



## AGENDA REPORT

**Meeting Date:** June 22, 2010  
**Item Number:** G-5  
**To:** Honorable Mayor & City Council  
**From:** City Attorney  
**Subject:** AN ORDINANCE OF THE CITY OF BEVERLY HILLS TO INCREASE WATER AND SOLID WASTE UTILITY RATES BEGINNING IN FISCAL YEAR 2010-1011 AND PROVIDING FOR AN ANNUAL INFLATION ADJUSTMENT  
**Attachments:** 1. Ordinance

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### RECOMMENDATION

It is recommended that the proposed ordinance be adopted, as amended.

### INTRODUCTION

The City of Beverly Hills is proposing rate increases for solid waste utility and water utility services beginning in Fiscal Year 2010-2011 and for Fiscal Year 2011-2012. The proposed ordinance implements the direction provided by the City Council at its June 3, 2010 City Council meeting.

### DISCUSSION

At the City Council meeting of June 3, 2010, the City Council discussed the rates and approved an increase for water utility services for FY 2010-2011 and FY 2011-2012 of 15% for both years. The rate will be effective July 22, 2010 and July 1, 2011, respectively. As for the solid waste rates, the City Council approved an increase of 8.2% for residential service and 4.2% for commercial service only for FY 2010-2011. CPI adjustment for solid waste rates would be effective July 1, 2011 and for water rates July 1, 2012. With these changes, the City Council conducted a first reading of this ordinance.

### FISCAL IMPACT

The recommended increase in solid waste utility rates is expected to generate an additional \$830,000 and still utilize \$153,000 of reserves to meet the revenue requirements of the utility for FY 2010/2011. The revenue requirements are the revenues necessary to cover operations, capital and reserve costs.

The recommended increase in water utility rates is expected to generate an additional \$3.5 and \$4.0 million for FY 10/11 and FY 11/12, respectively, and still utilize \$6.8 and \$4.1 million of reserves, respectively, to meet the revenue requirements that include all the utility expenditures. The revenue requirements are the revenues necessary to cover operations, capital, debt service and reserve costs.

  
Laurence S. Wiener, City Attorney

# **Attachment 1**

Ordinance

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF BEVERLY HILLS TO  
INCREASE WATER AND SOLID WASTE UTILITY RATES  
BEGINNING IN FISCAL YEAR 2010-2011 AND PROVIDING  
FOR AN ANNUAL INFLATION ADJUSTMENT

THE CITY COUNCIL OF THE CITY OF BEVERLY HILLS DOES ORDAIN  
AS FOLLOWS:

Section 1. The City Council of the City of Beverly Hills hereby finds as follows:

A. The City Council is authorized pursuant to the California Health and Safety Code Section 5471 to prescribe, revise and collect rates and charges for water, wastewater and solid waste services and facilities furnished by the City.

B. The City Council wishes to increase the rates for water and solid waste services (the "rates") as provided in Exhibit A.

C. The City Council identified the parcels upon which the proposed rates would be imposed and calculated the amount of the proposed rates.

D. The City Clerk caused a notice of the time and place of a public hearing on the proposed rates to be mailed as required by Section 6 of Article XIID of the California Constitution.

E. Each notice described the amount of proposed rates, the basis upon which the amount of the proposed rates was calculated, the reason for the proposed rates, and the date time and location of a public hearing on the proposed rates.

F. On June 3, 2010, at the date, time and location set forth in the notice, the City Council conducted a public hearing on the proposed rates and heard and considered all objections and protests thereto and at the close of the public hearing, the City Council determined that written protests had not been presented by a majority of owners of the identified parcels.

G. The City Council previously adopted Ordinance No. 08-O-2552 to authorize an annual Consumer Price Index increase for wastewater service rates.

H. The City Council wishes to define the measure of the previously authorized annual Consumer Price Index increase for wastewater service rates.

I. All code references in the column entitled "Reference" in Exhibit A are to ordinances or resolutions of the City of Beverly Hills unless otherwise indicated.

Section 2. The rates listed in Exhibit A as Reference Nos. 08-O-2552 (Water Rates) and 08-O-2552 (Fire Protection Services) shall be increased as provided in Exhibit A for Fiscal Year 2010/11 and Fiscal Year 2011/12.

Section 3. The rates listed in Exhibit A as Reference Nos. 08-O-2552 (Refuse Collection Rates-Residential), 07-O-2519 (Refuse Collection Rates-Commercial, Industrial and Commercial Multi-Family), 07-O-2519 (Refuse Collection Rates-Restaurant), 07-O-2519 (Refuse Collection Rates-Roll-Off Collection and 07-O-2519 (Miscellaneous Commercial Solid Waste Fees) shall be increased as provided in Exhibit A for Fiscal Year 2010/11.

Section 4. Beginning July 1, 2012, and each July 1 through July 1, 2016, the rates listed in Exhibit A as Reference Nos. 08-O-2552 (Water Rates), 08-O-2552 (Fire Protection Services), 08-O-2552 (Refuse Collection Rates-Residential), 07-O-2519 (Refuse Collection Rates-Commercial, Industrial and Commercial Multi-Family), 07-O-2519 (Refuse Collection Rates-Restaurant), 07-O-2519 (Refuse Collection Rates-Roll-Off Collection and 07-O-2519 (Miscellaneous Commercial Solid Waste Fees) shall be increased by an amount that is equal to the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for Los Angeles-Riverside-Orange County, CA Area for the twelve-month period ending the immediately preceding November 30.

Section 5. Ordinance No. 08-O-2552 established an annual Consumer Price Index adjustment for the rates listed in Exhibit A as Reference No. 08-O-2552 (Wastewater Rates). The measure for such annual Consumer Price Index adjustment shall be the annual percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) for Los Angeles-Riverside-Orange County, CA Area for the twelve-month period ending the immediately preceding November 30.

Section 6. 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 her certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City.

Section 7. 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:  
Effective:

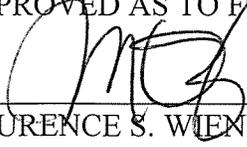
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JIMMY DELSHAD  
Mayor of the City of Beverly Hills,  
California

ATTEST:

\_\_\_\_\_  
BYRON POPE (SEAL)  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
LAURENCE S. WIENER  
City Attorney

APPROVED AS TO CONTENT:

\_\_\_\_\_  
JEFFREY KOLIN  
City Manager

*for:*   
\_\_\_\_\_  
SCOTT G. MILLER  
Director of Administrative Services/Chief  
Financial Officer

  
\_\_\_\_\_  
DAVID D. GUSTAVSON  
Director of Public Works & Transportation

**EXHIBIT A**  
**[see attached]**

EXHIBIT A

City of Beverly Hills  
Utility Rates Schedule  
Fiscal Year 2010/11, Fiscal Year 2011/12

REFERENCE	TYPE OF UTILITY CHARGE	2010/11 Effective 7/22/10		2011/12 Effective 7/1/11	
		Inside City	Outside City	Inside City	Outside City
08-0-2552	Water Rates:				
	Service charges (bimonthly):				
	Meter size (per meter):				
	1 inch and smaller	30.58	38.23	35.17	43.96
	1-1/2 inches	52.57	65.71	60.46	75.58
	2 inches	78.96	98.70	90.80	113.50
	3 inches	140.53	175.66	161.61	202.01
	4 inches	228.48	285.60	262.76	328.45
	6 inches	448.38	560.48	515.63	644.54
	Quantity charge:*				
	Bimonthly Water Usage - units of 100 cu ft (per 100 cu ft)				
	Single Family Residences & Duplexes (SFR)		Multi-Family Residential (MFR) (Tier acts as a multiplier by # of units.)		
	Tier 1 - from 1 and up to 10	2.76	Tier 1 - from 1 to 4 3.45	3.17	3.96
	Tier 2 - over 10 and up to 55	3.58	Tier 2 - over 4 and up to 9 4.48	4.12	5.15
	Tier 3 - over 55 to 120	5.57	Tier 3 - over 9 and up to 16 6.96	6.41	8.01
	Tier 4 - over 120 +	10.63	Tier 4 - over 16+ 13.29	12.22	15.28
	Non-residential rate (Commercial, Governmental and Schools)	4.69	5.86	5.39	6.74
	*Capital charge incorporated in usage.				
08-0-2552	Fire Protection Service Charge (bimonthly):				
	Size of Connection:				
	2 inch and smaller	23.69	29.61	23.93	29.91
	2-1/2 inches	35.35	44.19	35.70	44.63
	3 inches	51.49	64.36	52.00	65.01
	4 inches	99.44	124.29	100.43	125.54
	6 inches	271.54	339.42	274.25	342.82
	8 inches	568.36	710.45	574.05	717.56
	10 inches	1,014.85	1,268.56	1,025.00	1,281.25
08-0-2552	Wastewater Rates:				
	Service Charge (bimonthly):				
	Residential (Per dwelling)	87.38	N/A	87.38	N/A
	Commercial:				
	Fixed Charge	34.20	N/A	34.20	N/A
	Quantity/Quality Charge:				
	Unit cost / CCF for domestic strength wastewater for all commercial, industrial and municipal users based on water consumption during billing cycle.	4.74	N/A	4.74	N/A
	Quality Surcharge: (Excess strength cost/lb. for commercial users)				
	BOD unit cost \$0.41/CCF = \$0.30/lb.				
	SS unit cost \$0.41/CCF = \$0.29/lb.				
	Strength Surcharge \$/CCF	2.34		2.34	
96-R-9442	Stormwater Fee				
	Residential R-1 (bimonthly)	17.56	N/A	17.56	N/A
	Residential R-4 (per unit bimonthly)	7.26	N/A	7.26	N/A
	Commercial, Industrial and Municipal (bimonthly for each water customer within City limits)	143.26	N/A	143.26	N/A
	Stormwater Permit - Selected Businesses (annually)	100.00	N/A	100.00	N/A
	Residential stormwater fees cover street sweeping and storm drain maintenance. Commercial, industrial and municipal fees also include street receptacle collection and commercial sidewalk maintenance.				

EXHIBIT A

City of Beverly Hills  
Utility Rates Schedule  
Fiscal Year 2010/11, Fiscal Year 2011/12

REFERENCE	TYPE OF UTILITY CHARGE	2010/11	
		Effective 7/22/10	
		Inside City	Outside City
08-0-2552	Refuse Collection Rates:		
	Residential - bimonthly (Includes recycling programs and AB939 programs)		
	Multi-family (per dwelling unit)	36.37	N/A
	Single family residences and duplexes		
	Per square foot of lot area *	0.01	N/A
	Single family residences and duplexes in the Hillside Area** which use 3 or fewer containers and are located on lots which contain at least 40% of unusable hillside area.*** Per sq. ft. of lot area *	0.01	N/A
	Additional container charge		
	Each additional container above 6	24.63	N/A
	Collection day Curbside roll out service (for residents North of Santa Monica Boulevard)	23.35	N/A
	Special container moving charge	57.16	N/A
	Roll-out service, up to 6 containers once a week		
	* Based on Los Angeles County property tax records.		
	** Hillside Area means the area within the City of Beverly Hills north of Sunset Boulevard.		
	*** The calculation of unusable hillside area shall be based on Los Angeles County property tax records or, if unavailable, a determination by the Director of Public Works.		
	Residential bimonthly alley refuse fee per dwelling unit	21.61	N/A
07-0-2519	Refuse Collection Rates:		
	Commercial, Industrial and Commercial Multi-Family Customer Rates - Restaurants Excluded		
	In addition to the monthly charges shown below, the following charges may apply:		
	1) After hour collections will be billed at a rate of \$108.68 per bin		
	2) A Roll Out charge of \$27.17 per month for each weekly pick up will be added to bin charges where bins are not accessible for truck pick up.		
	3) Locking lid per bin	10.09	N/A
	4) Scout Service per bin		
	1 time weekly	42.03	N/A
	2 times weekly	67.25	N/A
	3 times weekly	92.48	N/A
	4 times weekly	117.69	N/A
	5 times weekly	142.91	N/A
	6 times weekly	168.13	N/A
	7 times weekly	193.35	N/A
	Monthly charge - Billed monthly		
	1 Cu. Yd Bin (Service is not currently offered.)		
	1 time weekly	85.13	N/A
	2 times weekly	138.03	N/A
	3 times weekly	190.97	N/A
	4 times weekly	242.71	N/A
	5 times weekly	291.02	N/A
	6 times weekly	338.20	N/A
	7 times weekly	456.69	N/A
	1.5 Cu. Yd Bin		
	1 time weekly	94.34	N/A
	2 times weekly	156.45	N/A
	3 times weekly	215.12	N/A
	4 times weekly	272.63	N/A
	5 times weekly	325.55	N/A
	6 times weekly	379.62	N/A
	7 times weekly	511.88	N/A
	2 Cu. Yd Bin		
	1 time weekly	104.68	N/A
	2 times weekly	172.57	N/A
	3 times weekly	236.98	N/A
	4 times weekly	300.23	N/A
	5 times weekly	361.22	N/A
	6 times weekly	419.86	N/A
	7 times weekly	564.82	N/A

## EXHIBIT A

City of Beverly Hills  
Utility Rates Schedule  
Fiscal Year 2010/11, Fiscal Year 2011/12

REFERENCE	TYPE OF UTILITY CHARGE	2010/11	
		Effective 7/22/10	
		Inside City	Outside City
	3 Cu. Yd Bin		
	1 time weekly	115.04	N/A
	2 times weekly	189.80	N/A
	3 times weekly	261.14	N/A
	4 times weekly	329.00	N/A
	5 times weekly	395.72	N/A
	6 times weekly	460.14	N/A
	7 times weekly	620.03	N/A
	4 Cu. Yd Bin		
	1 time weekly	133.44	N/A
	2 times weekly	218.57	N/A
	3 times weekly	301.41	N/A
	4 times weekly	383.06	N/A
	5 times weekly	460.14	N/A
	6 times weekly	533.75	N/A
	7 times weekly	720.12	N/A
	3 Cu. Yd Compactor		
	1 time weekly	211.65	N/A
	2 times weekly	347.42	N/A
	3 times weekly	480.86	N/A
	4 times weekly	607.38	N/A
	5 times weekly	729.32	N/A
	6 times weekly	846.65	N/A
	7 times weekly	1,143.44	N/A
07-0-2519	Refuse Collection Rates:		
	Roll-Off Collections		
	In addition to the roll-off bin charges shown below, the following charge may apply: (After hour collections Monday - Saturday after 5 p.m. and all of Sunday, will be billed at a rate of \$108.68 per bin - 10 ton maximum) (At cost fees will apply to hauls greater than ten tons)		
	10 Cu. Yd. per roll-off haul fee	212.37	N/A
	25 Cu. Yd. per roll-off haul fee	212.37	N/A
	40 Cu. Yd. per roll-off haul fee	212.37	N/A
	10 Cu. Yd. per dump fees per ton	51.60	N/A
	25 Cu. Yd. per dump fees per ton	51.60	N/A
	40 Cu. Yd. per dump fees per ton	51.60	N/A
	Compactors		
	9 Cu. Yd. per roll-off haul fee	279.79	N/A
	25 Cu. Yd. per roll-off haul fee	279.79	N/A
	40 Cu. Yd. per roll-off haul fee	279.79	N/A
	9 Cu. Yd. per dump fees per ton	51.60	N/A
	25 Cu. Yd. per dump fees per ton	51.60	N/A
	40 Cu. Yd. per dump fees per ton	51.60	N/A
	Roll off Compactor Cleaning Fees		
	Compactors		
	9 Cu. Yd. per roll-off	187.48	N/A
	25 Cu. Yd. per roll-off	187.48	N/A
	40 Cu. Yd. per roll-off	187.48	N/A
	Temporary Bins (per bin per collection)		
	3 Cu. Bin	134.85	N/A
	6 Cu. Bin (Service is not currently available.)	202.25	N/A
07-0-2519	Refuse Collection Rates:		
	Restaurant rates		
	In addition to the monthly charges shown below, the following charges may apply:		
	1) After hour collections will be billed at a rate of \$108.68 per bin		
	2) A Roll Out charge of \$27.17 per month for each weekly pick up will be added to bin charges where bins are not accessible for truck pick up		
	3) Locking lid per bin	10.09	N/A
	4) Scout Service per bin		
	1 time weekly	42.03	N/A
	2 times weekly	67.25	N/A
	3 times weekly	92.48	N/A
	4 times weekly	117.69	N/A
	5 times weekly	142.91	N/A
	6 times weekly	168.13	N/A
	7 times weekly	193.35	N/A

## EXHIBIT A

City of Beverly Hills  
Utility Rates Schedule  
Fiscal Year 2010/11, Fiscal Year 2011/12

REFERENCE	TYPE OF UTILITY CHARGE	2010/11 Effective 7/22/10	
		Inside City	Outside City
	Monthly charge - Billed monthly		
	1 Cu. Yd Bin (Service is not currently offered.)		
	1 time weekly	119.63	N/A
	2 times weekly	165.65	N/A
	3 times weekly	236.98	N/A
	4 times weekly	300.23	N/A
	5 times weekly	355.45	N/A
	6 times weekly	410.67	N/A
	7 times weekly	631.52	N/A
	1.5 Cu. Yd Bin		
	1 time weekly	141.50	N/A
	2 times weekly	200.17	N/A
	3 times weekly	266.88	N/A
	4 times weekly	356.61	N/A
	5 times weekly	423.33	N/A
	6 times weekly	490.05	N/A
	7 times weekly	710.91	N/A
	2 Cu. Yd Bin		
	1 time weekly	154.15	N/A
	2 times weekly	223.18	N/A
	3 times weekly	291.02	N/A
	4 times weekly	368.11	N/A
	5 times weekly	434.84	N/A
	6 times weekly	511.88	N/A
	7 times weekly	732.76	N/A
	3 Cu. Yd Bin		
	1 time weekly	178.30	N/A
	2 times weekly	257.67	N/A
	3 times weekly	337.06	N/A
	4 times weekly	402.62	N/A
	5 times weekly	491.19	N/A
	6 times weekly	555.62	N/A
	7 times weekly	778.77	N/A
	4 Cu. Yd Bin		
	1 time weekly	200.17	N/A
	2 times weekly	315.19	N/A
	3 times weekly	380.77	N/A
	4 times weekly	482.00	N/A
	5 times weekly	582.07	N/A
	6 times weekly	669.51	N/A
	7 times weekly	890.37	N/A
	3 Cu Yd Compactor		
	1 time weekly	347.42	N/A
	2 times weekly	517.66	N/A
	3 times weekly	684.45	N/A
	4 times weekly	831.70	N/A
	5 times weekly	1,027.25	N/A
	6 times weekly	1,177.94	N/A
	7 times weekly	1,669.15	N/A
07-0-2519	Miscellaneous Commercial Solid Waste Fees		
	Extra Pick Ups (includes special pick ups in excess of regular service)		
	Per Bin	47.56	N/A
	Dry Run (maximum fee)		
	Per Bin	144.11	N/A
	Relocation Fee (maximum fee)		
	Per Bin	144.11	N/A
	Impounding Fee		
	Hauling Roll-off fee at cost	244.22	N/A
	3 Cu. Yard Temporary Bin	99.99	N/A
	Storage Fee		
	Roll-Off Bin (per day)	108.68	N/A
	3 Cu. Yard Temporary Bin (per day)	54.34	N/A
	Cleaning Fee (One Free Per Year)		
	Per bin per cleaning after first free	40.02	N/A

EXHIBIT A

City of Beverly Hills  
Utility Rates Schedule  
Fiscal Year 2010/11, Fiscal Year 2011/12

2010/11  
Effective 7/22/10

	<u>Inside City</u>	<u>Outside City</u>
Bulky Items, Furniture and Appliances (abandoned items and alley clean-up, not construction debris) (This fee has been incorporated into the service rate since FY 2005.)	N/A	N/A
Alley cleanup and maintenance - assessed to franchised haulers annually (per bin)	69.75	N/A

The City does not collect hazardous waste and e-waste, special free waste drop-offs occur during the year for these items.