



AGENDA REPORT

Meeting Date: June 3, 2008
Item Number: E-7
To: Honorable Mayor and Members of the City Council
From: City Attorney
Subject: AN ORDINANCE OF THE CITY OF BEVERLY HILLS AMENDING THE COMPREHENSIVE SCHEDULE OF TAXES, FEES & CHARGES TO ENACT EMERGENCY WATER CONSERVATION RATES
Attachments: 1. Ordinance

RECOMMENDATION

It is recommended that the proposed ordinance be adopted.

INTRODUCTION

The Beverly Hills Municipal Code sets forth the procedures to implement mandatory water usage restrictions in the event of water shortages as determined by the City. If certain water shortages are declared, Section 9-4-304 of the Municipal Code allows the City to levy a water penalty surcharge based on the customer's water consumption that exceeds a certain percentage of water use.

DISCUSSION

The proposed ordinance establishes that the water rates of the City are subject to a water penalty surcharge as described in the Beverly Hills Municipal Code if certain water shortages are declared. At the City Council meeting of May 20, 2008, the City Council held a public hearing and conducted a first reading of this ordinance.

FISCAL IMPACT

Adherence to the stages of an emergency water conservation program would address a water shortage and would also lead to lower revenues. It is presumed that the penalty rates would alleviate some of the revenue loss should the City have less water to sell to its customers.



Laurence S. Wiener, City Attorney

ORDINANCE NO. 08-_____

AN ORDINANCE OF THE CITY OF BEVERLY HILLS
AMENDING THE COMPREHENSIVE SCHEDULE OF TAXES,
FEES & CHARGES TO ENACT EMERGENCY WATER
CONSERVATION RATES

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS HEREBY
ORDAINS AS FOLLOWS:

Section 1. In 1992, the City Council adopted an Ordinance No. 92-0-2129 establishing requirements to implement mandatory water usage restrictions in the event of water shortages as determined by the City. If certain water shortages are declared, Section 9-4-304 of the Municipal Code allows the City to levy a water penalty surcharge based on the customer's water consumption that exceeds a certain percentage of water use.

Section 2. In order to implement the water usage restrictions and levy the water penalty surcharge should a water conservation stage be declared, and to comply with Proposition 218, the City has provided notification to all water customers compliant with Proposition 218 in the form of a mailing. The notice mailed on April 5, 2008 informed the customer about the proposed increase in rates if a water conservation stage is declared, the reasons for the increase in rates should a water conservation stage be declared, information on the public hearing to be held on May 20, 2008 and instructions for those who desire to protest. Accordingly, the City Council finds that notice of the hearing on this ordinance was duly provided pursuant to Proposition 218.

Section 3. The City Council hereby establishes that the water rates of the City are subject to a water penalty surcharge as described in Section 9-4-304 of the Beverly Hills Municipal Code and set forth as follows:

Water Usage	Stage A	Stage B	Stage C	Stage D
Baseline (% of Average Usage)	100%	90%	80%	70%
Water Penalty Surcharge				
Baseline to 100% (factor times rates)	1 X	2 X	3 X	4 X
Greater than 100% (factor times rates)	1 X	2 X	10 X	10 X

The water penalty surcharge is hereby imposed and shall take effect when the City has complied with the procedures set forth in Section 9-4-304 of the Beverly Hills Municipal Code.

Section 4. The City Clerk shall cause this Ordinance to be published at least once in a newspaper of general circulation published and circulated in the City within fifteen (15) days after its passage, in accordance with Section 36933 of the Government Code; shall certify to the adoption of this Ordinance and shall cause this Ordinance and his certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City.

Section 5. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.

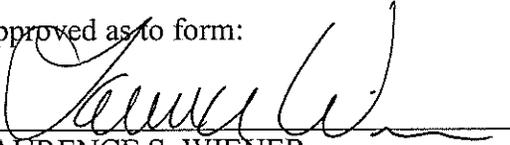
Adopted:

BARRY BRUCKER
Mayor of the City of Beverly Hills

ATTEST:

(SEAL)
BYRON POPE
City Clerk

Approved as to form:



LAURENCE S. WIENER
City Attorney

Approved as to content:

RODERICK J. WOOD
City Manager



DAVID GUSTAVSON
Director of Public Works & Transportation