



CITY OF LOS ANGELES
 DEPARTMENT OF PUBLIC WORKS
 BUREAU OF SANITATION
 433 SOUTH SPRING STREET, SUITE 400
 LOS ANGELES, CA 90013

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 QSF Notice page](#)

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(Note: Prints 8 1/2" x 14" page)

[Site Address]
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[Customer or Owner]
[Mail Address]
[City, State Zip]

**NOTICE OF PROPOSED INCREASES IN THE QUALITY SURCHARGE FEE
 AND LOW-STRENGTH SEWER SERVICE CHARGE
 FOR THE CITY OF LOS ANGELES**

This notice is to inform you that the City of Los Angeles, Department of Public Works, will be proposing a series of quality surcharge fee (QSF) and low-strength sewer service charge (Low Strength SSC) rate increases over the next five (5) years as shown in the table below:

Effective Date	Current	Mar 1, 2005 (estimated)	July 1, 2005	July 1, 2006	July 1, 2007	July 1, 2008
New BOD Rate (\$/pound of BOD)	\$0.258	\$0.266	\$0.285	\$0.305	\$0.326	\$0.349
New SS Rate (\$/pound of SS)	\$0.343	\$0.268	\$0.287	\$0.307	\$0.328	\$0.351
New Low-Strength SSC (\$/HCF)	\$1.475	\$1.730	\$1.851	\$1.981	\$2.119	\$2.268

BOD = Biochemical Oxygen Demand SS = Suspended Solids HCF = Hundred Cubic Feet

If you hold a permit as an Industrial User, you pay the City for the treatment of your wastewater through a combination of the SSC and QSF, or through the Low Strength SSC and "Zero-based" QSF if you have low-strength wastewater.

Sewer Service Charge (SSC)

The SSC is paid by all users of the City's wastewater collection, treatment and disposal facilities, including residential, commercial and industrial facilities discharging wastewater to the City sewers. The SSC rate is based on the volume of wastewater discharged to the City sewer and is the cost to treat wastewater at the domestic sewage strength levels typical of residential and commercial users. The SSC is normally billed by the City's Department of Water and Power (DWP). The current unit SSC rate, also paid by industries that receive sewer service from the City, is the City's cost in treating that portion of an industrial user's sewage that is at domestic sewage strength levels. The additional fees that the City collects are the costs to treat industrial sewage that is stronger than domestic strength; those fees are described below. Increases in the SSC rate are also being proposed. Information about the proposed SSC rate increases is being sent to all SSC customers in a separate notice.

Quality Surcharge Fee (QSF)

Certain industries discharge wastewater that is "stronger", in terms of its organic matter and solids content, than that of a typical household. If these concentrations, as measured in the industry's wastewater, are higher than those typical of domestic sewage, a Quality Surcharge Fee (QSF) will be assessed. The two pollutants, measured in milligrams per liter (mg/L), that are used to define the strength component of wastewater are:

1. Biochemical Oxygen Demand (BOD) - a measure of the organic waste strength in the sewage; and
2. Suspended Solids (SS) - a measure of the amount of the solids suspended in the sewage.

The QSF pays for the cost of the additional treatment and removal of these pollutants at the City's wastewater treatment facilities. Treatment of "high strength" waste results in additional operating costs, such as the cost of additional chemicals, power and solids storage capacity and final disposal. This fee is paid quarterly in arrears and is billed directly by the City of Los Angeles, Department of Public Works, not by DWP. The amount of this fee is directly proportional to the **excess** pounds of BOD or SS an industry discharges in to the City sewer and is calculated as the total excess pounds multiplied by the unit treatment cost (rate) per pound of BOD and SS, respectively. City staff annually reviews and determines these unit costs (rates) to reflect the City's current treatment and removal costs and the cost of administering the Quality Surcharge program.

"Low-Strength SSC" and "Zero-Based" QSF

Those Industrial Users in possession of a valid Industrial Wastewater Permit, whose discharge contains BOD or SS with concentrations less than domestic sewage BOD and SS concentrations, may petition the Board of the Public Works to pay a Low-Strength SSC rate **and** pay a "Zero-Based" QSF. Should you qualify for the Low-Strength SSC rate, you will be billed a reduced SSC rate which only includes the flow cost component of the SSC rate. However, you will also be billed for the **actual** strength of your discharge based on the "Zero-Based" QSF formula. You will also be required to self-monitor on a regular basis to determine the actual BOD and SS concentrations in your discharge.

Proposed Rate Changes

The City is proposing a modification to the definition of domestic strength sewage. Currently, domestic strength sewage is defined as having concentrations of 215 mg/L of BOD and 205 mg/L of SS. Due to water conservation practices, the strength of domestically-generated sewage has increased. The City is proposing revised domestic strength sewage levels of 265 mg/L for BOD and 275 mg/L for SS based on data analysis from the past several years.

Increases in the SSC and the Low-Strength SSC are also being proposed. The additional fees that will be collected from the proposed increases will enable the City to continue to provide the current level of service and to comply with the requirements of a recent settlement agreement that resolved a \$550 million lawsuit related to sewer overflows and discharges to certain waterways that occurred during the 1998 El Niño rains. Increases are projected in the costs of labor, construction materials, chemicals and utilities required to provide the existing service level. The City will also use the additional fees to improve its sewer cleaning, root control, and Fats, Oils and Grease control programs, rehabilitate over 500 miles of aging sewers, and construct 60-100 miles of new sewers, while maintaining existing wastewater treatment plant operations. These improvements will be spread over the next ten (10) years in order to minimize the impact on rates. An additional \$425 million will be required over the next five years to fund \$36 million in additional operating expenses and \$389 million in additional capital costs and repayment of loans obtained to finance many of the capital projects. The City annually bills for the cost of treatment of an average wastewater volume of 174,000,000 HCF. The new rates proposed for the SSC and the Low-Strength SSC were calculated based on this billable volume and the additional revenue needed over the next five years. The proposed Low-Strength SSC rates shown above represent the flow component of the SSC.

With respect to the new QSF rates proposed for BOD and SS, the City annually bills for the cost of treatment of approximately 30 million pounds of BOD and 15 million pounds of SS that is not recovered through the SSC and Low-Strength SSC. An additional \$69 million is required during the next five years to recover the additional cost of treating high strength wastewater. The proposed BOD and SS rates shown above are based on these billable volumes and the increased costs over the next five years to treat high strength wastewater.

The rates being considered by the City for industrial customers for the next five years may not exceed the rate shown above for any given year without providing another notice to users, but they could be lower than as shown. Seeking increases for all five years at once, rather than going through five separate processes, greatly reduces the administrative costs in printing and mailing the notices and holding public hearings. The rate structure for commercial, industrial, and residential users is **not** changing. This rate structure equitably allocates costs to all types of users on a basis proportional to their use of the City's wastewater facilities. Individual bills will vary based on your sewage strength and volume. The City's wastewater system serves over four million residential, commercial, and industrial users in the City of Los Angeles, in addition to 27 other cities and agencies that contract for this public works service. The system includes more than 6,500 miles of sewer pipelines and four wastewater treatment and water reclamation plants capable of processing more than 550 million gallons of flow each day citywide.

If you are not currently billed by the City for a QSF or Low Strength SSC, this notice does not apply to you. To determine if you are billed at the Low Strength SSC rate, review your DWP utility bill or call (800) 540-0952 or (213) 473-8413. QSF customers receive a quarterly bill from the City. If you have any questions about your QSF status, you can call (323) 342-6200 or visit us at <http://www.lacitysan.org/noticqsf.htm>.

The Los Angeles City Council will hold a public hearing on this matter on February 2, 2005, at 10:00 a.m. in the John Ferraro Council Chamber, Room 340, City Hall, 200 North Spring Street, Los Angeles, California, 90012. Written comments on the proposed rate changes may be submitted at the public hearing or mailed to the City Clerk, 200 North Spring Street Room 395, Los Angeles, California, 90012, no later than 5:00 p.m. on February 1, 2005. Please include the Assessor's Parcel Number (APN), if shown, and property address located at the top of this notice, and write "Proposed Quality Surcharge Fee" on your written comment. Parking is available in private lots surrounding City Hall, and City Hall is accessible by public transportation.

Note: Council meetings are broadcast live on cable television Channel 35 and on the Internet at <http://www.lacity.org/cdvideo.htm>. Live Council meetings can also be heard at (213) 621-CITY (METRO), (818) 904-9450 (VALLEY), (310) 471-CITY (WESTSIDE) AND (310) 547-CITY (SAN PEDRO AREA). As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities. Assistive listening devices are available at the meeting; upon 72-hour notice, other accommodations, such as sign language interpretation, and translation services will be provided. Contact the City Clerk at (213) 978-1059. TDD available at (213) 978-1055.

Frequently Asked Questions

Q: What if my sewage strength is lower than the new proposed levels of 265 mg/L of BOD and 275 mg/L of SS?

A: If your sewage strength is lower than these levels, you will no longer be charged a QSF. The costs for treating your sewage will now be completely recovered through the SSC.

Q: Why are the rates changing?

A: The QSF, Low Strength SSC and SSC are all based on the City's costs to treat an HCF of sewage, a pound of BOD, and a pound of SS. As costs increase or shift between these three components, the rates must be adjusted so customers are billed for their proportional use of the system.

Q: If costs have increased, why is the SS rate decreasing?

A: While overall costs have increased, the costs associated with treating SS are now a smaller percentage of the total costs. More of the treatment costs are now attributable to BOD since the initiation of full secondary treatment at the Hyperion Treatment Plant.

Q: Are the other industrial waste fees increasing?

A: No other industrial waste fees, such as the Permit Application Fees, Inspection and Control Fees, and Significant Industrial User Fees, are increasing.

Si usted quiere una copia de este anuncio en español, por favor llame al (800) 540-0952 o (213) 473-8413 o visitenos a <http://www.lacitysan.org/noticqsf.htm>.