



STAFF REPORT

Meeting Date: August 18, 2015

To: Honorable Mayor & City Council

From: Trish Rhay, Assistant Director of Public Works Services, 
Infrastructure & Field Operations

Michelle Tse, Senior Management Analyst 

Subject: DISCUSSION OF FINAL WATER ENTERPRISE PLAN

Attachments:

1. Water Enterprise Plan
2. Updated Ten-Year Water Enterprise Financial Analysis
3. Conservation Task Force Summary of Completed and Ongoing Tasks
4. June 30, 2015 Memorandum from the Public Works Commission Regarding the Advancement of Funds for the Water Enterprise Plan

INTRODUCTION

At the May 18, 2015 Formal meeting, staff presented the 10-year Water Enterprise Plan ("Plan") framework to seek authorization from the City Council to finalize the Plan. The Plan defines a long term strategy for the City related to the City's water supply and identifies the portfolio of actions/projects needed to meet this long term goal.

This report serves two purposes. First, this report is to provide supplemental information as requested by the City Council during the Water Enterprise Plan review process. The supplemental information provided in this report as follows:

- Clarification on the final Water Enterprise Plan costs
- Detailed workload plans for the Project Manager positions
- Progress update on Plan related projects, such as local groundwater development and conservation efforts
- Clarification on actual salary costs for two positions based on salary evaluations and recommendations
- Re-affirm funding for the Water Enterprise Plan, including having the Mayor's Finance Task Force review the Public Works Commission's recommendation of

allocating \$10 million from the General Fund unallocated fund balance to fund the Plan's implementation

Secondly, staff seeks City Council's formal adoption of the final Water Enterprise Plan. In addition, the report transmits a request by the Public Works Commission to accelerate the funding to support the Plan's implementation as originally presented during the June 30, 2015 Formal meeting.

DISCUSSION

The Public Works Commission ("Commission") worked with consultant PSOMAS and staff to review various water alternatives and strategies based on numerous considerations such as cost, reliability, implementation, local control, legal/institutional regulations, environmental factors and operational complexity. As a result of this process, the Commission felt that greater consideration should be given towards improving the City's water system reliability.

By way of background, the City generally receives 90% of its water supply from one source (i.e. Metropolitan Water District). The Commission felt that it was important to diversify its water supply portfolio as a way to increase the City's water source reliability. As part of the pre-analysis completed by PSOMAS and staff, the Commission agreed to reduce the City's reliance on MWD to 75% and increase the City's water supply reliability by looking at alternative water sources. This recommendation resulted from feasibility of water supply technologies and cost effectiveness. Furthermore, the Commission agreed that the reliable water supply alternatives be further evaluated based on affordability. Based on the goal of a 25% non-MWD sourced supply reliability target, Attachment 1 is the Water Enterprise Plan, which outlines the rationale and the Plan's framework.

Water Enterprise Plan Costs

Attachment 2 includes the updated 10-year projection of estimated costs, which includes capital, staffing, and operations/maintenance. Additionally, the 10-year projection includes a financial analysis with estimated revenue sources. The updated cost summary for capital projects and MWD water purchases is listed below in Table 1.

It is noted that cost estimates were refined during the Water Enterprise Plan development process. Hence, the final cost estimates reflected in the Water Enterprise Plan Executive Summary and Summary of Findings, Conclusions and Recommendations may be different than the Technical Memorandums ("TM") that are included in Plan's appendices. The technical memos were prepared during the course of the Plan's development. The costs were further refined in the latter stage of the Plan's analysis.

In recognition of the preliminary nature of these cost estimates, high and low ranges for the projected costs utilizing industry practices established by AACE (formerly known as the Association for the Advancement of Cost Engineering) are presented in Table 1, using a (-30%) and (+50%) for the low and high ends of the cost range for planning level projects.

Table 1: Summary of 10-Year Escalated Project Costs for the Recommended Water Enterprise Plan Portfolio

Project	Cost over 10 Years (Rounded to nearest \$1,000)
1. Water Conservation Program	\$ 2,132,000
2. Water Banking	\$ 5,042,000
3. Groundwater Development (La Brea Sub-Basin)	\$ 37,919,000
4. Subtotal of Items 1 through 3	\$ 45,093,000
5. Metropolitan Water District ("MWD") Purchases	\$105,693,000
6. Staffing	\$ 16,903,000
7. Subtotal of Proposed Portfolio Scenario (Items 4+5+6):	\$ 167,689,000
Subtotal less MWD Purchases and Staffing (Item 7 – Item 5 – Item 6)	\$ 45,093,000
Low Range Cost (Item 4 – 30% plus Items 5 & 6)	\$154,161,000
High Range Cost (Item 4 + 50% plus Items 5 & 6)	\$190,236,000

Table 2 highlights the recommended staffing to implement the Plan.

Water Enterprise Plan Staffing

The following Table 2 represents the recommended staffing to implement the Plan.

Table 2: Recommended Staffing to Implement the Water Enterprise Plan

Positions
Conservation Administrator
Water Resource Manager
Project Managers (Qty 3)
Water Treatment Operators (Qty 3)
Pump/Well Mechanic
Pump/Well Electrician
Water Distribution Operator

During the May 18, 2015 Formal meeting, staff presented the preliminary work plans for the three Project Manager positions as referenced in the Plan’s implementation. The City Council expressed concerns with approving three Project Managers for the 2015/16 budget and preferred a more progressive staffing approach. As part of the FY15-16 budget process, the City Council approved two of the three requested Project Manager positions, as well as the Conservation Administrator and the Water Resource Manager positions. If an additional Project Manager was needed in later years, then the City Council would evaluate the need at that time. For budgetary purposes, the third Project Manager position is included in FY16/17. The City Council also indicated that the Project Managers positions should not be filled until the Water Enterprise Plan was approved.

During the FY15-16 budget review process, salary range estimates for the Conservation Administrator and Water Resource Manager positions were submitted based on an

informal survey of comparable cities with similar positions. It was noted during the FY15-16 budget review that the final staffing costs would be contingent upon a more comprehensive analysis since both positions did not exist within the City's job classification system. Staff proceeded with the job description development and a more comprehensive salary analysis once the City Council approved the two positions. During the evaluation process, a higher salary range was considered more appropriate and in line with existing market rates. Table 3 shows the originally budgeted and actual compensation amounts.

Table 3: Compensation Amounts for Conservation Administrator and Water Resource Manager (Budget vs. Actual)

	Budgeted	Actual (Step 3 mid-range)
Conservation Administrator		
- Estimated Salary	\$ 93,951	\$ 102,300
- Estimated Benefits	\$ 46,099	\$ 50,871
- Estimated Total Compensation	\$140,050	\$ 153,171
Water Resource Manager		
- Salary	\$116,425	\$ 132,504
- Benefits	\$ 53,729	\$ 56,983
- Salary and Benefits Total	\$170,154	\$ 189,487

Staff completed a budget review and identified that for the current FY15/16, the higher salary and benefit costs can be offset by salary savings accrued while the positions are vacant. At this time, staff has completed the job description and salary analysis for the Water Resource Manager position. Once the position has been approved by the association, the City will be utilizing a recruiting firm in addition to standard advertising for the position.

Project Manager Workloads

The City Council requested an update on the Project Manager workloads. Table 4 highlights the revised workload for the two approved Project Managers. The original workloads for the three Project Managers have been consolidated as workloads for the two approved positions. Year 1 of the Water Enterprise Plan calls for planning and negotiations related to water banking, groundwater (La Brea Sub-Basin) well development, and conservation programs (e.g. conduct a water system audit to measure water loss, and implement city facility improvements).

However, there is also a need for the Project Managers to manage several other major capital projects that have been identified as either City Council priorities or projects deemed necessary to comply with regulatory requirements. Such projects include updating the City's urban water management plan, completing a water demand forecast to manage future growth, and developing green street programs to properly address stormwater runoff. The Project Managers will play a critical role in overseeing the planning, development, and implementation of related projects.

Forecasting of workload is dependent on the complexity and scale of a project, the extent of public impact related to a program as well as many other factors. The percentage allocation is based on the need to support eleven critical projects. Any increase in time demand above the forecast will result in delays to other projects assigned to that Project Manager.

Table 4: FY15/16 Project Manager Workload and Time Utilization in Full-Time Equivalent (FTE)

Project :	Project Manager A Utilization in FTE	Project Manager B Utilization in FTE	Remarks:
1. Regional Stormwater Facility	0.35		Planning Phase - Cost sharing Negotiations, Preliminary Design
2. Central Basin (La Brea Sub-basin) Wells Project		0.40	Planning Phase - Preliminary Design Report, RFP for design
3. Water Banking Agreement		0.05	Planning Phase - Negotiations
4. Burton Way Green Street Pilot Program		0.30	Design Phase - Planning, Specifications and Estimates Preparation
5. City Facility Conservation Program	0.10		Planning Phase - Preliminary Design Report, RFP for design
6. Water System Audit - System Loss	0.15		Planning Phase - Scope, RFP, and design
7. Green Street Citywide Program Request for Proposals (RFP)	0.25		Planning Phase - RFP Preparation, bid, award contract negotiation
8. Urban Water Management Plan		0.15	Planning Phase - Urban Water Management Plan Report
9. Groundwater for Irrigation	0.05		Planning Phase - RFP Preparation, bid, award contract negotiation
10. Short Term Storage near Coldwater	0.05		Planning Phase - Scope, RFP and design
11. Additional Emergency Storage - Cabrillo Reservoir	0.05	0.10	Planning Phase - RFP Preparation, bid, award contract negotiation
TOTAL Full-Time Equivalent (FTE)	1.00	1.00	

At this time, staff is moving forward with the preliminary work as outlined in Year 1 of the Plan. Staff is currently in the midst of developing Request for Proposals (“RFP”) related to siting and design work for additional groundwater development in the Central Basin. Staff is also developing another RFP to engage a water banking expert in order to fully identify the opportunities and risks of pursuing water banking for the City.

Water Conservation Program Update

Conservation was one of the strategies identified in the Water Enterprise Plan to increase the City’s water system reliability. It is important to note, however, that the conservation program included in the Plan was formulated prior to the 2015 State declared drought. The Plan’s conservation program was initially designed to comply with Senate Bill SBx7-7, which is aimed to reduce the per capita urban use by 20% by December 2020. To comply with SBx7-7, the Plan’s conservation program earmarked funds to enhance rebates for water efficient devices and turf removal, water system loss monitoring system, enhancements to the Water Tracker tool, and establish a more efficient citywide irrigation system. The Plan did not include funding for additional programs, extensive education, and outreach to the City’s water customers.

Given the State declared drought and mandate for the City to reduce water use by 32%, water conservation has been a top priority program and will continue to remain so. A

Conservation Task Force made up of key City staff from each department was formed to develop a comprehensive outreach program and informational materials to educate the community. Attachment 3 is a summary of completed and ongoing conservation outreach efforts. The Public Works Conservation Subcommittee has also been involved with program recommendations. Examples include mailings, water customer toolkits, and working with a marketing and community outreach firm to further assist with the City's efforts; such costs were not included in the Plan. The City's FY15/16 conservation program budget is \$146,000; current cost estimates for the extensive water conservation program outreach is approximately \$1.2 million in FY15/16. Staff will be coming forward to the City Council at a future meeting with program costs and an appropriation request to cover these costs.

In addition to educational print materials, the City has made technological upgrades to provide additional resources to its water customers. The City recently re-designed its conservation webpage for easier access. The City also recently made enhancements to Water Tracker, a free online tool for water customers to monitor their water usage. Customers may receive notifications if they exceed water use thresholds, as well as continuous usage report which may suggest a leak.

FISCAL IMPACT

Attachment 2 shows the updated 10-year financial analysis for the Water Enterprise Fund. Highlights from the analysis are as follows:

- Analysis now includes projected changes to revenue from the anticipated water rate increase this fall, expected reductions in water consumption going forward, and the expected temporary revenue increase from the approved penalty surcharge;
- Analysis still includes \$60 million in bond financing in three \$20 million installments. However, this is only an estimate of the funding needs at this point and funds could be accelerated to an earlier point if projects were ready to go. This point is discussed more below;
- It is important to note that to pay for the Plan and keep the Water Enterprise Fund in sound financial condition, revenue increases of approximately 6% annually would need to be made (as shown at the top of Attachment 2). An estimate of potential grant revenues and capacity charge fees have been factored into this analysis so it is likely that most of the needed revenue would come from increases in water rates over the 10-year plan period.

During the June 30, 2015 Formal meeting discussion about the FY13/14 General Fund available fund balance, the Public Works Commission ("Commission") submitted a memo urging the City Council to advance \$10 million of the City's unallocated funds to implement the Water Enterprise Plan. Capital projects are generally funded annually per the City's standard budget process, which includes a 5-year project forecast. More specifically, the FY15/16 budget only includes Year 1 funding for the Plan's capital projects. The Commission felt it is imperative for the City Council to commit significant up front funding to the Plan to ensure projects are completed as efficiently and expediently as possible. The Commission felt that a financial commitment towards the Plan is a sound investment towards improving the City's water reliability. A copy of the June 30, 2015 Commission memo is included as Attachment 4 for reference.

At the August 12, 2015 meeting, the Public Works Liaisons (Vice Mayor Mirisch and Councilmember Brien) discussed the Commission's request for the \$10 million funding. The Public Works Liaisons agreed that \$10 million should be made readily available if

the Plan's project schedules can be accelerated. Should this accelerated funding be needed, staff will explore financing options and present the information to the City Council at a future meeting. Note that there is currently \$4.8 million of unallocated funds that are available from FY13/14 and staff anticipates that another \$14.7 million will be available once books are closed on FY15/16. These unallocated funds could serve as a loan to the Water Enterprise Fund to support the Plan's projects should funding be needed sooner than anticipated. Alternatively, the Water Enterprise Fund itself has a projected \$17.5 million reserve that could also be accessed if project funding is needed in advance of any bond issuance that may occur. If funds are expended on the Plan, whether from a General Fund loan or from the Water Enterprise Fund reserve, a Resolution of Intent will be presented for City Council's consideration at a future meeting. A Resolution of Intent is the declaration by the City Council that it reasonably expects to reimburse project expenditures with bond proceeds. It is also noted that other major infrastructure projects and unfunded liabilities are currently being reviewed by the Mayor's Finance Task Force, which has been tasked to develop a long-term financing plan for the City's major projects.

RECOMMENDATION

Staff seeks City Council formal adoption of the final Water Enterprise Plan. The Plan includes capital projects related to banking, groundwater development in the La Brea Sub-Basin, conservation programs and the need for critical staff positions. If the City Council approves the final Water Enterprise Plan, a Resolution to adopt the Plan is included on the August 18, 2015 Formal session.

Staff also seeks City Council direction on the \$10 million funding for the Water Enterprise Plan as requested by the Public Works Commission.



Finance Approval
Don Rhoads



Approved By
George Chavez

Attachment 1

Please review under separate cover
online at www.beverlyhills.org/wep

Attachment 2

City of Beverly Hills

800 Water Enterprise Fund Current

			6.00%	6.00%	6.00%	7.00%	6.00%	6.00%	6.00%	6.00%	6.00%		
	Budgeted	Updated	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Total
	Fiscal Year	Analysis	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	of Years				
	15/16	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25		
Projected Revenues													
Consumption Revenue		\$31,242,020	\$25,065,308	\$26,051,021	\$27,614,082	\$29,270,927	\$31,319,892	\$33,199,086	\$35,191,031	\$37,302,493	\$39,540,642	\$315,796,502	
Rate increase Revenue		1,597,149	1,503,918	1,563,061	1,656,845	2,048,965	1,879,194	1,991,945	2,111,462	2,238,150	2,372,439	18,963,127	
Total Consumption Revenue		32,839,169	26,569,226	27,614,082	29,270,927	31,319,892	33,199,086	35,191,031	37,302,493	39,540,642	41,913,081	334,759,629	
Less Reduction due to reduced consumption		(7,773,862)	(518,205)	-	-	-	-	-	-	-	-	(8,292,067)	
Updated Consumption Revenue		25,065,308	26,051,021	27,614,082	29,270,927	31,319,892	33,199,086	35,191,031	37,302,493	39,540,642	41,913,081	326,467,562	
Meter Revenue (estimate)		4,939,107	5,235,453	5,549,580	5,882,555	6,294,334	6,671,994	7,072,314	7,496,652	7,946,452	8,423,239	65,511,680	
Penalty Surcharge Revenue		4,939,204	2,469,602	-	-	-	-	-	-	-	-	7,408,806	
Total Service Charges	\$36,977,258	\$34,943,618	\$33,756,076	\$33,163,663	\$35,153,482	\$37,614,226	\$39,871,080	\$42,263,344	\$44,799,145	\$47,487,094	\$50,336,319	\$399,388,047	
All other Revenue	1,814,383	1,814,383	1,865,880	1,834,368	1,792,073	1,736,453	1,840,640	1,951,079	2,068,143	2,192,232	2,323,766	19,419,016	
MWD Credit for water production	-	-	-	-	-	-	-	-	587,552	587,552	587,552	1,762,656	
Other Revenue Sources	-	-	-	-	-	-	-	-	-	-	-	-	
Operating Revenues:	38,791,641	36,758,001	35,621,956	34,998,031	36,945,555	39,350,679	41,711,720	44,214,423	47,454,840	50,266,878	53,247,637	420,569,720	
Projected Expenses													
Current Operations:	29,968,265	27,904,452	28,741,586	29,603,834	30,491,949	31,406,707	32,348,908	33,319,376	34,318,957	35,348,525	36,408,981	319,893,275	
Water Penalties		3,821,897	1,910,949	-	-	-	-	-	-	-	-	5,732,846	
Personnel Services WEP Adds:													
Conservation Coordinator	150,950	164,071	158,666	163,399	168,274	173,295	178,467	183,794	189,281	194,932	200,753	1,774,934	
Water Resource Manager	181,054	200,387	196,072	201,927	207,958	214,169	220,567	227,157	233,945	240,936	248,138	2,191,256	
3 Project Managers	399,103	399,103	595,735	602,866	620,511	638,685	657,405	676,686	696,546	717,001	738,070	6,342,609	
3 Water Treatment Operators	-	-	-	423,299	435,998	449,078	462,550	476,427	490,720	505,441	520,605	3,764,118	
Pump Well Mechanic	-	-	-	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477	943,388	
Pump Well Electrician	-	-	-	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477	943,388	
Water Distribution Operator	-	-	-	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477	943,388	
Total Personnel Services WEP Adds	731,107	763,561	950,473	1,709,761	1,760,559	1,812,881	1,866,772	1,922,280	1,979,454	2,038,342	2,098,998	16,903,081	
Materials & Supplies WEP Adds	-	-	-	-	-	-	-	2,249,130	2,249,130	2,249,130	2,249,130	8,996,520	
Reduction in Purchased Water	-	-	-	-	-	-	-	-	(1,993,236)	(2,068,388)	(2,145,248)	(6,206,872)	
Debt Service Interest WEP Adds	-	-	816,000	801,451	786,319	1,586,583	1,555,667	1,523,515	2,306,077	2,256,752	2,205,454	13,837,818	
Operating Expense	30,699,372	32,489,910	32,419,007	32,115,046	33,038,827	34,806,171	35,771,347	39,014,301	38,860,381	39,824,362	40,817,315	353,423,822	
Net from Operations	8,092,268	4,268,090	3,202,949	2,882,985	3,906,729	4,544,508	5,940,372	5,200,122	8,594,459	10,442,516	12,430,322	67,145,898	
Plus Beginning Fund Balance	22,026,906	22,026,906	20,859,947	33,222,184	24,549,511	16,246,261	24,343,070	12,226,988	8,457,104	26,633,176	26,341,627	22,026,906	
Capacity Charge		500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000	
Grants etc.						2,000,000						2,000,000	
Plus Bond or Other Financing	-	-	20,000,000	-	-	20,000,000	-	-	20,000,000	-	-	60,000,000	
Funds Available	30,119,175	26,794,997	44,562,895	36,605,169	28,956,240	43,290,769	30,783,443	17,927,110	37,551,563	37,575,692	39,271,950	156,172,804	
Capital Projects - Current													
Groundwater Development	1,966,500	1,966,500	4,626,500	4,626,500	4,126,500	4,126,500	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	44,472,500	
Banking	200,000	200,000	2,446,000	1,777,000	2,841,000	9,792,000	9,390,000	874,870	516,870	599,870	684,870	28,922,480	
Conservation	-	-	43,775	1,262,471	1,300,345	47,834	49,269	50,747	1,099,753	1,132,746	55,453	5,042,393	
Total Capital Projects	348,550	348,550	285,703	281,404	158,719	163,480	168,385	173,436	178,639	183,998	189,518	2,131,831	
Debt Service Principal	2,515,050	2,515,050	7,401,978	7,947,375	8,426,564	14,129,814	14,607,654	5,899,053	6,795,262	6,916,614	5,929,841	80,589,204	
WEP Additions	3,420,000	3,420,000	3,575,000	3,730,000	3,890,000	4,045,000	3,145,000	2,735,000	2,890,000	3,035,000	1,415,000	31,880,000	
Total CIP and Debt Service Principal	5,935,050	5,935,050	11,340,712	12,055,658	12,709,979	18,947,699	18,556,455	9,470,006	10,918,387	11,234,064	8,678,589	119,846,598	
Oper Rsvs & Cap Rplcmt	24,184,125	20,859,947	33,222,184	24,549,511	16,246,261	24,343,070	12,226,988	8,457,104	26,633,176	26,341,627	30,593,361	36,326,206	
Designated Ops Reserve	18,488,629	17,471,809	16,878,038	16,581,831	17,576,741	18,807,113	19,935,540	21,131,672	22,399,573	23,743,547	25,168,160	25,188,180	
Restricted (Debt Reserve)	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	4,512,127	
Capital Replacement	1,183,369	(1,123,989)	11,832,019	3,455,553	(5,842,607)	1,023,830	(12,220,679)	(17,186,695)	(278,524)	(1,914,048)	913,074	913,074	
TOTAL	\$24,184,125	\$20,859,947	\$33,222,184	\$24,549,511	\$16,246,261	\$24,343,070	\$12,226,988	\$8,457,104	\$26,633,176	\$26,341,627	\$30,593,361	\$30,593,361	

Attachment 3

**City of Beverly Hills
Water Conservation Task Force**

Direct all questions to Public Works Customer Service: (310) 285-2467
Include Logan on all status updates: lphillippo@beverlyhills.org

Last Updated 8/13/2015

#	Item	End Goal/ Final Deliverable	Public Works	Management	Policy	Community Services	Community Development	IT	Admin. Services	Capital Assets	Lead Staff member(s)	Timing	Status	Status Description
1	Hotel Outreach Meeting	Meet with Hotels to discuss drought crisis and water conservation opportunities.	x	Lead							Megan, Michelle	7/1/2015	Complete	
2	Car Dealership Outreach Meeting	Organize a meeting/workshop with car dealerships for educational outreach.	x	Lead							Megan	6/9/2015	Complete	
3	Cook+ Schmid agreement	Execute an agreement between CBH and Cook + Schmid to develop marketing materials and a water conservation strategic plan		Lead							Danielle, Logan	7/28/2015	Complete	The agreement has been executed.
4	Employee letter	Send an email to all City employees from Mahdi Aluzri that explains the conservation and how City employees can conserve. Print and distribute this letter for field service workers who may not check City email often.	x	Lead							Kevin	7/1/2015	Complete	The letter was distributed via email and hard copy in PWS first floor lounge.
5	G3LA agreement	Execute an agreement between CBH and G3LA to develop a garden coaching program.		Lead							Michelle, Logan	6/23/2015	Complete	
6	Session Visit	Participate in a Garden Guru session and to better understand the program and coordinate outreach.		Lead							Michelle, Caitlin, Logan	7/29/2015	Complete	Scheduled a follow up meeting with PWS staff
7	G3LA amendment	Amend the G3LA agreement to include costs beyond the \$50,000 threshold.		Lead							Michelle	7/17/2015	Complete	
8	Garden Guru flyer	Produce and distribute a flyer that advertises the City's Garden Guru program.		Lead	x						Logan, Aram	7/31/2015	Complete	
9	Postcard mailer	Send a postcard mailer with water-saving tips to all addresses within the water service area (25,000 addresses).		Lead	x						Logan, Ryan, Aram	6/22/2015	Complete	The mailer was sent out during the week of July 6/22
10	Postcard flyers	Distribute postcards with water-saving tips to all City departments to display on countertops in public areas (i.e. front desks).	x	Lead							Ryan, Aram	6/22/2015	Complete	The postcard flyers were distributed during the week of 6/22.
11	Laminated signs	Post stage D bathroom that indicate customers must conserve water usage by at least 30% in all City facilities.	x	Lead							Ryan, Aram	7/14/2015	Complete	The laminated bathroom signs were posted as of the week of 7/7.
12	Countertop signs	Display countertop signs with water-saving tips and restrictions in high-traffic areas of City facilities (i.e. front desks).	x	Lead							Ryan, Aram	7/14/2015	Complete	The countertop signs were distributed as of the week of 7/7.
13	Poster board signs	Display large poster board signs with water-saving tips and restriction in high-traffic areas of City facilities (i.e. on easels near entrances to main facilities and common areas).	x	Lead							Ryan, Aram	7/14/2015	Complete	The poster board signs were distributed as of the week of 7/7.
14	Door hanger	Produce a door hanger with water saving-tips and restrictions in both English and Spanish for Community Development Public Work services to hang during enforcement routes.	x	Lead							Ryan, Aram	7/14/2015	Complete	The door hangers were distributed to PWS enforcement and customer service staff as well as Community Development enforcement staff during the week of 7/14.
15	Water fountain signs	Produce and display signs at all City water fountains and water features that explain water is recirculating.	x	Lead							Ryan, Aram	7/14/2015	Complete	The water fountain signs were all posted as of the week of 7/14.
16	Truck signs	Produce six a-frame signs for street cleaning crew that do power washing on streets and sidewalks (two signs for each truck).		Lead	x						Ryan, Aram	7/21/2015	Complete	Four signs will be stored in graphics until appropriate equipment can be produced. There is currently only one truck doing power washing that displays two signs, but we have plans to outfit two additional trucks.
17	Watering days schedule	Redesign watering days schedule so that it is integrated with the design of all water conservation materials.			Lead						Ryan, Aram	6/15/2015	Complete	The schedule was redesigned during the week of 6/15.
18	Parking Valet Signs	Produce and display water conservation signs at entrances to City parking facilities	x	Lead							Ryan		Complete	
19	Median signs	Produce and display metal signs for Sunset and Burton medians that explain why grass has gone brown.	x	Lead								8/14/2015	Complete	Signs complete and posted. How many signs?
20	Water rate letter	Draft, finalize and send out a water rate letter to every address in the City's water service area.		Lead	x			x	x		Michelle	7/20/2015	Complete	Letters sent out during the week of 7/20.
21	Stickers	Produce "I pledge to conserve water!" stickers for outreach at Beverly Hills summer camps.		Lead							Logan, Ginelle		Complete	Logan will order 500 more stickers.
22	Pledge cards	Produce water conservation pledge cards for summer camps		Lead							Tania		Complete	More than 400 pledge cards signed at camps.

#	Item	End Goal/ Final Deliverable	Public Works	Management	Policy	Community Services	Community Development	IT	Admin. Services	Capital Assets	Lead Staff member(s)	Timing	Status	Status Description
23	Water droplet card	Produce and cut water droplet cards to accompany water conservation pledge cards. These water droplets will be signed and returned to city for a separate display.	Lead								Tania, Logan		Complete	
24	Summer camp outreach	Present about water conservation to fourteen summer camps and encourage participants to sign the water conservation pledge and to return the conservation droplet.	Lead	x							Logan, Ginelle		Complete	
25	National Night Out	Coordinate with PWS staff to integrate water conservation pledges into the department display/photo booth.	Lead	x							Ryan, Logan	7/31/2015	Complete	
26	Minecraft Program Outreach	Introduce the water conservation pledge at the Minecraft event and encourage students to take the water conservation pledge.	x		Lead						Ken	8/3/2015	Complete	
27	Prop 218	Resolve any Prop 218 issues for water rates.	x						Lead		Tatiana		Complete	
28	Tiers and surcharges	Determine legal framework for tiers and surcharges.	x						Lead		Tatiana		Complete	
29	Standard rates	Conduct an analysis of standard rates.	x						Lead		Tatiana		Complete	
30	Penalty surcharge	Develop a water usage penalty surcharge.	x						Lead		Tatiana		Complete	
31	Penalty surcharge	Analyze the fiscal impacts of implement a penalty surcharge.	x						Lead		Tatiana		Complete	
32	Appeals process	Determine an appeal process and appropriate escalation procedures for fines associated with water usage violations.	x						Lead		Tatiana		Complete	
33	Water rate tiers	Implement new water rate tiered structure.	x						Lead		Tatiana		Complete	
34	Water Tracker flyer	Produce a Water Tracker flyer that describes the software's features and demonstrates how to login.	Lead								Michelle, Ginelle, Aram		Complete	
35	Revamp website, round 1	Design City water conservation site to have a unified theme and to be more easily navigated.			Lead						Ryan		Complete	
36	Revamp website, round 1	Include separate sections for business and residential customers on the website.			Lead						Ryan, Therese		Complete	
37	Revamp website, round 1	Upload tips content to website			Lead						Ryan, Therese		Complete	
38	Upload materials	Upload and maintain residential and commercial information on conservation website.			Lead						Ryan, Therese		Complete	Making updates as needed.
39	FAQ	Incorporate and maintain FAQ section on City's conservation website.			Lead						Ryan, Therese		Complete	Making updates as needed.
40	Educational resources	Incorporate and maintain an educational resources section.			Lead						Ryan, Therese		Complete	
41	West Hollywood Data	Provide West Hollywood water consumption data to City of West Hollywood.	Lead								Logan		Complete	
42	West Hollywood Water Conservation Task Force	Attend the West Hollywood Task Force meeting to exchange ideas and explore other potential meeting formats.	Lead								Donielle, Logan		Complete	
43	#BHWaterHeroes	Develop a hashtag for various social media platforms so that individuals have the opportunity to easily interact with the City on social media regarding water conservation.			Lead						Ryan		Complete	#BHWaterHeroes is being used on Facebook, Twitter and Instagram and will be integrated into printed materials going forward.
44	Elevator screen display, BH,O logo	Display conservation messaging in all City elevators equipped with the appropriate screens.	Lead	x							Logan, Ryan		Complete	Only verified at the two City Hall elevators
45	Library display	Create a water-conservation-themed book display near the entrance to the City library.			Lead						Dana		Complete	
46	Conservation coloring book	Produce and distribute BH,O-branded water conservation coloring books to summer camp participants along with conservation talking points to camp counselors.			Lead						Dana		Complete	
47	City Manager's Report	Update City Council regarding conservation efforts and progress.	Lead	Lead							Donielle, Therese	7/20/2015	Complete	
48	Chamber building	Display large water conservation poster board sign in the 9400 building.	Lead								Logan	7/20/2015	Complete	
49	30% conservation banner	Replace the old conservation banner with updated language and branding.	Lead	x							Ryan, Logan	7/14/2014	Complete	Future banners will exclude specifics for maximum usability.
50	Spanish translation	Translate conservation language into Spanish for materials such as door hangers and flyers.	Lead								Logan		Complete	Coordinated with Mario for translation.
51	Fire-wise plant list	Provide the list for Ryan to link to the City's conservation webpage.			Lead	x					Ryan, Ken		Complete	
52	Water Consumption Map	Create a map of water consumption by neighborhood for internal use.					Lead						Complete	Graphic completed, but get this map from IT for task force to distribute.
53	36% conservation banner	Produce and display water conservation banner with 36% language above entrance Rexford entrance to Civic Center parking garage.	x	Lead									Complete	

#	Item	End Goal/ Final Deliverable	Public Works	Management	Policy Services	Community Development	IT	Admin. Services	Capital Assets	Lead Staff member(s)	Timing	Status	Status Description
54	Spanish translation	Translate the City's two-day watering schedule into Spanish	Lead							Logan		Complete	
55	Writers' Bloc Meeting	Coordinate a writers' bloc meeting related to water consumption and conservation.	x	Lead						Therese	5/22/2015	Complete	
56	Utility bill insert (round 1)	Produce a utility bill insert with water saving tips and restrictions for all water bills over a 60-day period.	x	Lead				x				Complete	Insert began on 6/21/2015
57	Public meetings	Compile a list of all public meetings and events for internal use.		Lead						Kevin		Complete	Get the list from Kevin.
58	WeHo National Night Out	Coordinate with Manny to attend west side West Hollywood event and reach out to water customers about the Garden Guru program and water usage policies.	Lead							Michelle, Logan	8/4/2015	Complete	
59	Water Tracker PSA	Develop a PSA to post online that explains how to sign up and use Water Tracker.	x	Lead			x			Therese	8/15/2015	Complete	The video has been completed, but is awaiting comments and any possible final changes.
86	Color on Demand agreement	Execute an agreement between CBH and Color on Demand to print and mail marketing materials and informational documents related to water conservation to community stakeholders and customers.	Lead							Donielle, Logan	7/31/2015	Complete	
95	Mailing list	Create mailing lists for all appropriate stakeholders for City's planned mailings related to conservation.	Lead				x			Logan	7/31/2015	Complete	Mailing lists finalized for (1) UB customers, (1) Assessor parcel owner mailing addresses and (3) residential toolkit mailer
60	Chamber of Commerce Outreach	Continue to coordinate with the Chamber regarding water conservation	x	Lead						Megan		Ongoing	
61	C+S Regular Standing Meetings	Meet with C+S regularly to discuss updates and status for the various programs and collaterals.	Lead	x		x				Donielle, Therese, Logan, C+S	Weekly	Ongoing	Conference calls are held two times a week.
62	Customer service updates	Update customer service team regarding policies and water-conservation-related items.	Lead							Donielle, Michelle	Weekly, as needed	Ongoing	
63	Address comments and complaints	Pull Comcate reports and address question and comments from the public.	Lead							Donielle, Michelle	Weekly, as needed	Ongoing	
64	Update Staff	Update staff on policy changes and distribute department head meeting memos.	Lead							Donielle, Michelle	As needed	Ongoing	
65	Garden Guru Program	Conduct landscape irrigation audits. Track, follow up and follow up with G3LA and address any issues that arise as the program moves forward.	Lead							Donielle, Michelle		Ongoing	Approximately 72 customers have signed up as of 7/21.
66	Water Tracker, data issues	Address performance and data issues.	x				Lead			Alain, Michelle	8/1/2015	Ongoing	Phase 1 to be completed August 1
67	Rebate information	Upload and maintain rebate information on City's conservation website.		Lead						Ryan, Therese		Ongoing	Continually working with MWD to ensure website can accommodate City's supplemental program.
68	BHTW	Coordinate Beverly Hills This Week messaging.			Lead					Therese	As needed	Ongoing	
69	Employee email blasts	Send out email blasts to employees			Lead					Ryan, Therese	As needed	Ongoing	
70	Regular Standing Meetings	Organize weekly Water Conservation Task Force meetings in order for all City departments to collaborate to effectively disseminate a conservation message.	Lead	x	x	x	x	x	x	Donielle, Logan		Ongoing	
71	Water Rebates Program	Implement water rebates program.								Donielle, Michelle		Ongoing	City is still offer \$1.75 dollar rebates
72	Water Heroes	Find and promote a Beverly Hills Water Hero each month.		Lead						Ryan	Monthly	Ongoing	July, Ginelle Wolfe
73	Council speaking points	Provide water conservation speaking points for indoor and outdoor watering tips for a council member to read at the start of each formal meeting.		Lead						Ryan		Ongoing	
74	Monitor continuous flow	Monitor continuous flow an city facilities.	Lead							Donielle, Michelle	As needed	Ongoing	
75	Monitor continuous flow	Monitor continuous flow, leaks and leak remediation for water accounts	Lead				x			Donielle, Michelle		Ongoing	
76	Community events	Promote water conservation and community events.	x	x	Lead	x	x	x	x	Staff	As needed	Ongoing	
77	Weekly Water Topic	Promote the weekly water topic on social media.			Lead					Ryan	Weekly	Ongoing	
78	Press releases	Draft and finalize press releases.	x		Lead					Therese	As needed	Ongoing	
79	Water Topic E-blast	Distribute weekly water topic E-blast.			Lead					Ryan		Ongoing	
80	Newsletter	Produce and distribute a quarterly newsletter with a water conservation focus.			Lead					Ryan, Therese	Quarterly.	Ongoing	August news letter distributed during the week of 7/27.
81	Photos on social media	Collect and upload photos regarding City's water conservation activities on social media sites.			Lead					Ryan	As needed	Ongoing	

#	Item	End Goal/ Final Deliverable	Public Works	Management	Policy	Community Services	Community Development	IT	Admin. Services	Capital Assets	Lead Staff member(s)	Timing	Status	Status Description
82	Water conservation on social media	Post water conservation videos, podcasts news stories, etc. on social media and website.			Lead						Ryan	As needed	Ongoing	
83	Mass emails	Send out water conservation mass emails			Lead						Ryan	As needed	Ongoing	
84	Editorials	Draft editorials regarding water conservation and drought crisis.			Lead						Therese	As needed	Ongoing	
85	Media interviews	Coordinate media interviews.			Lead						Therese	As needed	Ongoing	
87	Residential toolkit	Compile informational materials developed by Cook + Schmid that will be mailed as a packet to all residential water customers and occupants.	Lead	x							Donielle, Therese, C+S	8/31/2015	In Progress	The packet is in development, will hopefully be mailed out at the end of August.
88	Enforcement educational toolkit	Compile informational materials and speaking points developed by Cook + Schmid that will be provided to water enforcement officers for training and outreach purposes.	Lead	x		x					Donielle, Therese, C+S	8/31/2015	In Progress	The packet and training are in development and a part of regular standing conference calls.
89	Water Advocates Program	Organize and train Water Advocates, community stakeholders who can spread the word about water conservation, and establish a long-term plan for program	Lead	x							Donielle, C+S	9/30/2015	In Progress	The program is in development and a part of regular standing conference calls.
90	Business toolkit	Compile informational materials and water conservation messaging that will be distributed to businesses during enforcement routes, upon request and through the Chamber of Commerce.	Lead	x							Donielle, Therese, C+S	8/31/2015	In Progress	C+S has begun developing business-specific materials.
91	Plumbing fixtures	Explore the possibility of upgrading high-water-consuming fixtures in City facilities.	Lead								Donielle, Michelle		In Progress	
92	Garden Guru survey	Prepare a questionnaire via Survey Monkey to send to Garden Guru Program participants after completing the program.	Lead	x							Michelle, Logan	8/7/2015	In Progress	Questions drafted, being finalized as of 7/27.
93	G3 promotion	Advertise the G3 program to encourage more signups.	x	Lead								9/1/2015	In Progress	Post the flyer online at the City's website.
94	Beverly Hills Landscape Guide	Complete and distribute the Beverly Hills Landscape Guide.	Lead	x							Caitlin	9/1/2015	In Progress	The draft is being finalized.
96	Penalty pass-through letter	Draft, finalize and send out a letter to all landlords an apartment renters that explain the penalty pass-through possibilities.	Lead			x		x			Logan	8/14/2015	In Progress	Final letter has been drafted, to be sent out during the first week of 8/10.
97	Penalty surcharge and appeals letter	Draft, finalize and send out a letter to all water customers that explains upcoming surcharges and the corresponding appeals process.	Lead	x							Caitlin	8/7/2015	In Progress	The letter is being finalized and will go out during the week of 8/10.
98	Step-and-repeat	Produce a BH20 backdrop that integrates the returned water droplets and water conservation pledge so that individuals may take photos/selfies at City events after signing the water conservation pledge.	Lead	x							Logan, Ryan	second week of August	In Progress	
99	Teen Scene	Reach out to Teen Scene organizers to develop a program/event focused on water conservation.	x		Lead						Logan		In Progress	Reach out to Patty to develop a program
100	Water Tracker usage targets	Include usage targets on Water Tracker.	x				x	Lead			Tatiana	9/1/2015	In Progress	Phase 1 to be completed 8/1
101	Leak widget	Incorporate and maintain a leak widget.		x				Lead			Anne		In Progress	Speak with Anne to discuss updates.
102	Utility bill revamp	Redesign utility bill.	x					x	Lead		Tatiana	8/1/2015	In Progress	Phase 1 to be completed August 1
103	Revamp website, round 2	Work with Cook + Schmid consultants to further develop City's conservation website to create a microsite that feels independent of City's website.	x	x				Lead			Anne		In Progress	
104	Elementary School program	Develop a program targeted to elementary students for the regular academic year.	x		Lead						Donielle, Dana, Logan	9/9/2015	In Progress	Met with Andrea Kune on 7/30 to discuss disseminating materials the Task Force Develops.
105	Street pole banners	Produce and install approximately 450 street banners with what kind of information?!	x	Lead							Megan, Kevin		In Progress	
106	Utility bill inserts	Create a schedule for utility bill inserts for the 60-day billing cycle.	Lead	x							Logan	8/15/2015	In Progress	Next cycle begins 8/21 and will include G3 flyer.
107	BH Courier	Develop and produce conservation ads/pages in the Beverly Hills courier that explains the drought situation, the City's response and upcoming water rate changes.			Lead						Therese		In Progress	Content developed. Determining when to disseminate ads
108	Watering language	Determine whether it is appropriate to use 8-minute language on watering schedule and marketing materials.	Lead									8/4/2015	In Progress	Discussing alternative options with C+S
109	Teen Advisory Group	Reach out to Teen Advisory Group regarding water conservation.			Lead						Dana		In Progress	Discuss updates with Dana.
110	Yard signs	Produce and distribute water conservation yard signs to residents.	Lead	x		x					Logan, Cynthia	8/15/2015	In Progress	This item will be developed during 7/28 Conservation Task Force meeting.
111	Team Beverly Hills	Integrate water conservation and outreach into PWS lecture.	Lead								Logan	10/15/2015	In Progress	PWS typically delivers its lecture in November. Coordinate with Arnetta as event nears.

#	Item	End Goal/ Final Deliverable	Public Works	Management	Policy	Community Services	Community Development	IT	Admin. Services	Capital Assets	Lead Staff member(s)	Timing	Status	Status Description
112	Appliance and fixture information	Compile information regarding how much water appliances and fixtures consume.	x			Lead							Not Started	
113	Elevator screen display, extended	Display additional conservation messaging in the screens, once a more formalized process for producing and uploading content has been established.	Lead	x							Ryan, Logan		On Hold	Get updates from CL or CA to see if we can produce more content and how that might get uploaded.

Attachment 4



CITY OF BEVERLY HILLS

PUBLIC WORKS SERVICES DEPARTMENT

MEMORANDUM

TO: Honorable Mayor & City Council

FROM: Ron Shalowitz, Chairman of the Public Works Commission

DATE: June 30, 2015

SUBJECT: Advancement of Funds for the Water Enterprise Plan

On behalf of the Public Works Commission, this letter presents the Commission's request regarding funding support for the Water Enterprise Plan ("Plan"). This letter is the result of our discussion on next steps and project funding related to the Plan during our June 11, 2015 meeting.

The Commission understands that as part of the City's budget process, funding is committed for capital improvement projects on an annual basis. The Plan, however, is a ten-year road map which lays out the strategy for improving the City's water system reliability.

The Commission feels it is imperative for the City Council to commit significant up front funding to the Plan to ensure projects are completed as efficiently and expediently as possible. As such, the Commission is urging the City Council to earmark \$10 million of the City's unallocated funds towards the implementation of the Plan. The Commission feels that this financial commitment would ensure completion of the various capital projects identified and is a sound investment towards the City's sustainability.