning of fiscal year during which the charges were initially due, not to exceed the maximum allowed by law. The Board of Directors shall institute proceedings for collection of delinquent charges and shall prosecute civil actions to enforce the provisions of this Ordinance.

An administrative charge shall be added to the original service charge in the event a check tendered for payment is not honored for payment. The Chief Engineer shall establish this charge to reflect the District's added cost in processing dishonored checks, up to the maximum amount allowed by law, and may adjust it from time to time as required to continue to reflect the District's added cost.

Notes:

1. The document presented here is a consolidation of the original **Master Service Charge Ordinance of County Sanitation District No. 20 of Los Angeles County**, dated January 29, 1990, and the subsequent amendments made via **An Ordinance Amending Section 3.04 of the Master Service Charge Ordinance of County Sanitation District No. 20 of Los Angeles County Providing for Protest, Appeals, and Reclassification on the Basis of Water Consumption**, dated June 28, 1995, **An Ordinance Amending Section 3.04 of the Master Service Charge Ordinance of County Sanitation District No. 20 of Los Angeles County Providing for a Charge Reduction for Unoccupied Parcels**, dated April 24, 1996, and **An Ordinance Amending Sections 3.02, 3.03(2), 3.03(3), and 4.02 of the Master Service Charge Ordinance of County Sanitation District No. 20 of Los Angeles County**, dated April 22, 1998.