

ORDINANCE NO. OCSD-51

AN ORDINANCE OF THE BOARD OF DIRECTORS OF ORANGE COUNTY SANITATION DISTRICT ADOPTING MISCELLANEOUS CHARGES AND FEES RELATING TO INDUSTRIAL DISCHARGERS, SOURCE CONTROL PERMITTEES AND WASTEHAULERS AND REPEALING ORDINANCE NO. OCSD-40 AND ORDINANCE NO. OCSD-42

WHEREAS, Health & Safety Code Section 5471 authorizes the Board of Directors of the Orange County Sanitation District (the "District") to impose fees and other charges for services and facilities furnished by the District in connection with the District's wastewater collection, treatment, disposal, and reuse system; and

WHEREAS, the District imposes charges and fees on industrial dischargers, source control permittees, and waste haulers pursuant to Ordinance No. OCSD-40, as revised by Ordinance No. OCSD-42; and

WHEREAS, the District recently retained Carollo Engineers to evaluate the District's projected revenue needs and recommend service fees and capacity charges for the period July 1, 2018 to June 30, 2023. In December of 2017, Carollo Engineers issued its "Final Report and Recommendations on Wastewater Rates, Fees, and Charges" ("Carollo Report"). The District's Board of Directors received the Carollo Report on December 20, 2017, and the Carollo Report is on file with the District; and

WHEREAS, the Carollo Report recommended specified adjustments to the fees and charges that the District imposes on industrial dischargers, source control permittees, and waste haulers; and

WHEREAS, the recommendations set forth in the Carollo Report are based on various studies and plans including, among others, financial forecasts and the District's 2017 Facilities Master Plan ("Master Plan"). The Master Plan identified the capital improvement projects that will be needed over the next 20 years, and estimated the cost of each project. The District's Board of Directors adopted the Master Plan on December 20, 2017; and

WHEREAS, on Wednesday, March 28, 2018 at 6:00 P.M., in the District's Boardroom on the first floor of its Administration Building located at 10844 Ellis Avenue, Fountain Valley, California, the District held a properly noticed public hearing, and received and considered comments concerning the proposed charges; and

WHEREAS, the Board of Directors has carefully reviewed the Carollo Report and considered oral and written comments from the public, Board Members, District staff, and District consultants made at and prior to the March 28, 2018 public hearing;

NOW, THEREFORE, the Board of Directors of the Orange County Sanitation District does hereby ORDAIN:

SECTION I. Adopt miscellaneous charges and fees relating to industrial discharges, source control permittees and waste haulers.

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ARTICLE I

RECITAL OF FINDINGS

Section 1.01. Findings – Declaration of Intent.

A. The District operates a system for the collection, treatment, disposal, and reuse of wastewater (“System”). The System protects human health and the environment from the potentially harmful effects of wastewater.

B. The revenues collected pursuant to this Ordinance shall be used to finance the improvements, programs, and staffing needed to operate, maintain, replace, and improve the District’s existing facilities, fund necessary reserves, and retire debt incurred to finance such activities. The revenues shall be used for no other purpose.

C. The fees and charges established by this Ordinance are based on the information and analysis set forth in the Carollo Report and the Master Plan, both of which were made available to the public in accordance with Government Code Section 66016 and other provisions of law.

D. The fees and charges established by this Ordinance do not exceed the estimated reasonable cost of providing the wastewater collection, treatment, disposal, and reuse services for which the fees are charged. The manner in which the costs are allocated to each payor bears a fair or reasonable relationship to the payor's burdens on, and benefits received from, the District’s System.

E. The fees and charges established by this Ordinance will fund the operations, maintenance, construction, rehabilitation, and repair necessary to maintain service within the District’s existing service area. Therefore, adoption of this Ordinance is statutorily exempt under the California Environmental Quality Act pursuant to the provisions of Public Resources Code Section 21080(b)(8) and California Code of Regulations Section 15273(a).

F. The Capital Facilities Capacity Charges and Supplemental Capital Facilities Capacity Charges established by this ordinance have been approved by the District’s Board of Directors at a noticed public meeting, all in accordance with applicable provisions of law.

ARTICLE II

MISCELLANEOUS CHARGES AND FEES RELATING TO INDUSTRIAL DISCHARGERS, SOURCE CONTROL PERMITTEES AND WASTEHAULERS

Section 2.01. Purpose and Scope. The purpose of this Ordinance is to recover those costs incurred by the District (i) on account of industrial dischargers’ and wastehaulers’ use of the District’s facilities; (ii) when administering the District’s Source Control Program; and (iii) when performing non-compliance sampling of industrial wastewater dischargers who have violated the District’s Wastewater Discharge

Regulations or the terms and conditions of the discharger's permit. Revenues derived under the provisions of this Ordinance shall be used to defray the costs incurred by the District (i) on account of such use of the District's facilities; and (ii) in performing these tasks.

Section 2.02. Administrative Fees and Charges Relating to Permittees. Administrative fees and charges relating to permittees are hereby established in the sum or sums as set forth in Tables E, F, G, H, I and J, below.

Section 2.03. Source Control Non-Compliance Fees. Source control non-compliance fees are hereby established for dischargers' non-compliance sampling and for self-monitoring and data reporting non-compliance, in the sum or sums as set forth in Table F, below.

Section 2.04. Special Purpose Discharge Permittees; Charges for Use. As authorized by Sections 305.5 and 305.6 of the District's Wastewater Discharge Regulations, charges for use are hereby established for Special Purpose Discharge Permittees, as set forth in Table G, below.

Section 2.05. Class I and Class II Permittees – Charges for Use. As authorized by Sections 302.3, 302.6, 303.3 and 303.6 of the District's Wastewater Discharge Regulations, the charges for use are hereby established for Class I and Class II Permittees as set forth in Table F, below.

Section 2.06. Wastehauler Charges for Use. As authorized by Sections 306.3 and 306.7 of the OCSD's Wastewater Discharge Regulations, the charges for use are hereby established for wastehaulers as set forth in Table H, below.

Section 2.07. Administrative Appeals.

A. Any user, permit applicant, or permittee affected by any decision, action, or determination by the District may, within forty-five (45) days of the date of mailing by the District of the initial invoice for fees imposed pursuant to this Ordinance, request that the District reconsider imposition of such fees. Following review of such a request, the District shall notify the user, permit applicant, or permittee by certified mail of the District's decision on the reconsideration request.

B. Any user, permit applicant, or permittee adversely affected by the District's decision on the reconsideration request, may file an appeal in accordance with Sections 618 and 621 of the District's Wastewater Discharge Regulations.

TABLE E

**ADMINISTRATIVE FEES AND CHARGES
RELATING TO PERMITTEES**

Permit Fees Charges per year

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
A. Class I/Certified Discharger	\$ 945.00	\$1,105.00	\$1,265.00	\$1,425.00	\$1,585.00

B. Class II	\$ 240.00	\$ 310.00	\$ 380.00	\$ 450.00	\$ 520.00
C. SPDP ¹	\$1,072.00	\$1,094.00	\$1,116.00	\$1,138.00	\$1,160.00
SPDP Renewal	\$ 760.00	\$ 775.00	\$ 785.00	\$ 795.00	\$ 810.00
D. Wastehauler	\$ 190.00	\$ 190.00	\$ 190.00	\$ 190.00	\$ 190.00
E. Certified Zero/No Discharge	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00

¹ New permit only - add nonrefundable deposit for first 1 million gallons as defined in Table G

Wastehauler Fees

Charges

F. Permit Decal Initial Issue	\$ 25.00
G. Permit Decal Replacement	\$ 50.00
H. Entry Card Initial Issue	\$ 50.00
I. Entry Card Replacement	\$100.00
J. After Hours Discharge – Prearranged	\$102.00/event
K. After Hours Discharge – Emergency	\$165.00/event

Administrative/Processing Fees

Charges

L. OCSD's Collection of Water Consumption Data	\$ 500.00/permit
M. Appeal Hearing Filing Fee	\$ 800.00/appeal
N. Late Application (30 days or less from expiration date)	\$ 500.00
O. Late Application (15 days or less from expiration date)	\$1,000.00

TABLE F
INDUSTRIAL DISCHARGER, SOURCE CONTROL
AND NON-COMPLIANCE SAMPLING FEES

	<u>Charge</u>
<u>Cost of Processing and Sampling Following a Minor Violation</u>	\$200.00/event
<u>Cost of Processing and Sampling Following a Major Violation</u>	\$400.00/event
<u>Non-Compliance Resampling Fee</u>	\$275.00/event
<u>Cost of Analysis</u>	
Heavy Metals:	\$ 50.00/each
- Aluminum	
- Antimony	
- Arsenic	
- Cadmium	
- Chromium	
- Copper	
- Gold	
- Lead	
- Molybdenum	
- Nickel	
- Palladium	

TABLE F (CONTINUED)
INDUSTRIAL DISCHARGER, SOURCE CONTROL
AND NON-COMPLIANCE SAMPLING FEES

- Platinum
- Selenium
- Silver
- Thallium
- Zinc

	<u>Charge</u>
Mercury	\$ 85.00
601/602	\$152.00
604	\$223.00
606	\$254.00
608	\$523.00
610	\$ 73.00
612	\$200.00
624	\$355.00
625	\$661.00
Ammonia Analysis as Nitrogen	\$ 32.00
Biochemical Oxygen Demand (BOD)	\$ 49.00
BOD and Suspended Solids (SS) Analysis	\$ 97.00
Chemical Oxygen Demand	\$ 33.00
Conductivity	\$ 65.00
Cyanide (Amenable)	\$146.00
Dissolved Mineral Solids	\$ 15.00
Gamma Radiation Determination	\$286.00
Gross Alpha and Beta Determination	\$ 34.00
Tritium Determination	\$123.00
Oil & Grease (Hexane Soluble Matter)	\$ 81.00
Oil & Grease (Mineral Partition)	\$ 81.00
Total Organic Nitrogen	\$ 65.00
pH	\$ 32.00
Fluoride	\$ 49.00
Suspended Solids (Total)	\$ 49.00
Suspended Solids (Total and Volatile)	\$146.00
Total Dissolved Solids	\$ 49.00
Total Sulfides	\$ 69.00

SELF-MONITORING AND DATA REPORTING
NON-COMPLIANCE

Cost of Processing and Issuing Significant Non-Compliance Notification	\$165.00
Cost of Processing Annual SNC and Publication	\$485.00
Non-Compliance Appeal Filing Fee*	\$150.00

*Filing Fee will be refunded if customer wins appeal

TABLE G

**CLASS I AND CLASS II PERMITTEES AND
SPECIAL PURPOSE DISCHARGE PERMITTEES**

CHARGES FOR USE

<u>Class I and II</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Flow (*)	\$1,433.49	\$1,489.42	\$1,545.35	\$1,601.28	\$1,657.22
B.O.D. (**)	\$ 658.09	\$ 661.39	\$ 664.69	\$ 667.99	\$ 671.28
S.S. (***)	\$ 716.60	\$ 736.73	\$ 756.86	\$ 777.00	\$ 797.14

**Special Purpose
Discharge**

<u>Permit</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Flow (*)	\$1,433.49	\$1,489.42	\$1,545.35	\$1,601.28	\$1,657.22

- (*) Flow Per million gallons of Flow
- (**) B.O.D. Per thousand pounds of Biochemical Oxygen Demand
- (***) S.S. Per thousand pounds of Suspended Solids

All properties located within Revenue Area No. 14 pay no annual service fees. The District's costs relating to providing service to these properties are billed by the District directly to the Irvine Ranch Water District, the local agency providing the local sewer service.

TABLE H

WASTEHAULER CHARGES FOR USE

	2018-19	2019-20	2020-21	2021-22	2022-23
Within OCSD Boundaries	\$0.06	\$0.07	\$0.08	\$0.09	\$0.09
Outside OCSD Boundaries**	\$0.14	\$0.16	\$0.18	\$0.20	\$0.22

- (*) per gallon
- (**) Outside District boundaries and inside the District service area or authorized by the District's General Manager

Waste hauled from a source that is not within the District's service area is prohibited unless authorized by the General Manager. Service area is defined as any area the OCSD has an agreement to serve.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Application of Ordinance. The provisions of this Ordinance shall be in addition to the provisions of the District's Wastewater Discharge Regulations for use of the District's sewage facilities, including provisions for payment of charges or fees related thereto; the District's ordinance establishing Fees Concerning Annexations of Territory to the District; and any other District Ordinances and Resolutions not in conflict herewith.

Section 4.02. Exceptions. The provisions of this Ordinance shall apply to all owners of properties within the District, including those properties otherwise deemed exempt from payment of taxes or assessments by provisions of the State Constitution or statute, including properties owned by other public agencies or tax-exempt organizations, except as expressly provided herein.

Section 4.03 Out of Area Sewer Service Agreements. The District is empowered to contract for the transport, treatment and disposal of wastewaters originating within areas outside of the District if it is in the best interest of the District to do so. These Out of Area Sewer Service Agreements will establish fees and charges relative to the services provided by the District for each individual agreement.

The Board of Directors of the Orange County Sanitation District does further hereby ORDAIN:

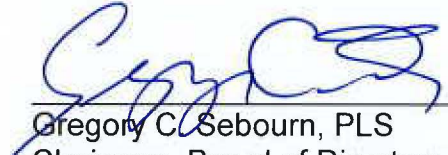
SECTION II. Severability. If any provision of this Ordinance, or the application to any person or circumstances is held invalid by order of Court, the remainder of the Ordinance, or the application of such provision to other persons or other circumstances, shall not be affected.

SECTION III. Effective Date. This Ordinance shall take effect July 1, 2018.

SECTION IV. Repeal. Ordinance No. OCSD-40 and No. OCSD-42 are hereby repealed.


SECTION V. Certification and Publication. The Clerk of the Board shall certify to the adoption of this Ordinance, and shall cause a summary to be published in a newspaper of general circulation as required by law.

PASSED AND ADOPTED by a vote of not less than two-thirds of the Board of Directors of the Orange County Sanitation District at a Regular Meeting held on March 28, 2018.




Gregory C. Sebourn, PLS
Chairman, Board of Directors
Orange County Sanitation District

ATTEST:



Kelly A. Lore, MMC
Clerk of the Board
Orange County Sanitation District

APPROVED AS TO FORM:



Bradley R. Hogin
General Counsel
Orange County Sanitation District

