



COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

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STEPHEN R. MAGUIN
Chief Engineer and General Manager

February 2, 2010

Mr. Richard Nagel
West Basin Municipal Water District
17140 S. Avalon Boulevard, Suite 210
Carson, CA 90746

Dear Mr. Nagel:

Wastewater Treatment Surcharge Statement and Connection Fee
for Account Number 9242715, Industrial Waste Permit Number 20294
Located at 1935 S. Hughes Way El Segundo, CA 90245

The Districts have conducted an audit review of the 2008-2009 surcharge filing for West Basin Municipal Water District. The results of this review preliminarily indicate that a surcharge refund of \$1,791.55 is due your company and a connection fee of \$66,902.40 is due the Districts. These charges are based upon the 2008-2009 Surcharge Statement as filed by West Basin Municipal Water District with changes made to mass loadings and concentrations of Chemical Oxygen Demand (COD) and Suspended Solids (SS).

During the fiscal year 2008-2009, there were no wastewater analyses done by either West Basin Municipal Water District or the Districts. The Districts have determined that because there is sample data available that brackets the fiscal year and appear to be representative of operations, that the available data will be averaged and applied to the surcharge and connection fee evaluations. Please see the attached Surcharge Statement and Table 3 for details.

<u>DATE</u>	<u>COD (mg/l)</u>	<u>SS (mg/l)</u>
05-04-2007	3,800	ND
12-13-2007	6,800	72
07-21-2009	<u>5,000</u>	<u>120</u>
Average	5,200	64

As of December 15, 1981 all new users of the sewerage system, as well as existing industrial users who increase their historic wastewater discharge by more than 25 percent are required to pay a connection fee to the Sanitation Districts. For the determination of the connection fee the term "capacity unit" (CU) has been developed and is based on a formula, which calculates the burden for wastewater disposal that a typical single-family home places on the sewerage system in terms of wastewater flow and strength. According to Districts records, West Basin Municipal Water District currently has a baseline of 10.23 CU's. Review of the 2008-2009 fiscal year Surcharge Statement indicates an actual wastewater discharge equivalent to 30.93 CU's, which represents a 202 percent increase.

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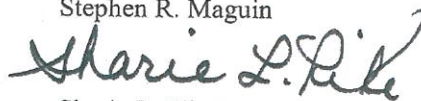
To address the connection fee charge, West Basin Municipal Water District has the following options:

- Payment of the connection fee in full, which increases the baseline capacity units associated with the site.
- Extended payment plan, which can be requested for three to six years including interest and requires a ten percent deposit to initiate.
- Election to demonstrate a reduction in discharge which delays payment of the connection fee and requires a signed and notarized demonstration agreement with collateral to cover approximately 60 percent of the charge.
- Non-refundable deposit, which is paid towards a portion of the needed CU's and accompanies a request to demonstrate a reduction in discharge (requires collateral).

If you wish to discuss the details of these charges or the options that are available to you, please contact Deah M. Clements of the Districts' Surcharge group at (562) 908-4288, extension 2608 within 10 days of the date of this letter. If the Districts receive no response within 10 days, the charges will be formalized and billing information forwarded to your office via certified mail. Formalization of the billing starts a 45-day time period during which the selection of one of the before mentioned options must be made. The details of these options are outlined in the attached *Connection Fee Ordinance*. Failure to submit all required documents by the 45-day stipulated deadline results in automatic penalties and eliminates the demonstration and payment plan options.

Very truly yours,

Stephen R. Maguin



Sharie L. Pike
Supervisor, Surcharge Section

SLP:DMC:cr
Enclosures