



AGENDA REPORT

Meeting Date: June 7, 2012
Item Number: H-9
To: Honorable Mayor & City Council
From: City Attorney
Subject: AN ORDINANCE OF THE CITY OF BEVERLY HILLS TO INCREASE WATER RATES IN FISCAL YEARS 2012-2013 AND 2013-2014
Attachments: 1. Ordinance

RECOMMENDATION

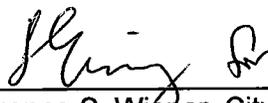
It is recommended that the proposed ordinance be adopted.

INTRODUCTION

The proposed water rate increase of 7% in each of fiscal years 2012-2013 and 2013-2014 are necessary to fund increasing Operations and Maintenance expenditures, continue investing in infrastructure maintenance and replacement, assist in repayment of bond debt service, maintain the required bond covenant coverage ratio and maintain adequate operating reserves.

DISCUSSION

At the City Council meeting of May 15, 2012, the City Council conducted a first reading of this ordinance.



Laurence S. Wiener, City Attorney

Attachment 1

ORDINANCE NO. 12-O-_____

**AN ORDINANCE OF THE CITY OF BEVERLY HILLS TO
INCREASE WATER RATES IN FISCAL YEARS 2012-2013
AND 2013-2014**

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 services and facilities furnished by the City.

B. The City Council wishes to increase the rates for water 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 XIIIID 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 May 15, 2012, 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. 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) shall be increased as provided in Exhibit A for Fiscal Year 2012-2013 and Fiscal Year 2013-2014.

Section 3. 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 4. 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:

WILLIAM W. BRIEN, MD
Mayor of the City of Beverly Hills,
California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager

SCOTT G. MILLER
Director of Administrative Services/Chief
Financial Officer



DAVID D. GUSTAVSON
Director of Public Works & Transportation

EXHIBIT A
[see attached]

EXHIBIT A

Utility Rates & Fees

BHMC 6-1- REFERENCE	TYPE OF UTILITY CHARGE	2011/12 RATE		2012/13 RATE		2013/14 RATE	
		Inside City	Outside City	Inside City	Outside City	Inside City	Outside City
	Water						
88-R-7759	Service Connection Charge:						
	General						
	1" and smaller	670.46	848.70	717.39	908.11	767.61	971.68
	1- 1/2"	1,350.69	1,702.33	1,445.24	1,821.50	1,546.40	1,949.00
	2"	1,928.71	2,604.40	2,063.72	2,786.71	2,208.18	2,981.78
	3"	2,878.41	4,054.48	3,079.90	4,338.30	3,295.49	4,641.98
	4"	3,876.25	5,561.66	4,147.58	5,950.98	4,437.91	6,367.55
	6"	4,866.93	7,199.65	5,207.62	7,703.62	5,572.15	8,242.88
	8"	5,755.61	8,914.17	6,158.50	9,538.16	6,589.60	10,205.83
	Fire Protection Services						
	4"	3,876.25	5,817.44	4,147.58	6,224.66	4,437.91	6,660.39
	6"	4,866.93	7,744.13	5,207.62	8,286.22	5,572.15	8,866.26
	8"	5,755.61	9,541.02	6,158.50	10,208.89	6,589.60	10,923.52
	10"	6,753.55	13,408.81	7,226.29	14,347.43	7,732.14	15,351.75
88-R-7759	Service Installation Deposit:						
	*The city will charge fully allocated hourly rates for all personnel involved plus any outside costs and materials.	*	*	*	*	*	*
	Size of Service (deposit levels):						
	1 inch	2,676.00	2,676.00	2,863.32	2,863.32	3,063.75	3,063.75
	2 inches	5,351.90	5,351.90	5,726.54	5,726.54	6,127.39	6,127.39
	3 inches - Compound	9,098.25	9,098.25	9,735.12	9,735.12	10,416.58	10,416.58
	4 inches - Changeout	4,816.68	4,816.68	5,153.85	5,153.85	5,514.62	5,514.62
	4 inches - Compound	9,098.25	9,098.25	9,735.12	9,735.12	10,416.58	10,416.58
	4 inches - Fire	6,422.34	6,422.34	6,871.91	6,871.91	7,352.94	7,352.94
	6 inches - Changeout	9,098.25	9,098.25	9,735.12	9,735.12	10,416.58	10,416.58
	6 inches - Compound	14,450.15	14,450.15	15,461.66	15,461.66	16,543.97	16,543.97
	6 inches - Fire	7,492.68	7,492.68	8,017.17	8,017.17	8,578.37	8,578.37
	8 inches	11,203.28	11,203.28	11,987.51	11,987.51	12,826.63	12,826.63
88-R-7759	Fire Protection Service Installation Deposit:						
	*(Actual costs will be billed to customer and applied against deposit.)	*	*	*	*	*	*
	Size of service:						
	8 inches	7,335.49	7,335.49	7,848.98	7,848.98	8,398.40	8,398.40
	10 inches	8,802.59	8,802.59	9,418.77	9,418.77	10,078.09	10,078.09
88-R-7759	Fire Hydrant Installation Deposit:						
	(Actual costs will be billed to customer and applied against deposit.)	4,401.29	4,449.73	4,709.39	4,761.21	5,039.04	5,391.78*
88-R-7759	Service Restoration Charge:						
	After discontinuation at customer's request	80.26	91.03	85.88	97.41	91.89	104.22
	After discontinuation due to noncompliance	80.26	91.03	85.88	97.41	91.89	104.22
	After unauthorized turn on of water	160.52	176.63	171.75	188.99	183.77	202.22
88-R-7759	Temporary Service Connection:						
	Installation of service connection and meter	117.72	128.49	125.96	137.49	134.78	147.11
	Installation of meter to pre-existing service	117.72	128.49	125.96	137.49	134.78	147.11
	Service charge	94.05	103.72	100.64	110.98	107.68	118.75
	Equipment rental fee:						
	First 15 days or less	46.32	51.05	49.56	54.63	53.03	58.45
	Each succeeding 15 days or less	18.53	20.44	19.83	21.87	21.21	23.40
88-R-7759	Temporary Supply from Fire Hydrant:						
	Application fee	35.65	39.37	38.14	42.13	40.81	45.08
	Deposit	1,078.09	1,189.37	1,153.56	1,272.62	1,234.31	1,361.71

EXHIBIT A

Utility Rates & Fees

BHMC 6-1- REFERENCE	TYPE OF UTILITY CHARGE	2011/12 RATE		2012/13 RATE		2013/14 RATE	
		Inside City	Outside City	Inside City	Outside City	Inside City	Outside City
	Service charge						
	Each 6 month period or less	141.68	156.29	151.60	167.23	162.22	178.93
	Equipment rental fee						
	First 15 days or less	46.32	51.05	49.56	54.63	53.03	58.45
	Each succeeding 15 days or less	18.53	20.44	19.83	21.87	21.21	23.40
	Meter relocation (each)	46.32	51.05	49.56	54.63	53.03	58.45
07-R-12338	Fire Flow Test (per test)	230.10	230.10	246.21	246.21	263.44	263.44
88-R-7759	Water Meter Testing (per test)	460.30	460.30	492.52	492.52	527.00	527.00
06-0-2506	Groundwater Replenishment Fee	812.15	0.00	869.00	0.00	929.83	0.00
08-0-2552	Water Rates:						
	Service charges (bimonthly):						
	Meter size (per meter):						
	1 inch and smaller	35.17	43.96	40.49	50.61	43.32	54.16
	1-1/2 inches	60.46	75.58	70.18	87.73	75.09	93.87
	2 inches	90.80	113.50	105.81	132.26	113.22	141.52
	3 inches	161.61	202.01	188.94	236.18	202.17	252.71
	4 inches	262.76	328.45	307.70	384.63	329.24	411.55
	6 inches	515.63	644.54	604.60	755.75	646.92	808.65
	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	3.17	3.97	3.29	4.11	3.52	4.40
	Tier 2 - over 10 and up to 55	4.12	5.15	4.36	5.45	4.67	5.83
	Tier 3 - over 55 to 120	6.41	8.01	6.87	8.59	7.35	9.19
	Tier 4 - over 120 +	12.22	15.28	13.27	16.59	14.20	17.75
	Non-residential rate (Commercial, Governmental and Schools)	5.39	6.74	5.63	7.04	6.02	7.53
	*Capital charge incorporated in usage.						
08-0-2552	Fire Protection Service Charge (bimonthly):						
	Size of Connection:						
	2 inch and smaller	23.86	29.82	24.65	30.81	25.39	31.73
	2-1/2 inches	35.60	44.50	36.77	45.96	37.87	47.34
	3 inches	51.85	64.81	53.56	66.95	55.17	68.96
	4 inches	100.14	125.16	103.44	129.30	106.55	133.18
	6 inches	273.44	341.80	282.48	353.10	290.95	363.69
	8 inches	572.34	715.42	591.27	739.09	609.01	761.26
	10 inches	1,021.95	1,277.44	1,055.75	1,319.69	1,087.42	1,359.28