



STAFF REPORT

Meeting Date: September 1, 2015
To: Honorable Mayor & City Council
From: Trish Rhay, Assistant Director of Public Works Services, Infrastructure & Field Operations
Caitlin Sims, Senior Management Analyst CS
Subject: City Response to State Water Resources Control Board Information Order
Attachments: 1. City Response Letter dated August 19, 2015 to State Water Resources Control Board

INTRODUCTION

This report is provided for information only. It includes an overview of the City's response to the Information Order Request from the State Water Resources Control Board.

DISCUSSION

On April 1, 2015, the Governor declared the first ever state-wide mandatory water use reduction of 25% from June 2015 through February 2016. In response to the Governor's declaration, the State Water Resources Control Board (SWRCB) adopted an emergency conservation regulation on May 5, 2015. The regulation includes numerous prohibitions on potable water usage and assigns a conservation reduction target to each urban water supplier, based on the residential gallons per capita per day consumption. The City received a conservation target of 32%.

During the last several months, the City has made water conservation a priority. The City has developed and implemented numerous policies, programs, and outreach materials to promote conservation and education. A 15-person Conservation Task Force was created which includes at least one representative from each department to coordinate citywide program efforts. The following highlights are some of these efforts:

- Developed a water-efficient appliance rebate and turf removal rebate program;
- Adopted a penalty surcharge structure and revisited rates;
- Created a landscape consultation program;
- Attended community events to promote water conservation;
- Enhanced residents' tools to view and understand their water usage with improvements to Water Tracker;
- Developed more than 60 different outreach materials – including postcards, mailers, brochures, signs, banners, pledge cards, newsletters, and videos – that have been distributed, displayed, or shown throughout the City;

- Engaged a public relations and marketing consultant to develop a long-term water conservation campaign.

Each urban water supplier is required to submit their water consumption data to the SWRCB by the fifteenth of each month and is expected to meet their reduction target each month from June 2015 to February 2016. The City has submitted its water consumption data to the SWRCB each month, as required, and has improved its progress towards meeting its 32% target each month. Most recently, in June 2015, the City reduced its consumption by 22% compared to June 2013. In July 2015, the City submitted conservation numbers to the SWRCB that show a consumption reduction of approximately 21% compared to July 2013.

The City will continue to monitor its State-mandated conservation targets each month and develop a plan, as needed, to implement additional programs and policies that will help the City meet its targets. Staff anticipates that the implementation of the penalty surcharge in October 2015 will help the City's progress towards its conservation target. In addition, the funds collected from the penalty surcharge may be used to implement additional conservation programs. The SWRCB will also continue to monitor the City's monthly numbers and request additional information as needed regarding the City's conservation actions.

The SWRCB did its first assessment of urban water suppliers' progress towards meeting their individual targets in June 2015. While the City made great progress in reducing water consumption, the City has not yet achieved the required 32% cutback. On August 7, 2015, the City received an Information Order from the SWRCB requesting additional information on the City's water production, water use, and water conservation efforts. Responses were due to the SWRCB by August 19, 2015. Other urban water suppliers that did not meet their reduction target also received a similar request for information. A copy of the City's response to SWRCB is included as Attachment 1.

The City will continue to work with the SWRCB to provide any additional needed information and to expand its efforts to meet the 32% reduction goal. Staff will continue to expand its water conservation efforts in order to reach its 32% reduction goal.

FISCAL IMPACT

If the City does not meet its 32% reduction goal by February 2016, the City may be subject to daily fines of up to \$10,000 per day.

RECOMMENDATION

This item is provided for information only.



Approved By
George Chavez

Attachment 1



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

RECEIVED
CITY OF BEVERLY HILLS

2015 AUG 10 PM 3:41

State Water Resources Control Board

PUBLIC WORKS DEPARTMENT

August 7, 2015

Mr. George Chavez, PW Director
City of Beverly Hills
455 N. Rexford Drive
Beverly Hill, CA 90210

SUBJECT: NOTICE OF VIOLATION FOR FAILURE TO MEET WATER CONSERVATION STANDARD AND ORDER FOR ADDITIONAL INFORMATION

On May 5, 2015, the State Water Resources Control Board (State Water Board) adopted Resolution 2015-0032, an Emergency Regulation for Statewide Urban Water Conservation (Emergency Regulation) pursuant to Water Code section 1058.5. The Emergency Regulation became effective on May 18, 2015. Among other things, the Emergency Regulation is designed to achieve the 25 percent statewide potable water usage reduction through February 2016 ordered by Governor Brown in his April 1, 2015 executive order.

The Emergency Regulation requires each urban water supplier to "reduce its total potable water production by the percentage identified as its conservation standard." California Code Regulations, title 23, section 865(c)(1).

Section 866 of the Emergency Regulation provides the State Water Board with the authority to issue Conservation Orders requiring additional actions by the supplier to come into compliance with its conservation standard, as well as Information Orders requiring urban water suppliers to submit additional information related to water production, water use, or water conservation.

As of August 7, 2015, our records indicate that the City of Beverly Hills has not met the conservation standard for June. You should immediately take additional steps to enhance water conservation efforts and ensure that the conservation requirement is met in future months.

The State Water Board requires that you comply with the Emergency Regulation immediately.

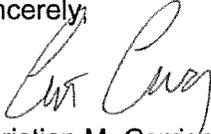
Furthermore, I am issuing you an Information Order under section 866(b) that requires you to provide the State Water Board information relating to your water production, water use, and water conservation efforts. Please see Attachment A for the information you are required to provide by **August 19, 2015**. Failure to provide the information by August 19, or any additional time extension granted, is a violation subject to civil liability of up to \$500 per day, for each day the violation continues.

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | www.waterboards.ca.gov

If you have questions, please contact Mr. Matthew Buffleben at (916) 341-5891, or by email at Matthew.Buffleben@waterboards.ca.gov.

Sincerely,



Christian M. Carrigan, Director
Office of Enforcement

Enclosure

cc: *(via email only; without enclosures)*

Mr. Matthew Buffleben, Chief
Special Investigations Unit
Matthew.Buffleben@waterboards.ca.gov

ATTACHMENT A

Information Order

1. Describe any and all actions approved by your governing board since April 1, 2015, to increase conservation.
2. Does your agency have conservation programs that specifically target the following customer classes?
 - A. Residential – Single Family
 - B. Residential – Multi-Family
 - C. Commercial
 - D. Industrial
 - E. Institutional
3. Does your agency have an active leak detection and repair program? (If yes, please describe, including budget and personnel assigned).
4. Does your agency run conservation outreach and education programs? (If yes, please describe and answer the questions below).
 - A. Annual budget
 - B. Has the budget increased since April 1, 2015?
 - C. Which of the following messaging pathways are used?
 - i. Mailers (including billing inserts)
 - ii. Door hangers
 - iii. Phone calls
 - iv. Radio
 - v. TV
 - vi. Newspaper
 - vii. Community Events (e.g., street fairs, neighborhood meetings, business association meetings)
 - viii. Email
 - ix. Website
 - x. Programs in Schools
 - xi. Business Partnerships
 - xii. Billboards
 - D. Average number of hours per month dedicated to conservation education and outreach
 - E. Number of personnel that work on education and outreach more than half-time.
 - i. Does your agency use student interns?
 - F. Are conservation education and outreach programs offered in languages other than English? (If yes, list languages).
 - G. Are any conservation and outreach programs targeted to populations whose primary language is not English? (If yes, please describe).
5. Does your agency run any conservation programs jointly with other entities? (E.g. have you partnered with your electric service provider?).
 - A. Does your agency collaborate with any service organizations? (E.g. Americorps, California Conservation Corps). (If yes, please describe).

ATTACHMENT A

6. Does your agency run any appliance rebate programs? If yes, please describe the rebate amount for each appliance below and provide the total rebate budget.
 - A. Washing Machines
 - B. Dishwashers
 - C. Toilets
 - D. Faucet aerators & showerheads
 - E. Commercial laundry
 - F. Commercial/Institutional Kitchens (e.g. pre-rinse spray valves)
 - G. Other

7. Does your agency run any water efficient landscape programs? (If yes, check below and provide a description of the program including amount available for rebates and total amount budgeted for these programs).
 - A. Landscape Audits
 - B. Turf Removal Rebates
 - C. Water-Wise Gardening Classes/Informational Materials

8. Does your agency have personnel dedicated to water waste enforcement? (If yes, please describe your enforcement program and answer the questions below).
 - A. Number of personnel that work on enforcement more than half-time
 - i. Do any of these personnel speak languages commonly spoken in the community?
 - B. Average number of hours spent on enforcement per week
 - C. Average number of enforcement patrols per week
 - D. Average number of hours spent responding to water waste complaints from residents since April 1, 2015.
 - E. Monthly enforcement budget
 - F. Capacity to receive water waste complaints by the following methods:
 - i. Phone
 - ii. Letter
 - iii. Email
 - iv. Web Portal
 - v. Mobile Application
 - G. Average response time for investigating a water waste complaint
 - H. Average response time for responding to a report of a leaking pipe
 - I. Fine structure for repeat violations

9. Which type of rate structure does your agency use for residential customers?
 - A. Flat Rate
 - B. Uniform Rate
 - C. Inclining Block Rate (Tiered Rate)
 - D. Seasonal Rate
 - E. Allocation-Based Rate
 - F. Other

ATTACHMENT A

- 10.** Has your agency instituted any type of drought rate or pricing (e.g. drought surcharge) since June 1, 2014? (If yes, please describe).
- 11.** What rates and pricing mechanisms are used to incent conservation by non-residential customers?
- 12.** When was the last time your agency modified its rate structure?
- 13.** What is your agency's billing frequency?
- 14.** Provide a complete copy of your agency's rate/tariff
- 15.** Provide a complete copy of your agency's conservation ordinance/rules
- 16.** Are all your residents on water meters?
 - A.** If no, is there a plan in place to install meters?



George Chavez, Director
Department of Public Works Services

August 19, 2015

Mr. Matthew Buffleben
P.O. Box 100
Sacramento, CA 95812-0110

The City of Beverly Hills submits this packet in response to your request for additional information on the City's water conservation and water reduction strategies.

Attached to this letter, you will find the City's responses to each of the Water Board's questions and a section of attachments that will provide additional context and background for the City's responses.

Over the last four months, the City has quickly mobilized to develop policies and programs that support its target to reduce City-wide water consumption by 32%. In that short period, the City has engaged City staff to mobilize the community in support of the City's goal. City staff has come together to design and implement programs and develop and distribute materials across City facilities and across the entire community.

The list below provides a snapshot of some of the work that has been accomplished since April 1, 2015:

- **Developed a water-efficient appliance rebate and turf removal rebate program**
- **Adopted penalty surcharge structure and revisited rates**
- **Created a landscape consultation program**
- **Attended community events to promote water conservation**
- **Enhanced residents' tools to view and understand their water usage**
- **Formed a 15-person Conservation Task Force to support the City's conservation efforts**

- **Engaged a public relations and marketing consultant to develop a long-term water conservation campaign**

More detail about all of these programs, as well as the other programs that the City has undertaken and the policies that have been adopted, can be found in the attached responses.

The City is proud over its efforts to engage City staff and the entire community over the last four months. We will continue to expand these programs and develop policies that will help the City reach its 32% reduction target in February 2016.

Should you have any questions, please do not hesitate to contact me at (310)285-2555.

Sincerely,



George Chavez, Director
Department of Public Works Services

1. Describe all actions approved by your Governing Board since April 1, 2015, to increase conservation.

• **Adopted of resolution declaring and implementing Stage D Water Conservation Measures**

At its May 5, 2015, meeting, the Beverly Hills City Council adopted Resolution 15-R-13037 declaring and implementing Stage "D" Water Conservation Measures. The Resolution includes the following measures:

- Thirty percent (30%) reduction in potable water is required.
- Water served in restaurants upon request only.
- All public restaurants in the City and private bathrooms in hotels shall notify patrons and employees of water conservation goals.
- Plumbing and irrigation leaks shall be repaired as soon as practicable.
- The City may issue notices to repair visible leaks.
- Landscape irrigation is limited to 2 days per week, 8 minutes per station, before 9:00 a.m. or after 5:00 p.m., unless the irrigation uses reclaimed wastewater.
- Complete refilling of swimming pools, spas, or ponds is prohibited unless required for health reasons.
- Operation of water fountains is prohibited unless the water is recirculated.
- Exterior building and exterior vehicle washdown restrictions

Violation of Stage D will result in the issuance of an administrative citation, with repeated violations triggering progressive penalties up to \$535.10. Additionally, instances can be considered a misdemeanor with up to a \$1,000 fine.

The Conservation Ordinance is included as Attachment 15 (in response to Question 15).

• **Clarified water conservation language regarding the construction of New Swimming Pools**

While the Stage D Water Conservation Measures states that the complete refilling of existing swimming pools, spas, or ponds is prohibited unless required for health reasons, it does not address the initial filling of new pools. As of June 30, 2015, there were 79 permits issued for the construction of pools, and staff anticipated that 40 additional permits for new pools could be issued between July 2015 and February 2016.

At its June 30, 2015, meeting, the City Council approved a measure prohibiting the filling of new pools, unless the property owner offsets the increased water use somewhere else on his/her property or contributes equivalent funds to the City's conservation efforts. This measure took effect at the end of July 2015.

The staff report and ordinance language is included as Attachment 1a.

• **Clarified prohibition on exterior vehicle washing**

The City's Stage D Water Conservation Measures previously allowed car washing on the "immediate premises of a commercial car wash or commercial service station or with reclaimed wastewater." The current written structure of the municipal code has made it difficult for staff to interpret and communicate approved alternatives and enforce the law because of undefined terms such as "washdown," "commercial car wash," "commercial service stations," or "reclaimed wastewater." Reclaimed water systems have been shown to reduce water consumption by between 25-30%. In an effort to simplify the Code interpretation and enforcement, the City is in the process of amending the Code to prohibit the washdown of vehicles unless a reclaimed water system is used. The ordinance language also allows a business can also submit an alternative plan – such as waterless car washing products or products that use fewer than 5 gallons of water – that promotes water conservation and that is approved in writing by the Director of Public Works or his/her designee. The first reading of the ordinance was done at the August 18, 2015, Council meeting, and the ordinance is scheduled for adoption on September 1, 2015.

The staff report and ordinance language is included as Attachment 1b.

- **Adopted penalty surcharge structure**

The City Council adopted the penalty surcharge structure at its June 30, 2015, meeting.

In compliance with the recent Court of Appeals decision in Capistrano Taxpayers, Inc. vs. City of San Juan Capistrano, City staff worked with consultants from HF&H to develop a multiplier-based penalty surcharge based on customers' water usage reductions. The multipliers reflect the City's potential additional costs. If the City does not reduce its overall water usage by 30%, it could be subject to fines from the State Water Resources Control Board and could be forced to implement additional water conservation programs. If the City does not reduce its overall water usage by 12%, it will have to purchase water from MWD at a rate three times higher than the current rate, as a result of a reduced water allocation of water from MWD. Customers that use fewer than 10 Hundred Cubic Feet (HCY) in a two-month billing period are not subject to the penalty surcharge. The surcharge will go into effect in October 2015.

The staff report can be found as Attachment 1c. The penalty surcharge structure can be found as Attachment 1d.

- **Allocated funding for rebates, incentives, & programs**

On June 8, 2015, the City Council approved funding for two programs to provide additional rebates and assist residents and businesses in reducing their water usage: (1) a landscape coaching program and the development of a Beverly Hills Garden Guidelines Handbook; and (2) supplemental funding for residential turf replacement and for the installation of water efficient devices in homes and businesses.

More information on the rebate programs can be found in Question 6. More information on the landscape coaching program can be found in Question 7a. More information on the turf removal program can be found in Question 7b. More information on the Beverly Hills Garden Guidelines Handbook can be found in Question 7c.

- **Increased water conservation budget and staffing**

On June 8, 2015, the City Council approved the 2015-16 Budget and Capital Improvement Program (CIP) for FY 2015-16. The budget included \$348,550 for the City's "Conservation Program and Implementation." In addition, the City approved a Conservation Administrator position to oversee the City's conservation efforts. This position has been placed as a high priority position. The City is currently in the process of recruiting for this position.

At its next several meetings, the City Council will consider the following agenda items in support of water conservation:

- **Amending artificial turf regulations**

Under the current Beverly Hills Municipal Code, artificial turf is not allowed in the front yard. At its June 30, 2015, meeting, the City Council directed the City's Planning Commission to develop recommendations for standards to allow artificial turf in the front yard. Allowing artificial turf will provide Beverly Hills residents with more alternatives to decrease their outdoor watering demands. The City Council will consider the Planning Commission's recommendation in September 2015.

- **Amending the Building Code to support water conservation Building Code Amendments for Water Conservation**

Currently, the City is exploring updates to the Municipal Code that would increase the water conservation requirements for construction projects in the City. Currently, the City's Public Works Commission is exploring possible amendments that increase requirements for the installation of water efficient fixtures and would require single-family homes to install separate outdoor irrigation water meter and multi-family building owners to sub-meter their buildings. The Commission is expected to make a recommendation to the City Council at its September meeting, and the Council will consider the Commission's recommendation shortly thereafter.

- **Allocating additional funding to the City's water conservation programs**

Preliminary cost estimates for the City's water conservation program outreach is approximately \$1.2 million. The City Council will be considering a staff recommendation to allocate additional funding for the City's conservation outreach and education programs at its September 2015, meeting.

2. Does your agency have conservation programs that specifically target the following customer classes?

Yes.

The City has developed single-family and multi-family residential, commercial, and institutional programs through the work of the City-wide Conservation Task Force and through a contract with the public relations and marketing firm Cook and Schmid. More information about Cook and Schmid's work can be found in Question 5.

The City has formed a City-wide Conservation Task Force, made up of at least one staff representative from each of the City's departments. This group, which has met weekly since March 2015, has developed conservation programs and countless pieces of collateral – a list of which can be seen as Attachment 2 – that have provided the foundation for the City's outreach programs. The members of the Task Force champion water conservation among the City staff and develop programs and collateral that promote the City's conservation efforts and goals.

The City has also enhanced its online "Water Tracker" system, which allows customers from all classes to register and view their water usage in real-time. Residential and commercial customers can view their daily, weekly, monthly, and two-month billing cycle water usage for 2013, 2014, and 2015. The software also allows customers to set "usage limits" and a continuous water flow threshold and receive notifications when these limits are exceeded. With the adoption of the City's penalty surcharge structure, the software has also been updated to reflect customers' conservation targets. Customers can view their current usage compared to their 2013 usage and can view their progress towards the "Level 1 Penalty Surcharge" and "Level 2 Penalty Surcharge."

Residential – Single-Family

Yes.

As a member agency of the Metropolitan Water District of Southern California (MWD), Beverly Hills residential water customers are currently eligible for rebates for water-efficient appliances. The City has supplemented these MWD rebates with additional rebates for all customers in the service area.

In addition, while the funds for MWD's residential turf removal rebate program have been exhausted, the City has continued to offer turf removal rebates to its residential customers to replace live turf with permeable, non-turf alternatives.

The total rebates available to Beverly Hills residential water customers are provided in Attachment 6.

The City also offers one-on-one garden coaching sessions to Beverly Hills water customers to help customers identify opportunities to improve their irrigation systems and incorporate water-wise landscaping and other outdoor water conservation recommendations. Each consultation, which is provided by a "Garden Guru" that has been trained to use a water-wise approach to landscape design, installation, and maintenance, includes recommendations for irrigation, water-wise planting and other outdoor water conservation ideas. More information about the program can be found in Question 7a.

The City has contracted with Cook and Schmid to develop a high-impact Residential Outreach Package and toolkit that includes a direct mailer, window clings, a faucet hanger, and a washing machine cling. Over the next several weeks, these materials will be printed and mailed to all residents in the City. The City has also developed outdoor and indoor tip sheets and bilingual outdoor watering tips. The firm is currently with the City to develop an ambassador program that will provide the support for a grassroots community effort. Copies of all collateral materials are provided in Attachment 4(c)(i).

a. Residential – Multi-Family

Yes.

The City has contracted with Cook and Schmid to develop a high-impact Residential Outreach Package and toolkit that includes a direct mailer, window cling, a faucet hanger, and a washing machine cling. Over the next several weeks, these materials will be printed and mailed to all residents (including those in multi-family housing) in the City. The City has also developed outdoor and indoor tip sheets and bilingual outdoor watering tips. The firm has also developed an ambassador program that will provide the support for a grassroots community effort. The items developed are included as Attachment 4(c)(i).

b. Commercial

Yes.

As a member agency of the Metropolitan Water District of Southern California (MWD), Beverly Hills commercial water customers are currently eligible for rebates for water-efficient appliances. The City has supplemented these MWD rebates with additional rebates for Beverly Hills residential water customers. The total rebates available to Beverly Hills commercial water customers are provided in Attachment 6.

The City's consultant team from Cook and Schmid is developing a business outreach program and toolkit, including a business tip sheet, information about business restrictions and fines, a dish washer cling, window cling, and faucet hanger. These materials will be printed and distributed through the various business association groups and the Chamber of Commerce.

c. Industrial

No.

The City of Beverly Hills does not have any "industrial" customers. "Industrial" customers are considered "commercial" customers.

d. Institutional

Yes.

A Water Conservation Pledge program targeted to students and children has been in effect since early July 2015. Additionally, a water conservation photo contest is being developed and launched in mid-September for elementary students. In addition to the contest, students will receive a folder with age-appropriate conservation materials developed by Metropolitan Water District and the California Department of Water Resources.

The City is developing a school outreach program and competition that will be rolled out in the fall of 2015.

The City has also posted water conservation messages and reminders in City kitchens and City restrooms.

3. Does your agency have an active leak detection and repair program? (If yes, please describe, including budget and personnel assigned).

Yes.

The City does have an active leak detection program. The City receives two daily "continuous usage report," generated from an alert from customers' water meters. The report identifies the "top 100" residential customers and the "top 100" commercial customers that have had the greatest amount of continuous usage over the previous 24 hour period. The City sends a letter to all of these customers, informing them of this continuous usage.

In addition, customers that log-in to the Water Tracker system can see a "continuous usage" alert for those accounts that have had continuous usage over the last 24 hour period.

The City's water enforcement staff and customer service staff respond to customers regarding this program.

4. Does your agency run conservation outreach and education programs?

a. Annual budget

Currently \$146,000 in FY 2015-16.

This money is budgeted for customer rebates and conservation outreach and education programs.

However, preliminary cost estimates for the extended water conservation program outreach is approximately \$1.2 million in FY 2015-16. The City Council will be considering a staff recommendation to allocation additional funding for the City's conservation outreach and education programs at its September 2015, meeting.

b. Has this budget increased since April 1, 2015?

Yes.

In FY 2014-15, there has been a smaller budget for conservation education and outreach programs.

Since April 1, 2015, the following programs have been developed/expanded, which has significantly increased the budget demand for FY 2015-2016.

- **Development of Appliance and Turf Rebate Removal Program:** In FY 2015-16, the City has allocated funding for residential and commercial rebates for water-efficient appliances and residential turf rebate removal for the first time. The initial budget allocation for these rebates was approximately \$78,000. Staff will be requesting an additional funding allocation at the September 1, 2015, Council Meeting. More information about the appliance rebate program can be found in Question 6. More information about the turf rebate removal program can be found in Question 7b.
- **Creation of One-on-One Landscape Consultation Program:** To date, the City has budgeted \$21,875, for a one-on-one landscape consultation program. Staff will be requesting an additional funding allocation at the September 1, 2015, Council Meeting. More information about the program can be found in Question 7a.
- **Development of Beverly Hills Garden Handbook:** The City has budgeted \$20,000 to develop a Beverly Hills Garden Handbook. More information on this item can be found in Question 7c.
- **Development of a Penalty Surcharge:** The City engaged a consultant – HF&H – to develop a penalty surcharge that addresses the additional charges that the City may be subject to if it does not reach its conservation goals.
- **Development and Expansion of Conservation Programs:** Through the work of the Conservation Task Force, the City has dramatically increased its conservation program, developing letters, postcards, mailers, signs, banners, postcards, stickers, and many other materials that promote the water conservation message and encourage customers to reduce their water usage. These items have been printed and directly mailed to customers, posted in locations throughout Beverly Hills, and distributed at community events throughout the service area. A more comprehensive description of all items developed can be found in Question 4c.
- **Engagement of Marketing/Public Relations Firm to Support Conservation Programs:** The City has allocated funding to develop a water conservation education and outreach program that includes materials for City staff, residents, and businesses. All materials developed by the consultant either have been or will be printed and distributed to the appropriate group. These materials are included in Attachment 4(c)(i).
- **Enhancements to the City's Water Tracker System:** This website allows customers to view their water usage on a daily, weekly, or monthly basis. The functionality of this site has been expanded dramatically since April 1, 2015.

c. Which of the following messaging pathways are used?

i. Mailers (including billing inserts)

Yes.

The City distributed the following mailers. Copies of the mailers can be found as Attachment 4(c)(i).

- **Postcard mass mail:** A postcard mailer with outdoor and indoor water-saving tips, the outdoor watering schedule and the City's conservation website and Public Works Customer Services phone number was sent to every address in our water service area, (residential, commercial and institutional) during the week of June 22, 2015.
- **Utility bill insert (round 1):** A flyer with outdoor and indoor water-saving tips, our outdoor watering schedule and our City's conservation website and Public Works Customer Services phone number was included as an insert to water bills beginning on June 22, 2015 and will complete one cycle in 60 days.
- **Utility bill insert (round 2):** Two additional flyers have been completed and will be inserted in utility bills beginning on August 21, 2015. The first flyer advertises the City's Garden Guru (irrigation audit) Program. The second flyer is a step-by-step guide for signing up to the City's Water Tracker software at water.BeverlyHills.org in order to track water consumption on a daily, monthly, weekly or yearly basis.
- **Residential Toolkit mass mail:** This residential toolkit will be mailed in late August or early September and includes a cover letter with information regarding the drought crisis, the City's reduction target and how residents can conserve water. In addition to this cover letter, this toolkit includes information about the City's water use restrictions, indoor and outdoor water-saving tips, a window cling with conservation messaging, a faucet hanger for outdoor use with conservation messaging and a decal with conservation messaging.
- **Penalty Surcharge Notification:** This mailer will be sent out in late August to inform the public of the upcoming penalty surcharge rate, which will take effect in October.

ii. Door Hangers

Yes.

The City produced door hangers that include a list of outdoor water use restrictions, the City's mandatory outdoor watering schedule, tips for water conservation and the City's conservation website and Public Works Customer Services phone number. The door hangers are hung by enforcement officers who see violations during enforcement routes. Copies of the door hanger can be found as Attachment 4(c)(ii).

iii. Phone Calls

Yes.

All outreach materials list our Public Works Customer Services phone number, (310) 285-2467, where trained staff can answer questions regarding watering restrictions.

iv. Radio

No.

v. TV

The City regularly coordinates messaging on Beverly Hills Television (BHTV), a City-run cable channel, in weekly programs such as Beverly Hills This Week and special programs such as Dripped Dry: Use Less Water, a panel of several water conservation experts that discuss conservation measures. The City has also developed a Water Tracker PSA to

advertise its Water Tracker software. An example of a video developed for BHTV is included as Attachment 4(c)(v).

vi. Newspaper

Water conservation and outreach has been a top priority in the City's In Focus newsletters. The eight-page May and August 2015 newsletters, mailed to every address in the Beverly Hills water service area, primarily consist of drought and water conservation related articles, updates and resources. In addition to newsletters, the City has placed several full-paged ads in the Beverly Hills Weekly. An image from the Beverly Hills Weekly (including a link to the full newspaper) and a sample newspaper advertisement can be found as Attachment 4(c)(vi).

vii. Community Events

City staff has participated in many community events, including the Beverly Hills Earth Day Celebration, the Beverly Hills Farmers' Market, Beverly Hills Public Works Services Day, Beverly Hills National Night Out event, West Hollywood West Homeowners Association National Night Out block party, Beverly Hills Library children's events and the Beverly Hills Chamber of Commerce to promote water conservation.

viii. Email

Anyone can opt in to subscription lists through email for topics such as Public Works Commission and conservation to receive updates as they are made available. Additionally, a letter about the drought crisis and water conservation from the Interim City Manager was sent to all employees via email (and made available in select locations in print form) on July 1, 2015. A copy of the email is included as Attachment 4(c)(viii).

ix. Website

The City has updated its conservation website to provide the latest information about the drought crisis, water conservation, tips, and tools the City has available for residents to respond to the drought. The site can be found at <http://www.beverlyhills.org/conservation>. The site is updated frequently and maintains the latest information. In response to Governor Brown's April 1 conservation order, the City has revamped its website with additional resources and improved design elements in order to be as user friendly as possible. The website also includes information about water conservation resources such as rebates, the Garden Guru program (irrigation audits), Water Tracker and FAQs.

A second revamp is underway that will further help to disseminate the City's conservation messages as well and showcase the City's continued commitment to water conservation. An image of the existing website is included as Attachment 4(c)(ix).

x. Programs in Schools

A water conservation photo contest is being developed for mid-September for elementary students. In addition to the contest, students will receive a folder with age-appropriate conservation materials developed by Metropolitan Water District and the California Department of Water Resources.

During the summer of 2015, staff attended 8 summer camp sessions to provide information about water conservation and to collect a water conservation pledge card, which is included as Attachment 4(c)(x).

xi. Business Partnerships

The City has hosted outreach meetings with targeted business groups, including hotel managers and car dealership managers. Enforcement staff has also actively worked with all types of businesses, including car washes, car rental facilities, and car dealerships, to educate them on water conservation measures and restrictions.

xii. Billboards

City code prohibits billboards. As such, billboards have not been used in outreach efforts.

xiii. Other

The City has also completed other education and outreach efforts, which are listed below:

- **Median Signs:** Signs on medians explain that the City has turned off water due to the drought.
- **Parking Valet Signs:** Signs at entrances to city parking facilities show that Beverly Hills customers must reduce water usage.
- **Social Media:** The City frequently updates social media accounts such as Instagram, Facebook and Twitter with conservation-related messaging.
- **Water Feature/Fountain Signs:** The City posted signs at City water features/fountains that indicate an active feature/fountain uses recirculating water.
- **Signs at all public counters.**
- **Signs in all kitchens and bathrooms in public buildings.**

Images of these items are included as Attachment 4(c)(xiii).

d. Average number of hours per month dedicated to conservation education and outreach.

Approximately 50 hours for direct outreach (community events, school visits) and approximately 400 hours for program development.

Existing staff has shifted its priorities based on the drought and has reallocated time to focus on water conservation education and outreach efforts. In total, there are 2 full-time staff equivalents working on these efforts. There is an additional full-time student intern that dedicates approximately 80% of his time to conservation education and outreach. Staff from several other departments – including Information Technology and the Communications Departments – has also contributed a significant amount of time towards the development of the City's Water Tracker system and of outreach and collateral.

This number also includes the time of staff that participates in the Conservation Task Force. The Conservation Task Force has met monthly since March 2015, and includes approximately 15 individuals, at least one from each of the City's departments. The Conservation Task Force has played a large role in the development of conservation programs and collateral for the City's conservation and outreach efforts.

e. Number of personnel that work on education and outreach more than half-time.

2 full-time staff equivalents work on education and outreach more than half-time.

i. Does your agency use student interns?

Yes.

The City currently has 1 student intern that is spending approximately 80% of his time working on conservation education and outreach. During the summer of 2015, the City had another student intern that spent approximately 100% of her time on conservation education and outreach.

f. Are conservation education and outreach programs offered in languages other than English? (If yes, list languages).

Yes.

The City has developed its flyers, postcards, and other education and outreach materials in Spanish.

g. Are any conservation and outreach programs targeted to populations whose primary language is not English? (If yes, please describe).

Yes.

The City is developing outreach and education materials that have been producing in Spanish. These materials will be mailed to all residents.

The City also offers employees a bonus for speaking multiple languages, with the intention that these employees are available provide translation to customers when needed.

The City is also working to coordinate with the Metropolitan Water District of Southern California (MWD) to provide a Spanish-language workshop for water customers. The workshop is designed to educate on outdoor water conservation recommendations and irrigation techniques to reduce outdoor water demands.

5. Does your agency run any conservation programs jointly with other entities?

Yes.

The City runs its appliance rebate program in coordination with the Metropolitan Water District of Southern California (MWD), supplementing MWD's rebates with additional funds. Total rebate amounts can be found in Attachment 6.

The City has also contracted with 2 firms to run additional conservation programs:

- **Cook and Schmid:** The public relations and marketing firm Cook and Schmid is developing a water conservation campaign and long-term strategy in support of the City's water conservation efforts. The firm has developed materials and a toolkit (including postcards, window clings, stickers, and clings) that provide tips and guides for residents and business to reduce their water usage. Postcards have been mailed to each Beverly Hills water customer. In the coming weeks, a residential and commercial toolkit will be mailed to all residents and businesses respectively. Cook and Schmid is also developing a "micro-site" to further complement the City's existing conservation website. Finally, the firm is developing a water advocates program, in order to promote a community grassroots water conservation effort.
- **Green Gardens Group ("G3"):** The landscape professional group is providing one-on-one landscape coaching sessions to Beverly Hills water customers and to develop a Beverly Hills Garden Handbook. The staff report provided an overview of the City's contract G3 is included as Attachment 5. More information about this program can be found in Question 7a and 7c.

a. Does your agency collaborate with any service organizations?

No.

6. Does your agency run any appliance rebate programs?

Yes.

The City's rebate programs supplement the appliance rebate programs managed by the Metropolitan Water District of Southern California ("MWD").

a. Washing Machines.

\$215 for residential customers.

b. Dishwashers

MWD rebates available.

c. Toilets

\$100 for residential customers.

\$200 for High Efficiency Toilets (Tank Type) for commercial customers.
\$200 for High Efficiency Toilets (Flushometer) for commercial customers.
\$155 for High Efficiency Toilets (4 Liter) for commercial customers.
\$300 for Zero and Ultra-Low Retrofit Urinals for residential customers.

d. Faucet aerators & showerheads

MWD rebates available.

e. Commercial Laundry

MWD rebates available.

f. Commercial/Institutional Kitchens

MWD rebates available.

g. Other

The City provides a rebate of \$4 per nozzle for rotating nozzles for residential customers.

Total rebate amounts for commercial and residential customers can be found as Attachment 6.

The total rebate incentive budget for all of these items is \$60,000.

Both of these programs have been extremely popular and, as a result, the City has either exhausted its original funds or is very close to exhausting its original funds. The City Council will be considering additional funding allocations for these programs at the September 1, 2015, meeting.

The City Council will be considering a staff recommendation to allocation additional funding for the appliance rebate program at its September 1, 2015, meeting.

7. Does your agency run any water efficient landscape programs?

a. Landscape Audits

Yes.

The City provides one-on-one garden coaching sessions to Beverly Hills water customers through a contract with a landscape professional group – Green Gardens Group (“G3”). “Garden Gurus” from G3 provide personalized consultations to customers to help them identify opportunities to improve their irrigation systems, utilize drought tolerant and water-wise landscaping, and incorporate other outdoor water conservation measures.

The City covers 75% of the \$225 consultation cost. The customer pays \$50. The total budget for the Garden Guru program is \$21,875.

Since the program began on July 1, 2015, more than 30 Beverly Hills water customers have completed a consultation and an additional 45 customers have signed up to participate.

The City Council will be considering a staff recommendation to allocation additional funding for the Garden Guru program at its September 1, 2015, meeting.

b. Turf Removal Rebates

Yes.

The City provides a rebate of \$1.75 per square foot, for residential projects up to 2,500 square feet. This program allows residential customers to replace their live turf with permeable, non-turf alternatives.

The total budget for the turf removal rebate program is \$40,000. The City Council will be considering a staff recommendation to allocation additional funding for the Garden Guru program at its September 1, 2015, meeting.

c. Water-Wise Gardening Classes/Informational Materials

Yes.

Through its contract with the Green Gardens Group (“G3”) – a landscape professional group – the City is developing a Beverly Hills Garden Guidelines Handbook. The Handbook, which will be completed by the end of August 2015, features information about water-wise landscape elements, plants, irrigation management, and even provides a comprehensive do-it-yourself guidebook for residents that would like to develop their own water-wise garden. The Handbook is intended to help residents better understand how to develop a water-wise garden and supplements the garden coaching sessions that are available. The Handbook will be distributed to participants at Garden Guru appointments and will be available at the public library and on the City’s website for any person to download.

The City has long partnered with the Metropolitan Water District of Southern California (MWD) to provide gardener classes for water customers and landscapers. The most recent class was held in November 2014, in coordination with the City of West Hollywood, City of Culver City, and MWD. The class was a half-day session to provide residents and water customers with a better understanding of how to develop a drought-tolerant garden. The City’s upcoming class is currently being scheduled for winter 2015.

8. Does your agency have personnel dedicated to water waste enforcement?

a. Number of personnel that work more than half-time.

1 Field Enforcement Staff (since May 2015) and 1 full-time equivalent support staff.

The field enforcement staff provides field inspections to identify water waste in the community. The officer also responds to water waste complaints from customers that additional follow-up.

The support staff responds to water waste phone calls, letters, emails from customers, and complaints submitted through the City’s web portal and mobile application.

i. Do any of these personnel speak languages commonly spoken in the community?

Yes.

Tagalog and Spanish.

b. Average number of hours spent on enforcement each week

40 hours.

c. Average number of enforcement patrols per week

8 hours per day, 5 days per week.

d. Average number of hours spent responding to water waste complaints from residents since April 1, 2015.

13.5 hours per week

e. Monthly enforcement budget

Approximately \$12,000.

f. Capacity to receive water waste complaints by the following methods

i. Phone

Yes.

The City has a 6-person customer service team that that answers phone calls from individuals reporting water waste from 8:00 a.m. – 5:00 p.m., Monday through Friday. All complaints are logged into a central web-based application that allows City staff to track complaints, notify the necessary staff, log the City's response, and ensure that the complaint is being addressed.

ii. Letter

Yes.

Any individual may send a letter with a water waste complaint to the City of Beverly Hills or the City's Public Works Department. The City's enforcement staff will address and respond to these complaints. All complaints will also be logged into the City's central web-based application.

iii. Email

Yes.

Any individual may send a letter with a water waste complaint to the City of Beverly Hills or the City's Public Works Department. The City's enforcement staff will address and respond to these complaints.

iv. Web Portal

Yes.

Individuals can use the City's "Ask Bev" online web portal to report water waste. The portal, which is found on the City's website (<https://clients.comcate.com/newrequest.php?id=31>), allows any person to send a water waste complaint, with contact information or anonymously, as well as any additional photographs of the violation and or any additional information. This information is logged into the City's central web-based application. An image of the web portal is included as Attachment 8(f)(iv).

v. Mobile Application

Yes.

Individuals can use the City's mobile application to report water waste. This information is directly transmitted to the City's central tracking system. Images of the web portal are included as Attachment 8(f)(v).

g. Average response time for investigating a water waste complaint

24 hours.

h. Average response time for responding to a report of a leaking pipe

Less than 24 hours.

i. Fine structure for repeat violations

First Violation:	Notice of Violation (no fine) – written warning
Second Violation:	Notice of Compliance (no fine) – allows up to 20 days for violator to comply
Third Violation:	Administrative Citation of \$106.90
Fourth Violation:	Administrative Citation of \$214.10
Fifth Violation:	Administrative Citation of \$535.10

Offenses may also be considered a misdemeanor and up to a \$1,000 fine.

9. What type of rate structure does your agency use for residential customers?

C – Inclining Block Rate (Tiered Rate)

10. Has your agency instituted any type of drought rate or pricing since June 1, 2014?

Yes.

In compliance with the recent Court of Appeals decision in Capistrano Taxpayers, Inc. vs. City of San Juan Capistrano, City staff worked with consultants from HF&H to develop a multiplier-based penalty surcharge based on customers' water usage reductions. The multipliers reflect the City's potential additional costs if it does not meet specific targets. If the City does not reduce its overall water usage by 30%, it could be subject to fines from the State Water Resources Control Board and could be forced to implement additional water conservation programs. If the City does not reduce its overall water usage by 12%, it will have to purchase water from MWD at a rate three times higher than the current rate, as a result of a reduced water allocation of water from MWD. Customers that use fewer than 10 Hundred Cubic Feet (HCY) in a two-month billing period are not subject to the penalty surcharge.

The City Council approved the penalty surcharge structure – found in Attachment 1c – at its June 30, 2015, meeting. The penalty surcharge will take effect in October 2015.

11. What rates and pricing mechanisms are used to incent conservation by non-residential customers?

Non-residential customers are also subject to the penalty surcharge.

If non-residential customers do not reduce their usage by at least 30%, they will be subject to increased charges that are 1.59 times greater or 3.08 times greater depending on the amount of their consumption reduction compared to 2013.

12. When was the last time your agency modified its rate structure?

2009.

In 2009, the City consolidated its commercial rates into one tier.

City staff has initiated a study with consultants from HF&H to modify its rate structure for both residential and commercial customers, to ensure that the City's water rate reflect the water costs. Staff anticipates initiating the Proposition 218 public hearing process in October 2015.

13. What is your agency's billing frequency?

The City bills its customers every other month.

14. Provide a complete copy of your agency's rate/tariff.

See Attachment 14.

15. Provide a complete copy of your agency's conservation ordinance/rules.

See Attachment 15.

16. Are all of your residents on water meters?

Yes.

Single-family residential customers have individual water meters that provide no fewer than 4 daily readings. The City is in the process of updating these meters to provide hourly readings of customers' water usage. These meters also include a "continuous usage" notification that allows City staff to assess when there is continuous water usage on an account and, as necessary, address the situation.

At its July 2015, the City's Public Works Commission recommended that the City Council require all residential projects to install 2 meters – an indoor water meter and an outdoor irrigation water meter. The Commission also recommended that all multi-family residential building owners be required to sub-meter the individual building units. This recommendation will be refined at the September 2015 Public Works Commission Meeting and considered by the City Council in October 2015.



AGENDA REPORT

Meeting Date: June 30, 2015

Item Number: F-2

To: Honorable Mayor & City Council

From: Susan Healy Keene, Director of Community Development
Raj Patel, Assistant Director of Community Development/Building
Official

Subject: PROPOSED ORDER OF CITY MANAGER TO IMPLEMENT A FURTHER WATER CONSERVATION MEASURE TO PROHIBIT ISSUANCE OF BUILDING PERMITS FOR SWIMMING POOLS UNLESS EQUIVALENT WATER USAGE IS OFFSET.

Attachments:

1. Section 9-4-307 BHMC
2. June 8, 2015 City Council Study Session Report
3. Santa Margarita Water District Summary

RECOMMENDATION

It is recommended that the City Council hold a public hearing regarding the City Manager's proposed order that prior to issuance of a permit to construct a new swimming pool, a permit applicant must demonstrate water savings equivalent to the estimated amount of water used during the first year of operation. The Emergency Water Conservation Plan details the requirements of each stage. In addition, Section 9-4-307 BHMC provides the City Manager the authority to order additional water conservation measures only after a public hearing is held (Attachment 1).

BACKGROUND

On May 5, 2015, the City Council adopted a Resolution to institute a State D water conservation program. The Stage "D" Requirement 9-4-304 (D)(2)(e) BHMC now in effect states:

"Refilling of swimming pools, spas or ponds shall be prohibited unless required for health reasons:

While this provision addresses water usage for existing pools, there is no measure specific to the initial filling of new pools. On May 27, 2015 the Public Works (PW) Liaison Committee consisting of Vice Mayor Mirisch, Councilmember Brien, PW Commission Chair Shalowitz, and Commissioner Wolfe reviewed three options to address water consumption for new pools. The options included:

- 1) Continue to allow the initial filling of newly constructed swimming pools;
- 2) Adopt an ordinance to prohibit the issuance of permits for the construction of new swimming pools during the State's drought declaration;
- 3) Prohibit the filling of new pools, unless the property owner offsets the increased water use.

The PW liaison generally favored the third approach to allow the initial filling of new pools where the property owner offsets this additional water usage.

This recommendation was presented to City Council at their June 8, 2015 Study Session (Attachment 2). The Council considered several options including temporarily prohibiting the issuance of permits for new pools as well as potential conditions under which issuance of new pool permits would be acceptable. Discussion included the safety and construction concerns potentially created in allowing a new pool to be built but not filled with water for an unknown period of time. Staff was asked to return with more specific information on the following issues:

- Possibility of filling pools with water supplied from a source outside of California
- Details on how water use of new pools could be offset

A second PW liaison meeting was held on June 15th. Staff reported at the current time there was very limited availability of out-of-state water. Staff also estimated a minimum of four 5,000 gallon tanker trucks would be required to initially fill a new pool creating possible concerns related to truck traffic.

The liaison also discussed the possibility of an applicant demonstrating either on-site or off-site water consumption savings equivalent to the amount of water used to initially fill the pool and to make-up for evaporative losses during the first year. At that meeting, the PW liaison recommended staff proceed to allow construction of new pools in cases where the applicant can show equivalent savings in anticipated water usage.

DISCUSSION

Construction of a new pool requires issuance of a building permit. The current method of pool construction anticipates the immediate filling of a new pool with water. If building permits are issued and pools are not allowed to be filled, there may be an increased risk of cracking of the plaster through accelerated curing and structural damage due to hydrostatic pressure. In addition, enforcement of a prohibition on filling of a new pool is challenging as there is no efficient method of continuous monitoring of the site. The most effective method to control the use of water in new pools is to require an applicant to demonstrate conservation measures that offset the proposed water use prior to the issuance of a permit.

Water Used by Pools

In 2014, the Santa Margarita Water District, the second largest water district in Orange County, conducted a cumulative projected five year water use comparison between a pool, traditional lawn, and drought tolerant landscape. The annual water use is 28,035 gallons for a traditional lawn and 16,821 gallons for a drought tolerant landscape. An average size pool (475 square feet) with a pool cover (as required by the California Green Building Code) uses 26,643 gallons of water (17,765 gallons for the initial filling and 8,878 gallons of annual evaporative loss). The results of the study are summarized in Table 1:

Table 1: Santa Margarita Water Use Study

Cumulative Water Use Comparison (Gallons)				
	Pool w/o a Cover	Pool w/ Cover	Traditional Landscape (Grass Lawn)	CA Friendly Landscape (Drought Tolerant)
Year 1	32,561	26,643	28,035	16,821
Year 2	47,358	35,521	56,070	33,642
Year 3	62,154	44,398	84,105	50,463
Year 4	76,950	53,276	112,140	67,284
Year 5	91,746	62,154	140,175	84,105

The study concluded that although pools require thousands of gallons of water to fill initially, at the end of the third year, a pool used 39,707 gallons less than an equivalently sized lawn and 6065 gallons less than a drought tolerant landscape. (Attachment 3)

In Beverly Hills, there are currently 79 permits issued for the construction of pools which is consistent with the average number of pool permits issued over the past ten years. Based on historical permit activity, staff anticipates that 40 new pools could potentially be issued building permits between July 2015 and February 2016. The estimated total first year water use impact for 40 new pools is approximately 1,066,000 gallons of water or 0.03% of the city's reported annual water production.

Methods to Demonstrate Equivalent Water Savings

The PW liaison discussed alternatives to allow the construction and filling of new pools in a manner consistent with the city's water conservation efforts and suggested the concept of water use equivalency. If the water used for a new swimming pool could be offset by savings above and beyond any current requirements on the same property, the addition of a pool would have a neutral effect on the City's water consumption.

There would be two options for demonstrating equivalent water savings. The preferred alternative would be for a permit applicant to demonstrate equivalent onsite water savings. This would require the applicant to implement a variety of measures above and beyond the current California Green Building Code. If the appropriate onsite water savings is not possible, a second alternative would be to provide a financial contribution to the current citywide water conservation program which combines proposed capital programs and operations and maintenance designed to help reach the intended goal of a 32% reduction in overall water use.

1. Onsite Equivalent Water Savings

An applicant would demonstrate water savings equivalent to the first year use of a pool using a combination of measures that could include higher efficiency fixtures and appliances, rainwater capture and reuse, more water efficient landscaping, and the use of gray water and other alternate sources of water. The applicant's calculations would be verified prior to issuance of a building permit.

2. Offsite Equivalent Water Savings

If an applicant is unable to further reduce onsite water usage, funds could be contributed to the City's conservation effort with the intent of establishing increased water savings elsewhere in the City. The City's Water Enterprise Plan (WEP) contains a Water Conservation Program that includes elements such as establishing rebate programs, reducing system losses, and providing educational and outreach programs. The funds could be used to enhance these programs and also create additional opportunities for savings.

In developing a contribution amount, staff relied on costs identified in the WEP for water conservation efforts. The goal of the WEP was to reduce water usage by 20% by the year 2020. The WEP recommended simple, cost-effective measures estimated to save approximately 200 Acre Feet each year over the next six years. The implementation cost of these measures is approximately \$4.8 million.

However, there is substantial additional effort and cost in achieving water conservation above the 20% target that is necessary to accomplish the new State mandate of 32%. Based on the totality of water conservation measures identified in the WEP, staff estimates the cost to conserve one gallon of water to be approximately \$0.056. This amount would be applied to the total first year water use of a new pool including evaporation. The financial contribution would be directly related to the size of the proposed pool under the worst-case water use (pool without a cover). For example a 550 SF pool uses 37,704 gallons and the expected contribution would be approximately \$2111.

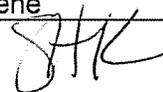
FISCAL IMPACT

If new pools were permitted without demonstrating an equivalent water savings, the additional water consumption would impact the City's ability to meet the required water reduction target. Should the City fail to reach the reduction target, the State may impose

finer in the amount of \$10,000 a day. If new pools are permitted, and water use is offset either by further conservation onsite or offsite through the city's Emergency Water Conservation Program, there would be no additional water usage to report and no further fiscal impact.

Susan Healy Keene

Approved By



ATTACHMENT 1

- B. The notice shall contain a brief description of the facts of the violation, a statement of the possible penalties for each violation and a statement informing the customer of his or her right to a hearing on the merits of the violation pursuant to section 9-4-306 of this chapter. (Ord. 92-O-2139, eff. 4-2-1992)

9-4-306: **HEARINGS:** Any person receiving notice of a violation of any water usage percentage reduction provision set forth in section 9-4-304 of this chapter shall have the right to request a hearing to appeal the imposition of the water penalty surcharge. The city council shall establish the appeal procedures by resolution. (Ord. 09-O-2567, eff. 6-27-2009)

9-4-307: **ADDITIONAL WATER CONSERVATION MEASURES:** After holding a public hearing before the city council, the city manager may order implementation of water conservation measures including, or in addition to, those set forth in section 9-4-304 of this chapter, in order to encourage proper potable water use or to meet water conservation goals, regardless of supply. (Ord. 92-O-2139, eff. 4-2-1992)

9-4-308: **EXCEPTIONS:** Nothing in this article shall be construed to require the city to curtail the supply of water to any customer when such water is required by that customer to maintain an adequate level of public health and safety. (Ord. 09-O-2567, eff. 6-27-2009)

ARTICLE 4. WATER EFFICIENT LANDSCAPING

9-4-401: **PURPOSE:** Water is a precious commodity of limited supply. In accordance with the water conservation in landscaping act ("act"), the purpose and intent of this article is to:

- A. Promote the values and benefits of landscapes while recognizing the need to invest water and other resources as efficiently as possible;
- B. Establish a structure for planning, designing, installing, and maintaining and managing water efficient landscapes in new residential or commercial development projects and when landscaped areas are altered by more than fifty percent (50%) in total area;

ATTACHMENT 2



STAFF REPORT

Meeting Date: June 8, 2015
To: Honorable Mayor & City Council
From: Trish Rhay, Assistant Director of Public Works Services – Infrastructure & Field Operations 
Michelle Tse, Senior Management Analyst 
Subject: Swimming Pools and Water Conservation Efforts
Attachments: None

INTRODUCTION

During the May 5, 2015 meeting, the City Council adopted a Resolution to declare a Stage D conservation program given continued State drought conditions. Stage D calls for a 30% water use reduction and outlines several water use restrictions in addition to the restrictions imposed by the State Water Resources Control Board ("State Water Board").

One of the water use restrictions outlined in the City's Stage D conservation program is prohibiting the refilling of swimming pools except for health or safety reasons. During the May 5, 2015 meeting, the City Council directed staff to develop a more comprehensive policy after raising questions on how to handle situations related to the initial filling of existing and newly constructed swimming pools.

DISCUSSION

Stage D, as currently worded in the Beverly Hills Municipal Code, prohibits the refilling of pools, spas, or ponds except for health or safety reasons. Topping off pools with water to maintain water effectiveness and prevent standing water with breeding insects is considered filling for health reasons. The Municipal Code currently does not include provisions to address the initial filling of newly constructed swimming pools. The following sections outline options for the initial filling of new and existing swimming pools.

Construction and Filling of New Swimming Pools

Option #1: Continue to allow the initial filling of newly constructed swimming pools.

Option 1 would allow the application process, permit issuance, and construction for new swimming pools to continue as usual. There are currently 79 newly permitted pools under construction within the City. Based on the current rate of swimming pool applications, it is projected there will be an additional 30-40 pool applications over the next nine months. The estimated water consumption for current and projected new swimming pools is approximately

2,380,000 gallons, with 800,000 gallons coming from the projected 40 pools which are not yet permitted.

The following table highlights the advantages and disadvantages for Option 1:

Advantages	Disadvantages
<ul style="list-style-type: none"> No impact to water customers wishing to construct new pools. 	<ul style="list-style-type: none"> While minimal, discretionary water consumption would be approximately 800,000 gallons. There may be some potential negative water conservation messaging to our regulators and customers.

Option #2: Adopt an ordinance to prohibit the issuance of permits for the construction of new swimming pools during the State’s drought declaration.

Under this approach, new swimming pool projects with a building permit already issued by the City will be allowed to fill when construction is completed. However, customers that have not yet been issued a building permit could still apply for a permit and submit plans for a new pool. The City would approve the plans but not issue a permit to construct the pool until the City rescinded the Stage D water conservation requirements. By not issuing building permits, it would minimize the impact of pools that may need to be filled in order to complete the curing process.

There are currently seven new pool applications that have been submitted to the City and not yet approved. As mentioned in Option #1, staff projects receiving 30-40 additional pool applications over the next nine months. Assuming it takes 20,000 gallons to fill the seven pending pool applications and a projected 40 pools during the next nine months, prohibiting the initial filling of these pools could save approximately 940,000 gallons of water.

There are several cities that have adopted similar policies of restricting the filling of swimming pools, such as the following:

- City of American Canyon
- City of Healdsburg
- City of Windsor
- Menlo Park Water District
- North Tahoe Public Utilities District
- North Marin Water District
- San Jose Water Company
- San Lorenzo Water District
- Santa Clara Valley Water District
- Santa Margarita Water District (but later rescinded)

Furthermore, this option would convey a strong message to the State regulators that the City is moving forward with significant actions to meet compliance with the 36% mandated reductions by February 2016.

The following table highlights the advantages and disadvantages for Option 2:

Advantages	Disadvantages
<ul style="list-style-type: none"> Other cities have adopted similar policies to limit the filling of pools Limiting pool filling during drought conditions sends a message to State regulators and residents that the City is committed to conserving water 	<ul style="list-style-type: none"> Pool construction projects will be put on hold Lifestyle impacts Not filling pools may impact property sales and property values

Option #3: Prohibit the filling of new pools, unless the property owner offsets the increased water usage

The filling of newly constructed swimming pools would be prohibited under the current Stage D conservation program. However, customers could be given the option to demonstrate how their water use for pool filling would be offset by water efficient improvements made on the property that are not otherwise required by law. Additionally, customers could be given the option to pay a fee to the City that the City would then use to implement water conservation measures elsewhere in the City that would offset the water used to fill the pool.

If the City Council wishes to pursue this option, staff would develop the framework by which the property owner could demonstrate that he or she will offset the pool water usage or pay a fee to allow the City to do so.

The following table highlights the advantages and disadvantages for Option 3:

Advantages	Disadvantages
<ul style="list-style-type: none">• Customers would have the option to not fill their pool or take other actions to offset water usage or pay a fee to the City to allow the City to offset water usage.• Collected fees could be used to further city conservation programs, leading to water savings elsewhere	<ul style="list-style-type: none">• Additional time is needed to further develop the framework and criteria

Refilling of Existing Swimming Pools

The current Stage D requirements clearly states that existing swimming pools shall only be drained and refilled for health and safety reasons, which includes certain repairs to fix leaks, structural, plumbing, or electrical deficiencies on a case by case basis. For contextual purposes, the City issued 64 permits for repair and/or remodel of existing swimming pools during the period January 1, 2014 through May 5, 2015.

Given the Stage D requirements, staff is recommending customers must submit a permit application to the Community Development department to drain, repair, and refill the pool. The application shall be accompanied by a statement from a licensed pool contractor stating the nature and duration of repairs/safety issue to be made and the date and method by which the pool shall be drained. Additionally, staff is recommending that effective May 5, 2015, which coincides with the City Council approval date to implement Stage D, a pool cover would be a condition for the refilling of pools. Pool covers can reduce evaporation rates by 30-50%. However, it should be noted that pool covers may be difficult for some types of public and private pool configurations.

These options for the filling of new and existing swimming pools were reviewed by the Public Works Liaison Committee during its May 27, 2015 meeting. The Liaison Committee generally favored providing flexibility to property owners to allow the initial filling of pools if the property owner offset the water usage through a fee paid to the City.

FISCAL IMPACT

Option 3 which allows property owners to fill a pool and pay a fee to the City to offset water usage impacts would likely make funds available to promote City water conservation programs.

RECOMMENDATION

The Public Works Liaison Committee generally favored an approach similar to Option 3, although the details of Option 3 were developed in conjunction with the City Attorney's Office after the Committee meeting.

For the refilling of existing swimming pools, staff is recommending existing swimming pools shall only be drained and refilled for health and safety reasons, which includes certain repairs to fix leaks, structural, plumbing or electrical deficiencies to be reviewed on an individual bases. Staff is recommending that permit applications to drain, repair, and refill the pool shall be accompanied by a statement from a licensed pool contractor stating the nature and duration of repairs/safety issue to be made and the date and method of which the pool shall be drained.

All new and refilled swimming pools shall be equipped with a pool cover to the extent feasible.



George Chavez

Approved By

ATTACHMENT 3

Santa Margarita Water District Widget	
5	Enter Average depth of Pool (Feet)
475	Enter Pool area (Square Feet)
725	Enter area of hardscape and decking (Square Feet)
1,200	to pool install (Sq.Ft.)

- 17,765 Initial Pool Fill Volume (Gallons)
- 14,796 Annual Pool Water Use without Cover (Gallons)
- 8,878 Annual Pool Use with Cover (Gallons)
- 28,035 Annual Water Use of Efficient Landscape (Gallons)
- 16,821 Annual Water Use of CA Friendly Landscape (Gallons)

Cumulative Water Use Comparison (Gallons)				
	Pool without Cover	Pool with Cover	Traditional Landscape	CA Friendly Landscape
Year 1	32,561	26,643	28,035	16,821
Year 2	47,358	35,521	56,070	33,642
Year 3	62,154	44,398	84,105	50,463
Year 4	76,950	53,276	112,140	67,284
Year 5	91,746	62,154	140,175	84,105
5 Year Water Cost	\$ 307	\$ 208	\$ 468	\$ 281



AGENDA REPORT

Meeting Date: August 18, 2015

Item Number: F-2

To: Honorable Mayor and City Council

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

David Lightner, Deputy City Manager & Director of Capital Assets

Aaron Ledet, Senior Management Analyst – Capital Assets 

Subject: AN ORDINANCE OF THE CITY OF BEVERLY HILLS
AMENDING THE BEVERLY HILLS MUNICIPAL CODE
REGARDING STAGE D WATER CONSERVATION
REQUIREMENTS FOR EXTERIOR WASHDOWN OF
BUILDINGS, VEHICLES, SIDEWALKS AND OUTDOOR DINING
AREAS

Attachments: 1. Proposed Ordinance

RECOMMENDATION

Staff recommends that the City Council move to waive the full reading of the ordinance and that the ordinance entitled "An Ordinance Of The City Of Beverly Hills Amending The Beverly Hills Municipal Code Regarding Stage D Water Conservation Requirements For Exterior Washdown Of Buildings, Vehicles, Sidewalks And Outdoor Dining Areas" be introduced and read by title only.

INTRODUCTION

This amended ordinance has been revised in order provide clarity for interpreting and enforcing the municipal code as it pertains to the washdown of building exteriors, vehicles, sidewalks and outdoor dining areas. It will do so by providing a clear distinction between building exterior and vehicle washdown exemptions as well as introducing language which allows for the washdown of sidewalks and outdoor dining areas as needed for compliance with health laws and regulations. The revised language

Meeting Date: August 18, 2015

will also provide clear definitions for key terms and specify achievable washdown alternatives designed to meet the goals and objectives of Stage D.

BACKGROUND

On May 5, 2015, the City Council adopted a Resolution to institute a Stage D water conservation program, which includes the following prohibition:

"Exterior washdown of buildings and washdown of vehicles shall be prohibited, unless:

- (1) The washing is done on the immediate premises of a commercial car wash or commercial service station or with reclaimed wastewater; or
- (2) The health, safety and welfare of the public is contingent upon frequent vehicle cleaning, such as the cleaning of garbage trucks and vehicle transport food and perishables;"

The current interpretation of the code is as follows:

1. Exterior washdown of buildings is prohibited unless reclaimed wastewater is used;
2. Washdown of vehicles is prohibited unless it is done in a commercial car wash or commercial service station or it is done using reclaimed wastewater.

In Beverly Hills, there is demand for car washing services. Residents, visitors and business patrons use several types of car washing services. Residents have regularly scheduled mobile car washing services while visitors and business customers use valet car washing services or those available inside parking structures. In addition, patrons of car dealerships, commercial service stations and car rental services often receive complementary car washes as part of the service level provided in the city.

As it is currently written, the municipal code does not allow for the feasible application of the aforementioned practices; nor does it currently allow for practical alternatives or solutions.

As a result, staff recommends a series of amendments to the Stage D language in order to allow for the responsible use of water that both employs some of the best management practices in water conservation and meets the service needs of the City's residential and business communities.

DISCUSSION: WASHDOWN OF VEHICLES

The current written structure of the municipal code prohibits many of the usual car washing services available in the city. Since there is no commercial car wash service station or the availability of reclaimed wastewater in the city, residents, visitors, and business patrons will only have the commercial service station ("gas station") where they are allowed to receive car washing services, and only if it is available. The current code essentially prohibits the use of mobile car washing services in the residential areas. Staff has become aware of two issues as a result of the prohibition. First, staff has received anonymous reports of mobile car washers in the city that is violating Stage D. Second, staff has learned that some residents have terminated long term service agreements with their mobile car washing service which has impacted this small type of businesses.

Meeting Date: August 18, 2015

In addition, car dealerships and car rental businesses were also affected by the prohibition. Car dealerships are prohibited from washing their cars on the display lot; and car rental services would not be allowed to wash their cars for lease because of the unavailability of reclaimed wastewater. These businesses have expressed their concerns that car wash down prohibitions affects their service efficiency and customer service satisfaction.

The current written structure of the municipal code has also made it difficult for staff to interpret and communicate approved alternatives and enforce the law because of undefined terms such as "washdown," "commercial car wash," "commercial service stations," or "reclaimed wastewater."

In an effort to simplify the interpretation and clarify the enforcement of this section, staff is proposing the following new language and definitions for Stage D:

Exterior washdown of vehicles shall be prohibited unless:

1. Using a Reclaimed Water System whereas:

Reclaimed Water System shall mean a system that initially uses potable water and then collects the runoff, treats the runoff and uses the runoff for non-potable uses for multiple cycles.

2. Performed in accordance with an alternative plan that promotes water conservation and is approved in writing by the Director of Public Works or his/her designee; or
3. Required to meet laws or governmental regulations to protect health and safety, such as the cleaning of garbage trucks and vehicles to transport food.

Under the new language, staff is proposing that the term "washdown" be practicably interpreted as the "application of water" using a device or object such as a hose, pressure washer, buckets and/or containers to wash vehicles.

Upon careful consideration, staff believes the proposed language updates the City's washdown exemptions that use modern technology and techniques demonstrating water conservation. The current BHMC was written in 1992 and assumed that the only water conservation car washing techniques available were in commercial car wash and commercial service stations if equipped with reclaimed water systems. Today, reclaimed water systems come in different types. Staff research discovered there are the traditional built-in-systems that may use existing clarifier water as its water source, temporary above ground systems and portable systems. These systems are available in the open market and can be installed as quickly as one day. Likewise, staff research discovered there are many commercial car washing products that use minimal to no water to wash an entire car. These commercial products typically may need less than 5-gallons of potable water to make a solution and are applied by using a terry cloth or shammy towel to wipe off all the dirt from a car and provide a good finish.

If the proposed language is adopted, a business or a car washing service would be in compliance if it implements one of the following methods:

Meeting Date: August 18, 2015

1. Installs a Reclaimed Water System:

A facility could install a Reclaimed Water System. The system could be a permanent system or a portable/temporary system. If a portable/temporary Reclaimed Water System is used, it must be used at all times while the declared Emergency Water Conservation Provisions is in effect. At start-up, all Reclaimed Water Systems will be allowed to use potable water based on the system's specifications. Staff research determined the range varies from 50 to 250 gallons based the available area inside the car washing section, existing washwater source (i.e. clarifier size or berm collection system) and car washing frequency during in a day. The business or service will need to contact the Public Works Services Department for inspection and approval.

2. Exercises an alternative plan that promotes water conservation and is approved by the Director of Public Works or his/her designee:

A business or car washing service can submit alternatives to the Department for approval. Alternatives should demonstrate minimal water use or waterless car washing techniques. These could include spray-on waterless formulas that are applied by using a cloth to wipe away the dirt from cars and wheels instead of using the typical car washing methods: using potable water to pre-wash, soap and rinse. In addition, newer types of waxes and car dusters are now available that cleans cars without using potable water.

The intent of "minimal water use" is to describe the use of less than 5-gallons of water mixed with a commercial product to make a car washing solution and applying it by wiping the vehicle rather than washing or rinsing.

Businesses and car washing services will need to comply with the proposed ordinance upon its effective date, at which time the Reclaimed Water System will need to be installed and in operation. Staff estimates that the effective date will be October 1, or 30-days after the second reading of the ordinance. During the week of August 10 staff conducted an outreach campaign which consisted of meeting with a total of 18 businesses within the City that would be impacted by the amended ordinance, including car dealerships, mobile car wash businesses and car rental facilities. During the meetings businesses were provided with a written summary of the proposed amendment and compliance schedule. If a business encounters problems installing a Reclaimed Water System by October 1, staff is proposing to allow a 15-day maximum extension. If a business intends to use the second alternative, the alternative shall be approved in writing by the Department on or before October 1.

DISCUSSION: WASHING BUILDING EXTERIORS, SIDEWALKS AND OUTDOOR DINING AREAS

The same Municipal Code section establishing Stage D requirements for car washes also regulates exterior building washing. As previously noted, Stage D specifies that "the exterior washdown of buildings and washdown of vehicles shall be prohibited, unless:

- (1) The washing is done on the immediate premises of a commercial car wash or commercial service station or with reclaimed wastewater; or

Meeting Date: August 18, 2015

- (2) The health, safety and welfare of the public is contingent upon frequent vehicle cleaning, such as the cleaning of garbage trucks and vehicles to transport food and vegetables.”

In accordance with the Code regulations specified in Stage D, staff reached out to more than twenty municipal water districts and private-investor owned public utilities in order to determine the City's options for procuring reclaimed wastewater. Staff findings concluded that municipal water districts with wastewater treatment facilities declined to sell reclaimed wastewater to the City, primarily citing that Title 22 of the California Code of Regulations does not specify “exterior building washdowns” as a permissible use for reclaimed wastewater.

Staff also communicated with a number of local business owners, tenants and building service vendors who expressed concern with Stage D's prohibition against the use of potable water for the washdown of building exteriors, as the prohibition serves as a “cease and desist” to their power-washing operations. Staff surveyed 15 building services vendors and discovered that similar to the City, none of the vendors were able to obtain reclaimed wastewater for the purpose of exterior building cleaning.

As a result, staff recommends four revisions to the Stage D policy that will bring the Code's instructions for water conservation into further alignment with State guidelines as well as allow for the washdown of building exteriors, sidewalks and outdoor dining areas to occur when the best management practices in the building services (i.e. building cleaning) industry are applied.

The first recommendation, as previously noted, is to change the requirement to use reclaimed wastewater to a requirement to use a Reclaimed Water System. The proposed definition of Reclaimed Water System provides the context for responsible vendors to conduct power-washing operations.

Building services companies' best management practices that take water conservation into consideration often include the use of a Reclaimed Water System. The purpose of a Reclaimed Water System is to conserve water during power-washing by capturing the water runoff (usually by vacuum and berm), filtering the captured water and reusing it multiple times. This is also known in the building services industry as a “closed loop system.” The number of times any single amount of water can be reused depends on a number of factors, including the amount of sediment/dirt picked up during the recapture process and the type of filtration system employed. The recirculated use rate varies depending on the vendor – vendors are quoted as being able to recycle a single tank of water from as few as three times to as many as 10 times. Recycled on an average of six times, based on a recapture rate of 85%, a 250-gallon tank used in this way will equate to approximately 1,100 gallons of water worth of cleaning, enough water to clean as much as 100,000 square feet of building exterior or sidewalk area.

In this way the City would be providing a practical and achievable standard that would result in a significant reduction in the amount of water used to clean exteriors without eliminating all power-washing.

In addition, staff's review of building cleaning industry practices reveals that the capture and reuse of water (run-off) used to clean building exteriors comprised of glass and windows is difficult to accomplish or quantify. To address the need for washing down building exteriors comprised of glass and windows, it is recommended that the Code

Meeting Date: August 18, 2015

language provide that the use of commercial glass and window cleaners (such as Windex) shall be allowed. The proper use of which will result in no run-off reaching the storm drain system.

It is also recommended that frequency restrictions be placed upon building exterior washings in accordance with building type if using a Reclaimed Water System. For instance, retail building exterior washing would be limited to no more than once per month; office and other commercial buildings would be limited to twice per year and food service uses would be limited to no more often than is necessary for public health and safety.

Lastly, it is recommended that language should be added to the Municipal Code to allow sidewalks and outdoor dining areas to be washed when a Reclaimed Water System is employed, but no more often than is necessary for public health and reasons.

Prior to the implementation of Stage D, these areas were regularly power-washed by the City's Public Works Services Crews and private restaurant owners. Public Works Services is in the process of increasing their supply of Reclaimed Water Systems, replacing standard power-washing equipment. However, Stage D does not currently allow power-washing even if the water is recaptured and reused.

As a result, modifications to the Stage D language would also include the following changes:

- 1.) Exterior washdown of buildings shall be prohibited unless: (i) using a Reclaimed Water System and such washing is done: (a) no more than once per month for retail building frontage; and (b) no more than twice a year for office and commercial buildings; and (c) no more often than is necessary to comply with health laws and regulations for the building frontage of food service uses; or

(ii) using a commercial glass and window cleaner.
- 2.) Exterior washdown of sidewalks and the pavement of outdoor dining areas shall be prohibited unless using a Reclaimed Water System and such washing is done no more often than is necessary to comply with health laws and regulations.

It is recommended that these modified policies should be enforced through public right-of-way use permits, which has been the standard practice for business washing building exteriors from the public sidewalk, and by the Community Development Department code enforcement staff.

FISCAL IMPACT

The cost estimate for code enforcement for the car wash requirements of this ordinance is expected to cost approximately \$25,000 per year. In addition, Public Works Services is planning to purchase three pressure washing systems equipped with a reclaimed water system. The estimated cost to procure this type of equipment is around \$17,000 per unit.


George Chavez
Approved By


David Lightner
Approved By

Attachment 1

ORDINANCE 15-O-_____

AN ORDINANCE OF THE CITY OF BEVERLY HILLS
AMENDING THE BEVERLY HILLS MUNICIPAL CODE
REGARDING STAGE D WATER CONSERVATION
REQUIREMENTS FOR EXTERIOR WASHDOWN OF
BUILDINGS, VEHICLES, SIDEWALKS AND OUTDOOR
DINING AREAS

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

Section 1. The city council hereby amends and restates paragraph D.2.g. of Section 9-4-304 (“REQUIREMENTS FOR WATER CONSERVATION STAGES”) of Article 3 (“Emergency Water Conservation Plan”) of Chapter 4 (“WATER REGULATIONS”) of Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) of the Beverly Hills Municipal Code to read as follows:

“9-4-304: REQUIREMENTS FOR WATER CONSERVATION STAGES:

D. Stage D Requirements:

2. Stage D compliance elements shall include the following mandatory elements:

g. Exterior washdown of vehicles shall be prohibited unless:

- (i) using a Reclaimed Water System;
- (ii) performed in accordance with an alternative plan that promotes water conservation and is approved in writing by the Director of Public Works or his/her designee; or
- (iii) required to meet laws or governmental regulations to protect health and safety, such as the cleaning of garbage trucks and vehicles to transport food.”

Section 2. The city council hereby adds subsection (j) to paragraph D.2. of Section 9-4-304 (“REQUIREMENTS FOR WATER CONSERVATION STAGES”) of Article 3 (“Emergency Water Conservation Plan”) of Chapter 4 (“WATER REGULATIONS”) of Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) of the Beverly Hills Municipal Code to read as follows:

“9-4-304: REQUIREMENTS FOR WATER CONSERVATION STAGES:

D. Stage D Requirements:

2. Stage D compliance elements shall include the following mandatory elements:

j. Exterior washdown of buildings shall be prohibited unless:

- (i) using a Reclaimed Water System and such washing is done: (a) no more than once per month for retail building frontage; (b) no more than twice per year for office and commercial buildings; or (c) no more often than is necessary to comply with health laws and regulations for the building frontage of food service uses; or
- (ii) using a commercial glass and window cleaner.”

Section 3. The city council hereby adds subsection (k) to paragraph D.2. of Section 9-4-304 (“REQUIREMENTS FOR WATER CONSERVATION STAGES”) of Article 3 (“Emergency Water Conservation Plan”) of Chapter 4 (“WATER REGULATIONS”) of Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) of the Beverly Hills Municipal Code to read as follows:

“9-4-304: REQUIREMENTS FOR WATER CONSERVATION STAGES:

D. Stage D Requirements:

2. Stage D compliance elements shall include the following mandatory elements:

- k. Exterior washdown of sidewalks and the pavement of outdoor dining areas shall be prohibited unless using a Reclaimed Water System and such washing is done no more often than is necessary to comply with health laws and regulations.”

Section 4. The city council hereby adds paragraph D.4. to Section 9-4-304 (“REQUIREMENTS FOR WATER CONSERVATION STAGES”) of Article 3 (“Emergency Water Conservation Plan”) of Chapter 4 (“WATER REGULATIONS”) of Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) of the Beverly Hills Municipal Code to read as follows:

“9-4-304: REQUIREMENTS FOR WATER CONSERVATION STAGES:

D. Stage D Requirements:

- 4. For purposes of this Article, “Reclaimed Water System” shall mean a system that initially uses potable water and then collects the runoff, treats the runoff, and uses the runoff for non-potable uses for multiple cycles.”

Section 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this Ordinance shall remain in full force and effect.

Section 6. Publication. 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 the city Clerk’s certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this city.

Section 7. Effective Date. 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:

JULIAN A. GOLD, M.D.
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:

MAHDI ALUZRI
Interim City Manager

DAVID LIGHTNER
Deputy City Manager / Director of Capital Assets

GEORGE CHAVEZ
Director of Public Works Services



AGENDA REPORT

Meeting Date: June 30, 2015
Item Number: G-3A
To: Honorable Mayor & City Council
From: Trish Rhay, Assistant Director of Public Works Services, Infrastructure & Field Operations
Michelle Tse, Senior Management Analyst
Subject: A. RECOMMENDATION TO INCREASE WATER USE RATES FOR FY15-16 DUE TO ONGOING CONSERVATION EFFORTS
Attachments: 1. Resolution 15-R-13037 – Stage D Resolution

RECOMMENDATION

The Public Works Liaison Committee ("Liaison Committee") is recommending that the City Council initiate the public noticing and hearing process for two water rate increases of 5% each to cover the projected revenue shortfall as a result of anticipated reduction in consumption, and increasing expenses to fulfill the State's drought mandate. After these increases, there is a reduction in revenue due to conservation of an additional \$4M over a 12 month period, which can be offset through the use of Water Enterprise Fund reserves.

INTRODUCTION

On April 1, 2015, the Governor declared the first ever state-wide mandatory water use reduction of 25% through February 2016. Under this directive, the State Water Resources Control Board instituted mandatory conservation water use reduction targets for each water provider, including the City of Beverly Hills.

At its May 5, 2015 Formal meeting, the City Council approved Resolution 15-R-13037, declaring a Stage D (30%) water use reduction. A copy of the Resolution is included as Attachment 1. The City Council directed staff to review the City's existing water rates and determine if a rate increase should be implemented given increasing costs and anticipated reductions in water sales and revenue. The major concern expressed by the City Council was that the City should plan accordingly such that sufficient revenues are available to offset standard operating costs.

Staff worked with the firm HF&H Consultants LLC ("HF&H") to review the City's operating costs to determine whether a water rate increase was needed.

DISCUSSION

For background, the City Council approved a 2% water rate increase in August 2014 for FY14-15. During the last several months, staff has been working with the Public Works Commission on the development of the Water Enterprise Plan which not only identified projects and programs to increase the City's water system reliability, but also included a 10-year financial forecast. The financial analysis generated the information needed to project any rate increases necessary to fund the Water Enterprise Plan for future years. The Water Enterprise Plan framework was approved by the City Council during the May 18, 2015 Formal meeting. At this same meeting, the City Council directed staff to evaluate additional potential rate adjustments needed to compensate for increased operating costs, conservation efforts, and reduced consumption. The next sections elaborate on the analysis completed on water rates.

Water Rate Analysis

As part of the analysis, water operating costs for FY15-16 were reviewed. The following summarizes the projected fiscal impacts based on existing operating costs and projected revenue loss due to increased conservation efforts as well as potential solutions for addressing such shortfalls:

Table 1: Rate Strategies for Addressing Revenue Needed to Cover Capital and Operating Costs

Description	Cost Impact (12 months)	Potential Solution(s)
1. Budgeted Operating Expense Increases	\$1,036,382	<ul style="list-style-type: none"> • 3.53% rate increase
2. Revenue loss due to Conservation	\$5,710,049 (net of reduced water purchases)	<ul style="list-style-type: none"> • Additional 24.9% rate increase • Offset revenue loss through available reserves • Combination of "a" and "b"
Total Impact:	\$6,746,431	

The following sections further describe each of the various revenue needs based on projected revenue loss.

1. Budgeted Operating Expense Increases of \$1,036,382:

There was a projected overall operating cost increase of 3.53%, approximately \$1M, which is primarily due to personnel cost increases with the addition of the Water Resources Manager and the Conservation Coordinator positions.

2. Revenue Loss Due to Conservation of \$5,710,049:

For revenue forecasting purposes, staff used the following assumptions regarding customer usage reductions:

- 50% of customers reduce water use by 30%
- 25% of customers reduce water use by 15%
- 25% of customers do not reduce water use

The assumptions outlined above average an overall 18.8% City-wide reduction; this equates to an estimated revenue loss of 24.9% (\$7.8 million) per year. Since the City utilizes a tiered rate

system, it is important to note that an overall 18.8% water use reduction does not equate to a proportional revenue loss. As consumption decreases, the City's need to purchase water will decrease an estimated 18.8% (\$2.1 million) per year. Therefore, the total revenue shortfall is estimated to be \$5.7 million.

The rate strategies were reviewed by both the Public Works Commission Conservation Subcommittee (Commissioner Wolfe and Commissioner Felsenthal) and the Public Works Liaison Committee (Vice Mayor Mirisch and Councilmember Brien). As part of the analysis, scenarios showing the interim rate increases needed to cover operating costs were presented. Based on the review, the Liaison Committee is recommending a progressive approach of two interim water rate increases of 5% each and use of \$4M of the operating reserves (over a 12 month period) to cover projected consumption revenue shortfalls. The analysis includes the planned implementation of a new tiered structure by February 2016, which will be designed to cover the total system costs of providing water to the City's customers, which includes the remaining costs of FY15/16.

The following Table 2 shows new tier rates based on the recommended rate increases for both residential and commercial customers in Beverly Hills and West Hollywood.

Table 2: New Tier Rates for Beverly Hills and West Hollywood Customers

Beverly Hills Rates:

Single Family/Multi-Family	Present	October 11, 2015 (with 5% increase)	December 15, 2015 (with 5% increase)
Tier 1	\$ 3.53	\$ 3.71	\$ 3.90
Tier 2	\$ 4.67	\$ 4.90	\$ 5.15
Tier 3	\$ 7.36	\$ 7.73	\$ 8.12
Tier 4	\$14.22	\$14.93	\$15.68
Commercial			
Tier 1	\$6.04	\$6.34	\$6.66

West Hollywood Rates:

Single Family/Multi-Family	Present	October 11, 2015 (with 5% increase)	December 15, 2015 (with 5% increase)
Tier 1	\$ 4.41	\$ 4.63	\$ 4.86
Tier 2	\$ 5.84	\$ 6.13	\$ 6.44
Tier 3	\$ 9.21	\$ 9.67	\$10.15
Tier 4	\$17.77	\$18.66	\$19.59
Commercial			
Tier 1	\$ 7.55	\$ 7.93	\$ 8.33

Water Rate Impact on Penalty Surcharge

A more detailed discussion on the water penalty surcharges is separately agendaized for the June 30, 2015 City Council Formal Session.

Water Rate Implementation

The Liaison Committee suggested that the first 5% rate increase begin in July 2015. State law, however, requires a 45-day advance notice to water customers and a public hearing be held regarding any rate increases.

Therefore, the soonest the rate increases can be implemented is outlined in the following projected timeline:

- June 30, 2015: Council approval to proceed with the rate increase
- July 6, 2015: Deadline to mail out notices to all water customers (minimum of 45-day advance notice)
- September 1, 2015: Public Hearing/First Reading on Proposed Water Rate Increases
- September 10, 2015: Second Reading
- October 11, 2015: Effective Date of Ordinance / First rate increase becomes effective (minimum effective date is 30 days after Second Reading)
- December 15, 2015: Second rate increase becomes effective

Projected New Tiered Water Rate Structure Timeline

It is important to note that this recommended water rate increase would be in effect until the City finalizes a new tiered water rate structure that would account for expected long-term conservation, reductions in consumption, and necessary revenues to achieve the goals identified in the 10-year capital investment of the Water Enterprise Plan.

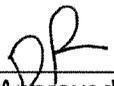
The current projected timeline for the new tiered water rate structure development is as follows:

- July - September 2015: Conservation Rate Structure Development
- October 9, 2015: Framework presented to Public Works Commission
- October 2015: Framework presented to Public Works Liaison Committee
- October 20, 2015: Framework presented to City Council (Study Session)
- October 27, 2015: Deadline to mail out notices regarding new water rate structure (minimum 45 advance notice to water customers)
- December 15, 2015: Introduce to City Council Formal Session — First Ordinance Reading
- January 2016: City Council Formal Session — Second Ordinance Reading
- February 2016: Ordinance Effective Date (minimum effective date is 30 days after Second Reading)

Based on the projected timeline, staff will be returning with a proposed new tier water rate structure for the City Council’s consideration by Fall 2015.

FISCAL IMPACT

The two rate increases (5% in October and 5% in December) and the use of \$4M from operations and reserves is estimated to cover revenue loss from conservation and increasing operating expenses until a new tiered rate structure can be put in place in February 2016.



Approved By
Don Rhoads



Approved By
George Chavez

Attachment 1

RESOLUTION NO. 15-R- 13037

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS DECLARING AND IMPLEMENTING
STAGE D WATER CONSERVATION MEASURES

RECITALS

WHEREAS, during calendar year 2014, the Governor declared a drought in the State of California and the State Water Resources Control Board enacted emergency water conservation measures. As a result, the City of Beverly Hills declared the Stage B shortage, which is currently in effect, mandating a 10% reduction in potable water use.

WHEREAS, in April 2015, the Governor issued an Executive Order directing the State Water Board to impose restrictions to achieve an aggregate statewide 25% reduction in potable urban water use through February 2016. As a result, the State Water Board released a preliminary framework, outlining reduction targets from 8% to 36% for each water supplier, with Beverly Hills having a reduction target of 36%.

WHEREAS, given the Governor's Executive Order and the State Water Board's reduction target for Beverly Hills of 36%, the City Manager is recommending the further declaration of a water shortage emergency and the implementation of water conservation Stage D pursuant to Beverly Hills Municipal Code Section 9-4-301.

NOW THEREFORE, the City Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. Water Conservation Stage D is hereby declared throughout the City's service area mandating a minimum 30% reduction in potable water use.

Section 2. The City Council hereby directs that the Assistant Director of Public Works Services implement Water Conservation Stage D as follows:

Stage D Requirements:

- a. Restaurants shall serve water upon request only;
- b. All public restrooms in the city and private bathrooms in hotels shall notify patrons and employees of water conservation goals;
- c. Plumbing and irrigation leaks shall be repaired as soon as practicable. The city may issue notices to repair visible leaks;
- d. Landscape irrigation shall be restricted to selected days and times as determined by the city manager, unless such irrigation uses reclaimed wastewater;

e. Refilling of swimming pools, spas or ponds shall be prohibited unless required for health or safety reasons. Topping off pools with water in order to maintain filter effectiveness and prevent standing water and breeding of insects shall be considered a refilling of a pool for health reasons;

f. Operation of water fountains shall be prohibited unless the water is recirculated;

g. Exterior washdown of buildings and washdown of vehicles shall be prohibited, unless: (1) the washing is done on the immediate premises of a commercial car wash or commercial service station or with reclaimed wastewater; or (2) the health, safety and welfare of the public is contingent upon frequent vehicle cleaning, such as the cleaning of garbage trucks and vehicles to transport food and perishables;

h. Water usage from fire hydrants shall be limited to firefighting, related activities or other activities necessary to maintain the public health, safety and welfare;

i. Except for single-family and multi-family residential users in tier 1 who will remain in tier 1 for the next billing cycle, users shall reduce water usage to 70% of the amount in the baseline period as determined by the city council.

Section 3. A penalty surcharge may be assessed for water usage contrary to the provisions of Stage D or any water conservation measure adopted by the City Council in an amount to be determined by the city council, and which shall be consistent with State law.

Section 4. Violation by any person of the stage D mandatory requirements shall constitute a misdemeanor and, upon conviction, shall be punished by a fine not to exceed \$1,000.00. Continued excessive use may result in termination of water supply through irrigation water services and/or restriction of water supply through domestic meters. The violation of each element, and each separate violation thereof, shall be deemed a separate offense, and shall be punished accordingly.

Section 5. The drought emergency water conservation regulations as promulgated by the State Water Resources Control Board shall be implemented.

Section 6. The procedure for a water customer to appeal the imposition of the water penalty surcharge will be as outlined in Resolution 09-R-12672 adopted by the City Council on May 13, 2009.

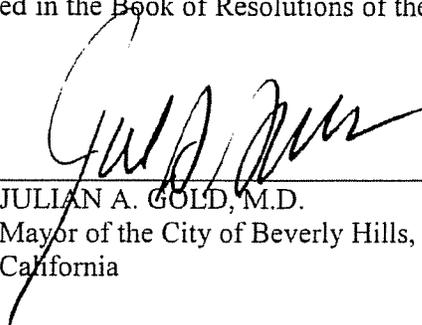
Section 7. The City Council hereby finds, in the exercise of its independent judgment and analysis, that this Resolution is exempt from the California Environmental Quality Act ("CEQA") because the requirements for water conservation contained in this Resolution will not have a significant effect on the environment, and the adoption of this Resolution and the timing thereof is mandated by the current drought conditions and the State Water Board's water reduction target for the City. In this case, the City is acting at the direction of the State Water Board to protect, maintain, restore and enhance natural resources and the environment. To comply with the requirements of the State Water Board, the City Council finds that the adoption of this Resolution is categorically exempt from the requirements of CEQA pursuant to CEQA Guidelines Sections 15307 and 15308. Furthermore, this Resolution will have no possible

significant effect on the environment, given that the provisions of this Resolution provide similar regulations as currently exist and will not in and of themselves cause any change in the environment. Staff is hereby directed to prepare and post a notice of exemption pursuant to CEQA Guidelines Section 15062.

Section 8. In accordance with Beverly Hills Municipal Code Section 9-4-303, the City Council hereby directs the City Clerk to publish this Resolution within 10 days of its adoption at least once in a newspaper of general circulation within the city and to post this Resolution in at least three (3) public places and continue to post this Resolution until such time as the restrictions set forth herein are repealed by resolution of the City Council.

Section 9. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certification to be entered in the Book of Resolutions of the Council of the City.

Adopted: May 5, 2015



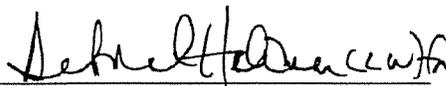
JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills,
California

ATTEST:



BYRON POPE (SEAL)
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



GEORGE CHAVEZ
Director of Public Works Services



AGENDA REPORT

Meeting Date: June 30, 2015

Item Number: G-3B

To: Honorable Mayor & City Council

From: Trish Rhay, Assistant Director of Public Works Services, Infrastructure & Field Operations
Michelle Tse, Senior Management Analyst

Subject: B. RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS ESTABLISHING A PENALTY SURCHARGE FOR WATER USAGE CONTRARY TO THE PROVISIONS OF THE STAGE D WATER CONSERVATION MEASURES

Attachments:

1. Resolution
2. Resolution 15-R-13037 Declaring Stage D Conservation Measures
3. Examples of Penalty Surcharge Assessment Impacts for Different Beverly Hills Customer Types

RECOMMENDATION

Staff recommends that the City Council adopt RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS ESTABLISHING A PENALTY SURCHARGE FOR WATER USAGE CONTRARY TO THE PROVISIONS OF THE STAGE D WATER CONSERVATION MEASURES.

INTRODUCTION

On April 1, 2015, the Governor declared the first ever state-wide mandatory water use reduction of 25% through February 2016. Under this directive, the State Water Resources Control Board instituted mandatory conservation water use reduction targets for each water provider, including a 32% water use reduction target for the City of Beverly Hills.

During the April 21, 2015 Study Session, the City Council agreed to move forward with elevating the City's conservation program from Stage B (10% water use reduction) to Stage D (30% water use reduction). The City Council subsequently approved Resolution 15-R-13037 declaring Stage D. Attachment 2 is a copy of the Resolution. Stage D allows for penalty surcharge assessments on water use in excess of the 70% baseline. The City Council directed staff to hold off on implementing the penalty surcharges as outlined in Stage D of the City's Municipal Code until legal issues related to the water rate structure could be better understood and addressed in

light of the recent court of appeals decision in *Capistrano Taxpayers Inc, v. City of San Juan Capistrano*.

The proposed penalty rate was determined through a comprehensive analysis prepared by HF&F Consultants LLC ("HF&H") and staff. The proposed penalty rate has also been reviewed by the City Attorney's office.

DISCUSSION

This report focuses only on the penalty surcharge framework. The water rate analysis is agendized separately for the June 30, 2015 City Council Formal meeting.

Penalty Surcharge Framework Analysis

HF&H and staff have developed a penalty framework that relates penalties to the costs that will likely be imposed on the City if water users fail to meet the conservation goals established by Stage D. HF&H and staff first identified potential costs that would likely be borne by the City if the City did not comply with the State's water use reduction target. Staff identified three potential costs that the City is at risk of paying should consumption reduction targets not be met and they are listed below along with related assumptions:

1. *City Costs:* \$1,763,708
Initially, if the City fails to meet the State ordered conservation goals, State regulators may require the City to accelerate the current 10-year conservation strategy that is outlined in the Water Enterprise Plan and require such programs be implemented over the year. Thus, the conservation program costs for not meeting the 30% conservation requirement were calculated to include the costs of implementing conservation measures that would otherwise not have needed to be made until Years 2-10 as outlined in the Water Enterprise Plan.

2. *State Water Resources Control Board ("State Board") Fines:* \$1,000,000
The State Board can fine water providers a penalty of \$10,000/day for not meeting the conservation target. The potential \$1,000,000 fine amount does not assume that the State will immediately impose the maximum potential fine on the City. Rather, it is based on the assumption that the State Board will begin to impose fines if the City fails to achieve compliance with the conservation target within a reasonable period of time.

3. *Metropolitan Water District ("MWD") Costs:* \$3,821,897
MWD is requiring each of the member agencies to reduce water consumption by 15% starting July 1, 2015. Water purchases in excess of the reduction target will be assessed at the MWD Tier 2 rate of \$2,960 per acre ft. Based on 2014 water use data, if the City fails to reduce consumption, then it is projected that 1,291 acre ft. of water purchased from MWD will be assessed at the Tier 2 rate, which equates to \$3,821,897. In order for the City to avoid paying the higher MWD Tier 2 rate, the City would need to reduce MWD water use by 12%.

Total Projected Risk Costs (FY15-16): \$6,585,605

The next step in the analysis was to determine the most equitable approach for distributing these potential risk costs through the imposition of penalties on those who fail to meet the conservation targets and thus trigger these costs. The following outlines the recommended approach.

Level 1 Assessment: Water use reduction less than 30% of baseline

The penalties for failing to achieve the 30% conservation mandated by Stage D are set to recover Costs 1 and 2 as outlined above. The notion is that those who fall short of the 30% reduction requirement are causing the City to incur these costs and therefore should pay the City and State Board risk costs which would otherwise be a burden upon all rate payers.

Level 2 Assessment: Water use reduction less than 12% of baseline

The penalties would include Costs 1, 2, and 3 as outlined above. The notion is that the customers who fall in this category did not achieve significant water savings and as a result, those customers cause the City to purchase water at the higher MWD Tier 2 rate in addition to the Tier 1 costs. As such, the customers that reduce less than 12% should be subject to the penalties calculated by all three risk factors rather than have the additional MWD costs become a burden on all rate payers.

Penalty Surcharge Application

Staff is recommending that the 70% baseline be calculated using 2013 customer water usage data. For example, a customer's July-August 2015 baseline of 70% would be calculated based on July-August 2013 usage. The 2013 base year approach is consistent with the State Water Board's approach of establishing each water provider's reduction target by comparing usage to Year 2013. Furthermore, Tier 1 water customers would be exempt from the penalty surcharge assessments because if all customers reduced to the minimal water usage represented by Tier 1, no further conservation would be required.

The penalty surcharge is a multiplier approach. Table 1 below shows the applicable multiplier depending on how much the water customer has conserved.

Table 1: Penalty Surcharge Multiplier Approach

Base Rate	Less than 30% conservation	Less than 12% conservation
	For excess usage above 70% baseline, the multiplier is:	For excess usage above 88% baseline, the multiplier is:
Current Base Rate	1.59 times the base rate	An additional 3.08 times the base rate (Cumulative 4.67%)

Both the Public Works Conservation Subcommittee and the Public Works Liaison Committee have reviewed this penalty surcharge structure and are recommending the City Council's approval of this penalty surcharge framework. A Resolution establishing the penalty surcharge is included as Attachment 1.

Penalty Surcharge Framework Implementation

Please note that the penalty surcharges would be implemented only during a City declared drought. When the City is no longer experiencing drought conditions, staff will return to the City Council with a request to terminate the penalty surcharge. If the City Council approves this framework, the following represents the timeline for implementing the penalty surcharges:

- June 30, 2015: Resolution for City Council approval
- July 2015: Public education and outreach before penalty surcharges are assessed
- August – September 2015: Billing cycle grace period / Notify customers
- October 2015: Penalty surcharge effective date

FISCAL IMPACT

For forecasting purposes, staff used the following assumptions regarding customer usage reductions:

- 50% of customers reduce water use by 30%
- 25% of customers reduce water use by 15%
- 25% of customers do not reduce water use

The assumptions outlined above equates to a City-wide average water use reduction of 18.8%. If the City collectively reduces water use by 18.8%, then the City will recover the full amount of risk costs (i.e. City costs, State Water Board fines, and the MWD Tier 2 rates) of \$6,585,605 over 12 months. If these conservation assumptions prove dramatically incorrect, then an adjustment of the penalty surcharge may be appropriate in order to ensure that those who are not meeting conservation goals are bearing the costs imposed on the Water Enterprise for the failure of the City to meet its water conservation goals.

Attachment 3 includes summary tables showing how Beverly Hills water customers from different customer classes may be impacted based on the penalty surcharge assessments if the customer reduced water usage by 0%, 18.8% or 30%. Please note each customer's bill can vary widely based on specific account characteristics. The penalty surcharge assessments were calculated based on the assumption that the City moves forward with a 5% rate increase in October 2015 and subsequent 5% rate increase in December 2015.

Collected funds will be used to cover costs such as the need to accelerate programs to achieve the conservation target, the purchase of MWD water at the higher Tier 2 rate, and/or any fines and penalties that may be imposed by the State Water Resources Control Board for non-compliance.



Approved By
Don Rhoads



Approved By
George Chavez

Attachment 1

RESOLUTION NO. 15-R-_____

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS ESTABLISHING A PENALTY
SURCHARGE FOR WATER USAGE CONTRARY TO THE
PROVISIONS OF THE STAGE D WATER CONSERVATION
MEASURES

RECITALS

WHEREAS, during calendar year 2014, the Governor declared a drought in the State of California and the State Water Resources Control Board enacted emergency water conservation measures. As a result, the City of Beverly Hills declared the Stage B shortage, which is currently in effect, mandating a 10% reduction in potable water use.

WHEREAS, in April 2015, the Governor issued an Executive Order directing the State Water Board to impose restrictions to achieve an aggregate statewide 25% reduction in potable urban water use through February 2016. As a result, the State Water Board released a preliminary framework, outlining reduction targets from 8% to 36% for each water supplier, with Beverly Hills having a reduction target of 36%. Upon additional review of information submitted by the City of Beverly Hills, the State Water Board reduced the reduction target to 32%.

WHEREAS, on May 5, 2015, the City Council adopted its resolution No. 15-R-13037 declaring and implementing Stage D water conservation measures pursuant to Beverly Hills Municipal Code Section 9-4-304 and authorizing a penalty surcharge for water usage contrary to the provisions of the Stage D water conservation measures.

WHEREAS, pursuant to Beverly Hills Municipal Code Section 9-4-302, the City Council desires to establish a penalty surcharge for water usage contrary to the provisions of the Stage D water conservation measures.

NOW THEREFORE, the City Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. The City Council hereby establishes a penalty surcharge for water usage contrary to the provisions of Stage D as follows:

a. For a customer who reduces water use by less than thirty percent (30%) of the amount in the baseline period, the penalty surcharge is 1.59 times the basic water rate for water usage in excess of seventy percent (70%) of the amount in the baseline period.

b. For a customer who reduces water use by less than twelve percent (12%) of the amount in the baseline period, the penalty surcharge is an additional 3.08 times the basic water rate for water usage in excess of eighty-eight percent (88%) of the amount in

the baseline period (for a cumulative 4.67 times the basic water rate for water usage in excess of eighty-eight percent (88%) of the amount in the baseline period).

c. The baseline period shall be the days in the 2013 calendar year against which water use is compared for those same days in the current year (for example, the baseline period is July 1, 2013 through August 31, 2013 for determining the amount water use reduction for July 1, 2015 through August 31, 2015).

d. The penalty surcharge established by this section shall be effective October 15, 2015.

Section 2. In accordance with Beverly Hills Municipal Code Section 9-4-303, the City Council hereby directs the City Clerk to publish this Resolution within 10 days of its adoption at least once in a newspaper of general circulation within the city and to post this Resolution in at least three (3) public places and continue to post this Resolution until such time as the restrictions set forth herein are repealed by resolution of the City Council.

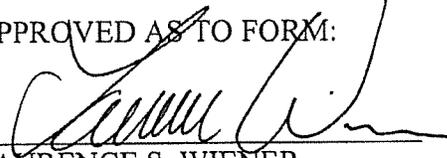
Section 3. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certification to be entered in the Book of Resolutions of the Council of the City.

Adopted:

JULIAN A. GOLD, M.D.
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:


GEORGE CHAVEZ
Director of Public Works Services

Attachment 2

RESOLUTION NO. 15-R- 13037

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS DECLARING AND IMPLEMENTING
STAGE D WATER CONSERVATION MEASURES

RECITALS

WHEREAS, during calendar year 2014, the Governor declared a drought in the State of California and the State Water Resources Control Board enacted emergency water conservation measures. As a result, the City of Beverly Hills declared the Stage B shortage, which is currently in effect, mandating a 10% reduction in potable water use.

WHEREAS, in April 2015, the Governor issued an Executive Order directing the State Water Board to impose restrictions to achieve an aggregate statewide 25% reduction in potable urban water use through February 2016. As a result, the State Water Board released a preliminary framework, outlining reduction targets from 8% to 36% for each water supplier, with Beverly Hills having a reduction target of 36%.

WHEREAS, given the Governor's Executive Order and the State Water Board's reduction target for Beverly Hills of 36%, the City Manager is recommending the further declaration of a water shortage emergency and the implementation of water conservation Stage D pursuant to Beverly Hills Municipal Code Section 9-4-301.

NOW THEREFORE, the City Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. Water Conservation Stage D is hereby declared throughout the City's service area mandating a minimum 30% reduction in potable water use.

Section 2. The City Council hereby directs that the Assistant Director of Public Works Services implement Water Conservation Stage D as follows:

Stage D Requirements:

- a. Restaurants shall serve water upon request only;
- b. All public restrooms in the city and private bathrooms in hotels shall notify patrons and employees of water conservation goals;
- c. Plumbing and irrigation leaks shall be repaired as soon as practicable. The city may issue notices to repair visible leaks;
- d. Landscape irrigation shall be restricted to selected days and times as determined by the city manager, unless such irrigation uses reclaimed wastewater;

e. Refilling of swimming pools, spas or ponds shall be prohibited unless required for health or safety reasons. Topping off pools with water in order to maintain filter effectiveness and prevent standing water and breeding of insects shall be considered a refilling of a pool for health reasons;

f. Operation of water fountains shall be prohibited unless the water is recirculated;

g. Exterior washdown of buildings and washdown of vehicles shall be prohibited, unless: (1) the washing is done on the immediate premises of a commercial car wash or commercial service station or with reclaimed wastewater; or (2) the health, safety and welfare of the public is contingent upon frequent vehicle cleaning, such as the cleaning of garbage trucks and vehicles to transport food and perishables;

h. Water usage from fire hydrants shall be limited to firefighting, related activities or other activities necessary to maintain the public health, safety and welfare;

i. Except for single-family and multi-family residential users in tier 1 who will remain in tier 1 for the next billing cycle, users shall reduce water usage to 70% of the amount in the baseline period as determined by the city council.

Section 3. A penalty surcharge may be assessed for water usage contrary to the provisions of Stage D or any water conservation measure adopted by the City Council in an amount to be determined by the city council, and which shall be consistent with State law.

Section 4. Violation by any person of the stage D mandatory requirements shall constitute a misdemeanor and, upon conviction, shall be punished by a fine not to exceed \$1,000.00. Continued excessive use may result in termination of water supply through irrigation water services and/or restriction of water supply through domestic meters. The violation of each element, and each separate violation thereof, shall be deemed a separate offense, and shall be punished accordingly.

Section 5. The drought emergency water conservation regulations as promulgated by the State Water Resources Control Board shall be implemented.

Section 6. The procedure for a water customer to appeal the imposition of the water penalty surcharge will be as outlined in Resolution 09-R-12672 adopted by the City Council on May 13, 2009.

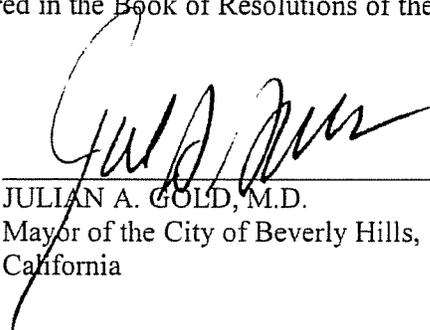
Section 7. The City Council hereby finds, in the exercise of its independent judgment and analysis, that this Resolution is exempt from the California Environmental Quality Act ("CEQA") because the requirements for water conservation contained in this Resolution will not have a significant effect on the environment, and the adoption of this Resolution and the timing thereof is mandated by the current drought conditions and the State Water Board's water reduction target for the City. In this case, the City is acting at the direction of the State Water Board to protect, maintain, restore and enhance natural resources and the environment. To comply with the requirements of the State Water Board, the City Council finds that the adoption of this Resolution is categorically exempt from the requirements of CEQA pursuant to CEQA Guidelines Sections 15307 and 15308. Furthermore, this Resolution will have no possible

significant effect on the environment, given that the provisions of this Resolution provide similar regulations as currently exist and will not in and of themselves cause any change in the environment. Staff is hereby directed to prepare and post a notice of exemption pursuant to CEQA Guidelines Section 15062.

Section 8. In accordance with Beverly Hills Municipal Code Section 9-4-303, the City Council hereby directs the City Clerk to publish this Resolution within 10 days of its adoption at least once in a newspaper of general circulation within the city and to post this Resolution in at least three (3) public places and continue to post this Resolution until such time as the restrictions set forth herein are repealed by resolution of the City Council.

Section 9. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certification to be entered in the Book of Resolutions of the Council of the City.

Adopted: May 5, 2015



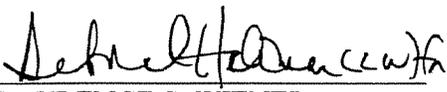
JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills,
California

ATTEST:



BYRON POPE (SEAL)
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



GEORGE CHAVEZ
Director of Public Works Services

Attachment 3

ATTACHMENT 3: Examples of Penalty Surcharge Assessment Impacts for Different Beverly Hills Customer Types

Penalty Surcharge Assessments for Different Beverly Hills Customer Classes

Attachment

(a) Assumes customers do not reduce water use:

Assuming Customers Cutback 0%

	Current BI-Monthly Use (hcf)	Adjusted BI-Monthly Use (hcf)	a		b		c=a+b		d=c-a		e=d/a		f=a*1.05		g		h=f+g		i=h-c		j=i/c		k=f*1.05		l		m=k+l		n=m-h		o=n/h						
			Current BI-Monthly Use (hcf)	0% Cutback	Current BI-Monthly Quantity	Proposed Penalty Surcharge	Proposed Total Charge	(Current w/ Penalty vs. Current w/o Penalty)	\$ Change	% Change	Oct 2015 BI-Monthly Quantity	Proposed Penalty Surcharge	Proposed Total Charge	(Oct vs Current w/ Penalty)	\$ Change	% Change	Dec 2015 BI-Monthly Quantity	Proposed Penalty Surcharge	Proposed Total Charge	(Dec vs Oct)	\$ Change	% Change															
			0% Cutback	Charge	Charge	\$ Change	% Change	Charge	Surcharge	Charge	\$ Change	% Change	Charge	Surcharge	Charge	\$ Change	% Change	Charge	Surcharge	Charge	\$ Change	% Change															
Single-Family																																					
Low Use (50% of avg.)	33	33	\$142.71	\$68.20	\$210.91	\$68.20	47.8%	5% Incr	\$149.85	\$71.61	\$221.46	\$10.55	5.0%	5% Incr	\$157.34	\$75.19	\$232.53	\$11.07	5.0%																		
Average Use	67	67	\$333.77	\$256.32	\$590.09	\$256.32	76.8%		\$350.46	\$269.14	\$619.59	\$29.50	5.0%		\$367.98	\$282.59	\$650.57	\$30.98	5.0%																		
High Use (2x avg.)	134	134	\$922.93	\$933.84	\$1,856.77	\$933.84	101.2%		\$969.08	\$980.53	\$1,949.61	\$92.84	5.0%		\$1,017.53	\$1,029.56	\$2,047.09	\$97.48	5.0%																		
Multi-Family (20 Units)																																					
per unit	540	540	\$4,908.20	\$3,984.21	\$8,892.41	\$3,984.21	81.2%		\$5,153.61	\$4,183.42	\$9,337.03	\$444.62	5.0%		\$5,411.29	\$4,392.59	\$9,803.88	\$466.85	5.0%																		
	27	27	\$245.41	\$199.21	\$444.62	\$199.21	81.2%		\$257.68	\$209.17	\$466.85	\$22.23	5.0%		\$270.56	\$219.63	\$490.19	\$23.34	5.0%																		
Commercial (Hotel)																																					
	8,000	8,000	\$48,320.00	\$26,502.21	\$74,822.21	\$26,502.21	54.8%		\$50,736.00	\$27,827.32	\$78,563.32	\$3,741.11	5.0%		\$53,272.80	\$29,218.68	\$82,491.48	\$3,928.17	5.0%																		

(b) Assumes customers reduce water use by 18.8%:

Assuming Customers Cutback 18.8%

	Current BI-Monthly Use (hcf)	Adjusted BI-Monthly Use (hcf)	a		b		c=a+b		d=c-a		e=d/a		f=a*1.05		g		h=f+g		i=h-c		j=i/c		k=f*1.05		l		m=k+l		n=m-h		o=n/h						
			Current BI-Monthly Use (hcf)	18.8% Cutback	Current BI-Monthly Quantity	Proposed Penalty Surcharge	Proposed Total Charge	(Current w/ Penalty vs. Current w/o Penalty)	\$ Change	% Change	Oct 2015 BI-Monthly Quantity	Proposed Penalty Surcharge	Total Charge	(Oct vs Current w/ Penalty)	\$ Change	% Change	Dec 2015 BI-Monthly Quantity	Proposed Penalty Surcharge	Total Charge	(Dec vs Oct)	\$ Change	% Change															
			18.8% Cutback	Charge	Charge	\$ Change	% Change	Charge	Surcharge	Charge	\$ Change	% Change	Charge	Surcharge	Charge	\$ Change	% Change	Charge	Surcharge	Charge	\$ Change	% Change															
Single-Family																																					
Low Use (50% of avg.)	33	27	\$142.71	\$8.33	\$151.04	\$8.33	5.8%	5% Incr	\$120.42	\$8.75	\$129.17	(\$13.54)	-9.5%	5% Incr	\$126.45	\$9.19	\$135.63	\$6.46	5.0%																		
Average Use	67	54	\$333.77	\$19.44	\$353.21	\$19.44	5.8%		\$252.82	\$20.41	\$273.23	(\$60.54)	-18.1%		\$265.46	\$21.43	\$286.89	\$13.66	5.0%																		
High Use (2x avg.)	134	109	\$922.93	\$65.65	\$988.58	\$65.65	7.1%		\$675.03	\$68.94	\$743.97	(\$178.96)	-19.4%		\$708.79	\$72.38	\$781.17	\$37.20	5.0%																		
Multi-Family (20 Units)																																					
per unit	540	440	\$4,908.20	\$507.38	\$5,415.58	\$507.38	10.3%		\$3,660.51	\$532.75	\$4,193.26	(\$714.94)	-14.6%		\$3,843.54	\$559.39	\$4,402.92	\$209.66	5.0%																		
	27	22	\$245.41	\$25.37	\$270.78	\$25.37	10.3%		\$183.03	\$26.64	\$209.66	(\$35.75)	-14.6%		\$192.18	\$27.97	\$220.15	\$10.48	5.0%																		
Commercial (Hotel)																																					
	8,000	6,496	\$48,320.00	\$3,218.31	\$51,538.31	\$3,218.31	6.7%		\$41,197.63	\$3,379.23	\$44,576.86	(\$3,743.14)	-7.7%		\$43,257.51	\$3,548.19	\$46,805.70	\$2,228.84	5.0%																		

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ATTACHMENT 3: Examples of Penalty Surcharge Assessment Impacts for Different Beverly Hills Customer Types (cont.)

Penalty Surcharge Assessments for Different Beverly Hills Customer Classes

(c) Assumes customers reduce water use by 30%:

Assuming Customers Cutback 30%		a	b	c=a+b	d=c-a	e=d/a	f=a*1.05	g	h=f+g	i=h-c	j=i/c	k=f*1.05	l	m=k+l	n=m-h	o=n/h	
	Current Bi-Monthly Use (hcf)	Adjusted Bi-Monthly Use (hcf)	Current Bi-Monthly Quantity	Proposed Penalty Surcharge	Proposed Total Charge	(Current w/ Penalty vs. Current w/o Penalty)		Oct 2015		(Oct vs Current w/ Penalty)		Dec 2015		Total Charge	(Dec vs Oct)		
	Use (hcf)	30% Cutback	Charge	Charge	Charge	\$ Change	% Change	Quantity	Penalty Surcharge	Charge	Charge	\$ Change	% Change		Quantity	Penalty Surcharge	\$ Change
Single-Family								5% Incr					5% Incr				
Low Use (50% of avg.)	33	23	\$142.71	\$0.00	\$142.71	\$0.00	0.0%	\$100.81	\$0.00	\$100.81	(\$41.90)	-29.4%	\$105.85	\$0.00	\$105.85	\$5.04	5.0%
Average Use	67	47	\$333.77	\$0.00	\$333.77	\$0.00	0.0%	\$218.49	\$0.00	\$218.49	(\$115.28)	-34.5%	\$229.42	\$0.00	\$229.42	\$10.92	5.0%
High Use (2x avg.)	134	94	\$922.93	\$0.00	\$922.93	\$0.00	0.0%	\$559.11	\$0.00	\$559.11	(\$363.82)	-39.4%	\$587.07	\$0.00	\$587.07	\$27.96	5.0%
Multi-Family (20 Units)	540	380	\$4,908.20	\$0.00	\$4,908.20	\$0.00	0.0%	\$2,764.65	\$0.00	\$2,764.65	(\$2,143.55)	-43.7%	\$2,902.88	\$0.00	\$2,902.88	\$138.23	5.0%
per unit	27	19	\$245.41	\$0.00	\$245.41	\$0.00	0.0%	\$138.23	\$0.00	\$138.23	(\$107.18)	-43.7%	\$145.14	\$0.00	\$145.14	\$6.91	5.0%
Commercial (Hotel)	8,000	5,600	\$48,320.00	\$0.00	\$48,320.00	\$0.00	0.0%	\$35,515.20	\$0.00	\$35,515.20	(\$12,804.80)	-26.5%	\$37,290.96	\$0.00	\$37,290.96	\$1,775.76	5.0%



AGENDA REPORT

Meeting Date: June 30, 2015

Item Number: G-3C

To: Honorable Mayor & City Council

From: Trish Rhay, Assistant Director of Public Works Services, Infrastructure & Field Operations
Michelle Tse, Senior Management Analyst

Subject: C. RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS ESTABLISHING AN APPEAL PROCEDURE FOR PENALTY SURCHARGES FOR WATER USAGE CONTRARY TO THE PROVISIONS OF THE STAGE D WATER CONSERVATION MEASURES

Attachments:

1. Resolution
2. 2009 Appeals Process – Resolution 09-R-12672
3. Penalty Surcharge Appeals Process Flowchart

RECOMMENDATION

Staff recommends the City Council adopt RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS ESTABLISHING AN APPEAL PROCEDURE FOR PENALTY SURCHARGES FOR WATER USAGE CONTRARY TO THE PROVISIONS OF THE STAGE D WATER CONSERVATION MEASURES.

INTRODUCTION

During the May 5, 2015 meeting, the City Council approved elevation of the City's water conservation measures from Stage B (10% water use reduction) to Stage D (30% water use reduction) due to continued drought conditions. In addition to several water use restrictions, Stage D includes penalty surcharge assessments on water use in excess of the 70% baseline. As such, an appeals process needs to be in place with the current Stage D declaration in order to enable customers to appeal such penalty.

Meeting Date: June 30, 2015

DISCUSSION

By way of background, a penalty surcharge appeals process was implemented when a Stage B (10% reduction) conservation program was declared in 2009. Resolution 09-R-12672 outlines the 2009 appeals process and is included as Attachment 2. Staff evaluated the 2009 appeals process to re-establish objectives, develop a more streamlined process, and also identify conditions relevant in 2015 that should be taken into consideration. A new penalty surcharge appeals process may be adopted by the City Council by Resolution.

For the current Stage D (30%) water use reduction, the 70% baseline will be established based on water usage from the same billing cycle in Year 2013. For example, the 70% baseline for billing period May-June 2015 will be based on usage during May-June 2013. The 2013 water consumption information is used as the base year to coincide with the same baseline that the State Water Resources Control Board is using to track reductions for each water provider.

Objectives for the Penalty Surcharge Appeals Process

The primary objectives identified for the penalty surcharge appeals process are the following:

- Promote conservation
- Not penalize customers who are conserving water to the best of their ability
- Penalize customers for excess water use

Penalty Surcharge Process Overview

Pursuant to the procedures set forth in the Resolution, any water customer may appeal the imposition of a water penalty surcharge and/or request a reduction of such surcharge. The customer initiates the process by completing the Water Penalty Surcharge Appeal Form, which will be made available to all Beverly Hills water customers on the City's website and mailed upon request. Attachment 3 is a flow chart of the penalty surcharge appeals process. The following sections will further elaborate on the process.

If a customer wishes to file an appeal, the customer shall submit the form along with their bill by the due date (30 days), along with payment of all standard usage charges (excluding the penalty surcharges). Payment of the penalty surcharge portion of the bill is not a requirement to request an initial appeals review.

There are two levels of review in the appeals process. The first level of review is completed by City staff. Under this first level review, City staff reviews the submitted Appeal Form to determine if the customer is eligible for an adjusted conservation target based on information submitted. The Appeal Form lists various conditions which may trigger reduced conservation targets. The Public Works Commission Conservation Subcommittee comprised of Vice Chair Aronberg and Commissioner Wolfe has reviewed the various conditions identified which may trigger reduced conservation targets. The purpose for establishing these conditions with pre-determined conservation targets is to address the majority of customers requesting an appeal and streamline the administrative review process.

The following section describes the rationale for the pre-identified conditions during the first level of review and the adjusted conservation rates for qualifying customers:

- a) A customer's residence is occupied by more residents than in the base year(s), which makes it infeasible to reduce water consumption by 30% from the baseline.***

Meeting Date: June 30, 2015

Consideration is given for new additions to the family, family members returning home from college/work, and the like. Eligible customers may receive an adjusted conservation target of 20% instead of 30%.

- b) A user or customer has a medical condition which makes it infeasible to reduce water consumption by 30% from the baseline. Valid medical conditions may include (but are not limited to) the following: desquamation (flaky skin disease), weeping skin disease (eczema, psoriasis or varicose ulceration), incontinence, abdominal stomas, renal failure requiring dialysis at home, Crohn's disease, and ulcerative colitis.**

An accompanying doctor's note will be needed in this instance. If valid, the adjusted conservation target will be 20%.

- c) New water customer**

This category covers instances in which there is a change in property ownership and/or new tenants to a building. While historical water consumption data may not be available for the customer(s), historical water use is available for the property. Qualifying customer(s) will receive an adjusted conservation target of 20% based on the property's 2013 usage data.

- d) Unique property qualities requiring an adjustment to conservation target, such as recent replacement of garden**

Consideration will be given for properties with unique qualities such as the recent replacement of a garden or the removal of turf for installation of drought tolerant landscaping throughout the property. The proposed reduction target will be determined upon review of the appeal.

- e) Fire hazard zone or slope stability**

Consideration will be given for properties that have difficulty reducing water use due to circumstances such as soil erosion control or the property is situated in a fire hazard zone. The proposed adjusted conservation target of 25% is based on the rationale that there are alternatives such as drip irrigation, smart controller system, drought tolerant landscaping including artificial turf (for backyards), and efficient household devices available to reduce water use while still being able to maintain a property located within a fire hazard zone or for slope stability.

- f) Significant water savings from Year 2011 to Year 2013**

Consideration will be given to customers who can demonstrate they have been reducing water use prior to base year 2013. Customer water usage will be compared from Year 2011 to Year 2013 and reductions will be made to customers' baselines if they achieved the following overall reductions during this timeframe.

Demonstrated conservation efforts from Year 2011 to Year 2013	Adjusted Conservation Target
Less than 15%	No change
15-19%	25%
20-24%	20%
25-29%	15%
+30%	10%

Meeting Date: June 30, 2015

The following is a summary of the conditions and the proposed adjusted conservation targets for qualifying water customers:

Condition	Adjusted Conservation Target
a) A customer's residence is occupied by more residents than in the base year(s), which makes it infeasible to reduce water consumption from the base.	20%
b) A user or customer has a medical condition which makes it infeasible to reduce water consumption from the base	20%
c) New water customer	20% of previous customer's usage.
d) Unique property qualities requiring an adjustment to conservation target	% to be determined upon appeal.
e) Fire hazard zone, slope stability, or recent replacement of garden	25%
f) Significant water savings from Year 2011 and Year 2013	Minimum savings of 15% to qualify. Adjusted conservation target between 10%-25%.

Based on the initial first level review by City staff, the customer shall be notified of the initial appeals decision in writing within 30 days of the City's receipt of appeal. The "Date of Determination" will be the postmarked date of the written appeal notification. If qualifying conditions are met and the appeal is approved, the customer's account and conservation target shall be adjusted for the disputed billing cycle and future billing cycles. An updated bill (if applicable) will be mailed to the customer no later than 15 days following appeal approval.

If the City is unable to make a decision within thirty (30) days of receipt of the appeal, the customer shall be allocated the qualified adjusted reduction target beginning with the disputed bill cycle and for future billing cycles.

For customers who wish to appeal their bill due to a water leak on the property, there is a separate process in place to address this. Customers may contact the City's Utility Billing division for such issues.

The appellant has fifteen (15) calendar days from the Date of Determination to accept the decision or request a second level of review by the Appeals Officer ("Appeals Officer"). The Appeals Officer shall be one member from the Public Works Commission. The appellant may request this second level of review by re-submitting the Water Penalty Surcharge Appeals Form, with or without additional information. Additionally, submittal of the penalty surcharge in full is necessary prior to the review being scheduled.

In the event the appellant requests a review by the Appeals Officer, the City has thirty (30) calendar days from the receipt of the request to schedule the hearing, and prepare the appeal to be reviewed by the Appeals Officer. The Appeals Officer will review appeals that are submitted in writing or in person. If the appellant has requested a hearing, written notice of the date and time of the hearing will be mailed to the appellant at least five (5) days prior

Meeting Date: June 30, 2015

to the hearing. The Appeals Officer will hear the appeal and shall issue a written decision within thirty (30) calendar days from the Hearing Date. If the appellant has requested a review of a written appeal, the City will forward the written appeal to the Hearing Officer for a determination.

The Appeals Officer has the authority to make any reductions to the conservation target (down to 0%) and can waive all or a portion of the applicable penalties for the billing period(s) under review (which could result in a credit due to the customer). Any changes applied would impact all future billing periods. All Appeals Officer decisions are final. The City shall update the appellant's account based on the Appeals Officer's decision within forty-five (45) calendar days from the Hearing Date or within 15 days from the Board Decision Date. The Resolution included as Attachment 1 sets forth the proposed penalty surcharge appeals process. If approved by the City Council, the appeals process would become effective on July 1, 2015 and allow staff to begin working with customers requesting adjustments to their target rates before penalties are imposed.

The Conservation Subcommittee has reviewed the process outlined above and is recommending this process. The Subcommittee acknowledges there are instances in which the customers will want to adjust their conservation targets based on various circumstances, prior to the implementation of any penalty surcharge. As such, the Subcommittee is recommending that the appeals process be made available prior to the penalty surcharge implementation to address customer concerns.

The penalty surcharge appeals process was developed to meet three objectives: promote conservation, not penalize customers who are conserving water to the best of their ability, and penalize customers for excess water use. The aforementioned guidelines have been established with consideration given for various circumstances. It is important to note that reductions in the conservation target may increase the City's risk of not complying with the State's reduction target.

FISCAL IMPACT

Resources will be needed to effectively administer this program. Staff is currently evaluating options and will return to the City Council with additional information regarding resource needs to effectively and efficiently administer the water penalty surcharge appeals process, conservation-related programs, and enforcement activities.



George Chavez

Approved By

Attachment 1

RESOLUTION NO. 15-R-_____

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS ESTABLISHING AN APPEAL
PROCEDURE FOR PENALTY SURCHARGES FOR WATER
USAGE CONTRARY TO THE PROVISIONS OF THE STAGE
D WATER CONSERVATION MEASURES

RECITALS

WHEREAS, during calendar year 2014, the Governor declared a drought in the State of California and the State Water Resources Control Board enacted emergency water conservation measures. As a result, the City of Beverly Hills declared the Stage B shortage, which is currently in effect, mandating a 10% reduction in potable water use.

WHEREAS, on May 13, 2009, the City Council adopted its Resolution No. 09-R-12672 to adopt an appeals procedure in connection with the Stage B water conservation measures.

WHEREAS, in April 2015, the Governor issued an Executive Order directing the State Water Board to impose restrictions to achieve an aggregate statewide 25% reduction in potable urban water use through February 2016. As a result, the State Water Board released a preliminary framework, outlining reduction targets from 8% to 36% for each water supplier, with Beverly Hills having a reduction target of 36%. Upon additional review of information submitted by the City of Beverly Hills, the State Water Board reduced the reduction target to 32%.

WHEREAS, on May 5, 2015, the City Council adopted its resolution No. 15-R-13037 declaring and implementing Stage D water conservation measures pursuant to Beverly Hills Municipal Code Section 9-4-304 and authorizing a penalty surcharge for water usage contrary to the provisions of the Stage D water conservation measures.

WHEREAS, the City Council desires to establish a revised procedure for a water customer to appeal the imposition of the penalty surcharge for water usage contrary to the provisions of the Stage D water conservation measures.

NOW THEREFORE, the City Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. Appeals and Establishment of an Appeals Procedure and Appeals Officer

A. An appeals officer (the "Appeals Officer") is hereby established to review requests for appeals from water utility users and customers as set forth herein. The Appeals Officer shall be one member of the Public Works Commission who may serve on a rotating basis, as determined by the Commission.

B. Any water utility user or customer may appeal the imposition of a water penalty surcharge by filing an appeal with the Utility Billing Department (“Department”) on the form provided by the City. The user or customer shall have 30 calendar days from the date of the notice setting forth the surcharge within which to file an appeal. Said notice may be provided to the user or customer as part of their regular water utility bill.

C. Within 30 calendar days of receipt of the appeal, the City shall make a determination regarding the appeal and provide written notice to the customer. The postmark date of such notice to the customer shall be the “Date of Determination.” In the event that the Date of Determination does not occur within 30 calendar days of receipt of the appeal, the customer shall receive an adjusted water use reduction of twenty percent (20%) of the amount in the baseline period, instead of thirty percent (30%) for the duration of the disputed billing period. The City shall update the account within 15 calendar days after the Date of Determination.

D. The City Manager, or the City Manager’s designee, may grant an appeal under one of the following conditions:

1. The water customer’s residence is occupied by more residents than in the base period and such additional occupancy makes it infeasible to reduce water consumption from the base period amount. Eligible customers may receive an adjusted water use reduction of twenty percent (20%) of the amount in the baseline period, instead of thirty percent (30%).
2. The water customer did not receive water service at the property in the baseline period year because of a change in ownership or tenancy. Eligible customers may receive an adjusted water use reduction of twenty percent (20%) of the amount in the baseline period, instead of thirty percent (30%).
3. The water customer’s property has qualities that require an adjustment to the water use reduction target. Such qualities may include recent replacement of a garden or recent installation of drought tolerant landscaping. Eligible customers may receive an adjusted water use reduction in an amount determined by the City Manager or the City Manager’s designee.
4. The water customer’s property has qualities that make it difficult to reduce water consumption from the base period amount. Such qualities may include the need for soil erosion control or being located in a fire hazard zone. Eligible customers may receive an adjusted water use reduction of twenty-five percent (25%) of the amount in the baseline period, instead of thirty percent (30%).

5. The water customer has a medical condition which makes it infeasible to reduce water consumption from the base period amount. Such conditions may include desquamation (flaky skin disease), weeping skin disease (eczema, psoriasis or varicose ulceration), incontinence, abdominal stomas, renal failure requiring dialysis at home, Crohn's disease, and ulcerative colitis. Such conditions require written verification from the customer's doctor. Eligible customers may receive an adjusted water use reduction of twenty percent (20%) of the amount in the baseline period, instead of thirty percent (30%).
6. From calendar year 2011 to calendar year 2013, the water customer reduced water consumption by an amount that is fifteen percent (15%) or more, such reduction being the "Prior Conservation Percentage". Eligible customers may receive an adjusted water use reduction as follows:

Prior Conservation Percentage	Adjusted Water Use Reduction
Less than 15%	No change
15-19%	25%
20-24%	20%
25-29%	15%
+30%	10%

E. The appellant shall have 15 calendar days from the Date of Determination to request a review by the Appeals Officer. An appellant may request a review by the Appeals Officer on a form provided by the City. Any such request for any review by the Appeals Officer shall include payment in full of the penalty surcharge to be considered. The appellant may request that the review is conducted in person or in writing.

F. If the appeal is to be heard by the Appeals Officer, the Appeals Officer shall set the matter for a hearing (the "Hearing Date") within 30 calendar days from the Date of Determination. At least 5 calendar days prior to the hearing, the City shall mail the appellant written notice of the date and time of the hearing.

G. The Appeals Officer shall issue a written decision within 30 calendar days after the date the hearing is concluded (the "Appeals Officer Determination Date"). The Appeals Officer may reduce the water use reduction in an amount deemed appropriate by the Appeals Officer. The decision of the Appeals Officer shall be final.

H. The City shall update the account within 45 calendar days after the Hearing Date or 15 calendar days after the Appeals Officer Determination Date.

I. The City Manager or the City Manager's designee is authorized to establish policies, rules and procedures to implement the appeal process established by this Resolution.

Section 3. Any provision(s) relating to the establishment of a water appeals board or the procedures whereby a water customer may appeal the imposition of penalties or surcharges

on water usage previously adopted by the City Council is hereby superseded by the provisions set forth in this Resolution.

Section 4. This resolution shall take effect immediately upon its adoption by the City Council.

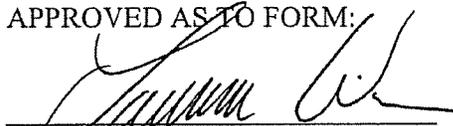
Section 5. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certification to be entered in the Book of Resolutions of the Council of the City.

Adopted:

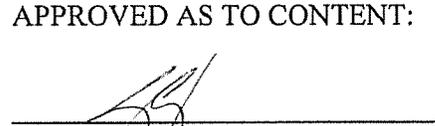
JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills,
California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:


GEORGE CHAVEZ
Director of Public Works Services

Attachment 2

RESOLUTION NO. 09-R- 12672

RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY
HILLS ADOPTING AN APPEALS PROCEDURE FOR WATER
CONSUMPTION SURCHARGES

The City Council of the City of Beverly Hills hereby resolves as follows:

Section 1. Recently, the Governor has declared a drought in the State of California and the Metropolitan Water District's announcement of a regional shortage level 2 (equal to ten percent) will compel the water wholesaler to allocate shortages in supplies to its member agencies. In light of this water emergency, the City Council has declared a water shortage emergency and has implemented a stage "B" water shortage, which provides for the reduction of water usage and imposes a water penalty surcharge if water is consumed in excess of a specified percentage of the base year. In order to provide a procedure for a water customer to appeal the imposition of the water penalty surcharge, it is necessary for the City Council to establish the procedures for such appeals.

Section 2. Appeals and Establishment of an Appeals Procedure and Appeals Board

(a) An appeals board ("Board") is hereby established to review requests for appeals from water utility users and customers as set forth herein. The Board shall consist of two members of the Public Works Commission who may serve on a rotating basis, as determined by the Commission, and one Public Works Department staff member.

(b) Any water utility user or customer may appeal the imposition of a water penalty surcharge and/or request a reduction or waiver of such surcharge by filing an appeal with the Department of Public Works ("Department") on the form provided by the City along with payment of the full amount of the water penalty or surcharge on or prior to the date it is due. The user or customer shall have 15 calendar days from the date of the notice setting forth the surcharge within which to file an appeal. Said notice may be provided to the user or customer as part of their regular water utility bill. Within 10 calendar days of receipt of the appeal, the Department will determine whether the appeal should be heard by the Director of Public Works or his designee ("Director") or the Board. Upon making the determination, the Department shall forward the appeal to either the Director or Board ("Date of Determination").

(c) If the appeal is to be heard by the Director, the Director shall review the material submitted and shall issue a tentative decision regarding the appeal within 15 calendar days of the Date of Determination. The Director shall mail the tentative decision to the appellant. The appellant has 10 calendar days from the date of decision to accept the tentative decision or request a hearing with the Director. If a hearing is requested, the Director shall schedule and hold a hearing within 30 calendar days. At least five (5) days prior to the hearing, written notice of the date and time of the hearing shall be mailed to the appellant. At the conclusion of the hearing, the Director shall have 15 calendar days to issue a written decision. Such decision shall be mailed to the appellant. The appellant shall have 10 calendar days from the date of the decision to file an appeal to the Board pursuant to the process set forth herein.

(d) If the appeal is to be heard by the Board, the Board shall set the matter for a hearing within 30 days from the Date of Determination. At least five (5) days prior to the hearing, written notice of the date and time of the hearing shall be mailed to the appellant. The Board shall issue a written decision within 45 calendar days of the date the hearing is concluded. The decision of the Board shall be final.

(e) The Board may grant the appeal only if the Board finds one of the following exists:

(i) Unique characteristics concerning the user's or customer's property make it physically infeasible to reduce water consumption from the base year.

(ii) A tenant of a multi-family rental dwelling unit has been improperly charged with any portion of the surcharge passed through to the tenant by the landlord pursuant to Section 4-5.308 of the Beverly Hills Municipal Code.

(iii) The user or customer has special needs related to a physical disability making it infeasible to reduce water consumption from the base year;

(iv) Extraordinary circumstances render the base year comparison unjust.

(v) The determination by the City establishing the base year for a particular property was erroneous or unreasonable under the circumstances.

(f) The Director may grant the appeal only if the Director finds that one of the following exists:

(i) During the relevant billing period, the user's or customer's residence was occupied by more residents than in the base year, which makes it infeasible to reduce water consumption from the base year.

(ii) The user or customer has a medical condition which makes it infeasible to reduce water consumption from the base year.

(iii) The user's or customer's residence is located in the Hillside District and due to the need to use water for fire abatement on the hillside it is infeasible to reduce water consumption from the base year.

(iv) During the relevant billing period, there was a leak of water at the water user's or customer's residence which could not have been reasonably discovered by the water user or customer and which was corrected immediately upon its discovery.

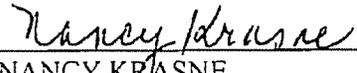
(g) If it is determined the user or customer is not liable, in whole or in part, for the penalties or surcharge on water usage, that amount will be refunded to the user or customer; however the user or customer will still remain responsible for paying the current rates on such water usage.

(h) The Director of Public Works is authorized to establish rules relating to the appeal process as set forth herein.

Section 3. Any provision(s) relating to the establishment of a water appeals board or the procedures whereby a water customer may appeal the imposition of penalties or surcharges on water usage previously adopted by the City Council is hereby superceded by the provisions set forth in this Resolution.

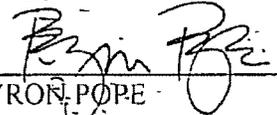
Section 4. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his certificate to be entered in the Book of Resolution of the Council of the City.

Adopted: May 13, 2009



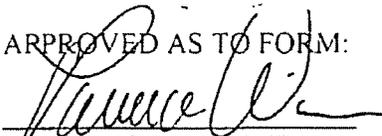
NANCY KRASNE
Mayor of the City of
Beverly Hills, California

ATTEST:



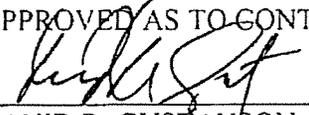
BYRON POPE (SEAL)
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

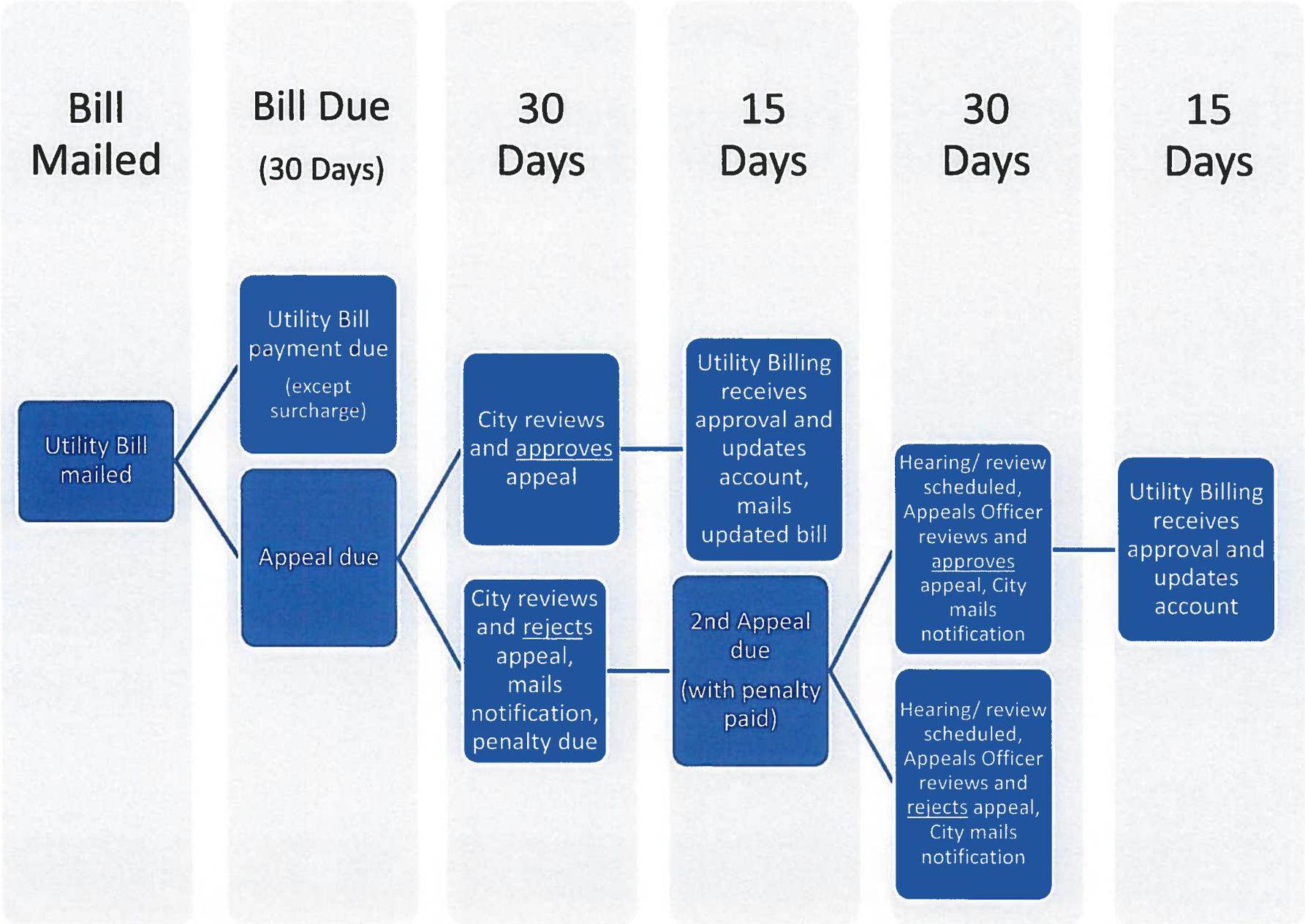
APPROVED AS TO CONTENT:



DAVID D. GUSTAVSON
Director of Public Works and
Transportation

Attachment 3

PENALTY SURCHARGE APPEALS PROCESS



Attachment 1d

	Level 1 Penalty Surcharge	Level 2 Penalty Surcharge
Usage between 0-70% of 2013 Usage (Below Baseline)	No Level 1 Penalty Surcharge	No Level 2 Penalty Surcharge
Usage between 71-87% of 2013 Usage	Base Rate times 1.59	No Level 2 Penalty Surcharge
Usage between 88-100%+ of 2013 Usage	Base Rate times 1.59 (Assessed on Usage between 71-87% of 2013 Billed Usage)	Base Rate times 3.08 (Assessed on Usage between 88-100%+ of 2013 Billed Usage)

City of Beverly Hills
Water Conservation Task Force

Attachment 2

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

Last Updated 8/17/2015

Group	#	Item	End Goal/ Final Deliverable	Public Works	Policy Management	Community Services	Community Development	IT	Admin. Services	Capital Assets	Lead Staff member(s)	Timing	Status	Status Description
Pledge	1	Water Conservation Pledge Goal	Get 1,000 water conservation pledges signed.	Lead	x								In Progress	Report signups to task force
G3LA	2	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.
Water Tracker	3	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.
	4	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.
	5	Public meetings	Compile a list of all public meetings and events for internal use.		Lead						Kevin		Complete	Get the list from Kevin.
	6	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	
	7	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. This item will be developed during 7/28 Conservation Task Force meeting.
	8	Yard signs	Produce and distribute water conservation yard signs to residents.	Lead	x		x				Logan, Cynthia	8/15/2015	In Progress	
	9	Water Consumption Maps	Create maps of water consumption by neighborhood for internal use.				Lead						Complete	Graphic completed, but get this map from IT for task force to distribute.
C+S	10	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.
C+S	11	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.
C+S	12	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.
C+S	13	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.
Facilities	14	Plumbing fixtures	Explore the possibility of upgrading high-water-consuming fixtures in City facilities.	Lead							Donielle, Michelle		In Progress	
G3LA	15	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.
G3LA	16	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.
Mailers	17	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 8/17.
Mailers	18	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	8/21/2015	In Progress	The letter is being finalized and will go out during the week of 8/17.
Pledge	19	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		On Hold	
Pledge	20	Teen Scene	Reach out to Teen Scene organizers to develop a program/event focused on water conservation.	x		Lead					Logan		On Hold	
Water Tracker	21	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
Website	22	Leak widget	Incorporate and maintain a leak widget.		x			Lead			Anne		In Progress	Speak with Anne to discuss updates.
	23	Utility bill revamp	Redesign utility bill.	x				x	Lead		Tatiana	8/1/2015	In Progress	Phase 1 to be completed August 1
	24	Street pole banners	Produce and install approximately 450 street banners with what kind of information?	x	Lead						Megan, Kevin		In Progress	
	25	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
	26	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
	27	Teen Advisory Group	Reach out to Teen Advisory Group regarding water conservation.			Lead					Dana		In Progress	Discuss updates with Dana.
	28	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.
Business	29	Hotel Outreach Meeting	Meet with Hotels to discuss drought crisis and water conservation opportunities.	x	Lead						Megan, Michelle	7/1/2015	Complete	
Business	30	Car Dealership Outreach Meeting	Organize a meeting/workshop with car dealerships for educational outreach.	x	Lead						Megan	6/9/2015	Complete	

Group	#	Item	End Goal/ Final Deliverable	Public Works	Policy Management	Community Services	Community Development	IT	Admin. Services	Capital Assets	Lead Staff member(s)	Timing	Status	Status Description
C+S	31	Cook+ Schmid agreement	Execute an agreement between CBH and Cook + Schmid to develop marketing materials and a water conservation strategic plan	Lead							Donielle, Logan	7/28/2015	Complete	The agreement has been executed.
Employee	32	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.
G3LA	33	G3LA agreement	Execute an agreement between CBH and G3LA to develop a garden coaching program.	Lead							Michelle, Logan	6/23/2015	Complete	
G3LA	34	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.
G3LA	35	G3LA amendment	Amend the G3LA agreement to include costs beyond the \$50,000 threshold.	Lead							Michelle	7/17/2015	Complete	
G3LA	36	Garden Guru flyer	Produce and distribute a flyer that advertises the City's Garden Guru program.	Lead	x						Logan, Aram	7/31/2015	Complete	
Graphics	37	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
Graphics	38	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.
Graphics	39	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.
Graphics	40	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.
Graphics	41	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.
Graphics	42	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.
Graphics	43	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.
Graphics	44	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.
Graphics	45	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.
Graphics	46	Parking Valet Signs	Produce and display water conservation signs at entrances to City parking facilities	x	Lead						Ryan		Complete	
Graphics	47	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?
Mailers	48	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.
Pledge	49	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.
Pledge	50	Pledge cards	Produce water conservation pledge cards for summer camps	Lead							Tania		Complete	More than 400 pledge cards signed at camps.
Pledge	51	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	
Pledge	52	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	
Pledge	53	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	
Pledge	54	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	
Water Rates	55	Prop 218	Resolve any Prop 218 issues for water rates.	x					Lead		Tatiana		Complete	
Water Rates	56	Tiers and surcharges	Determine legal framework for tiers and surcharges.	x					Lead		Tatiana		Complete	
Water Rates	57	Standard rates	Conduct an analysis of standard rates.	x					Lead		Tatiana		Complete	
Water Rates	58	Penalty surcharge	Develop a water usage penalty surcharge.	x					Lead		Tatiana		Complete	
Water Rates	59	Penalty surcharge	Analyze the fiscal impacts of implement a penalty surcharge.	x					Lead		Tatiana		Complete	
Water Rates	60	Appeals process	Determine an appeal process and appropriate escalation procedures for fines associated with water usage violations.	x					Lead		Tatiana		Complete	
Water Rates	61	Water rate tiers	Implement new water rate tiered structure.	x					Lead		Tatiana		Complete	
Water Tracker	62	Water Tracker flyer	Produce a Water Tracker flyer that describes the software's features and demonstrates how to login.	Lead							Michelle, Ginelle, Aram		Complete	
Website	63	Revamp website, round 1	Design City water conservation site to have a unified theme and to be more easily navigated.		Lead						Ryan		Complete	
Website	64	Revamp website, round 1	Include separate sections for business and residential customers on the website.		Lead						Ryan, Therese		Complete	

Group	#	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
Website	65	Revamp website, round 1	Upload tips content to website		Lead							Ryan, Therese		Complete	
Website	66	Upload materials	Upload and maintain residential and commercial information on conservation website.		Lead							Ryan, Therese		Complete	Making updates as needed.
Website	67	FAQ	Incorporate and maintain FAQ section on City's conservation website.		Lead							Ryan, Therese		Complete	Making updates as needed.
Website	68	Educational resources	Incorporate and maintain an educational resources section.		Lead							Ryan, Therese		Complete	
West Hollywood	69	West Hollywood Data	Provide West Hollywood water consumption data to City of West Hollywood.	Lead								Logan		Complete	
West Hollywood	70	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	
	71	#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.
	72	Elevator screen display, BH ₂ 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
	73	Library display	Create a water-conservation-themed book display near the entrance to the City library.				Lead					Dana		Complete	
	74	Conservation coloring book	Produce and distribute BH ₂ O-branded water conservation coloring books to summer camp participants along with conservation talking points to camp counselors.				Lead					Dana		Complete	
	75	City Manager's Report	Update City Council regarding conservation efforts and progress.	Lead	Lead							Donielle, Therese	7/20/2015	Complete	
	76	Chamber building	Display large water conservation poster board sign in the 9400 building.	Lead								Logan	7/20/2015	Complete	
	77	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.
	78	Spanish translation	Translate conservation language into Spanish for materials such as door hangers and flyers.	Lead								Logan		Complete	Coordinated with Mario for translation.
	79	Fire-wise plant list	Provide the list for Ryan to link to the City's conservation webpage.		Lead	x						Ryan, Ken		Complete	
	80	36% conservation banner	Produce and display water conservation banner with 36% language above entrance Rexford entrance to Civic Center parking garage.	x	Lead									Complete	
	81	Spanish translation	Translate the City's two-day watering schedule into Spanish	Lead								Logan		Complete	
	82	Writers' Bloc Meeting	Coordinate a writers' bloc meeting related to water consumption and conservation.	x	Lead							Therese	5/22/2015	Complete	
	83	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
	84	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	
C+S	85	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	
Mallers	86	Mailing list	Create mailing lists for all appropriate stakeholders for City's planned mailings related to conservation.	Lead					x				7/31/2015	Complete	Mailing lists finalized for (1) UB customers, (1) Assessor parcel owner mailing addresses and (3) residential toolkit mailer
	87	Appliance and fixture information	Compile information regarding how much water appliances and fixtures consume.	x	Lead									Not Started	
	88	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.
Business	89	Chamber of Commerce Outreach	Continue to coordinate with the Chamber regarding water conservation	x	Lead							Megan		Ongoing	
C+S	90	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.
Customer Service	91	Customer service updates	Update customer service team regarding policies and water-conservation-related items.	Lead								Donielle, Michelle	Weekly, as needed	Ongoing	
Customer Service	92	Address comments and complaints	Pull Comcate reports and address question and comments from the public.	Lead								Donielle, Michelle	Weekly, as needed	Ongoing	
Employee	93	Update Staff	Update staff on policy changes and distribute department head meeting memos.	Lead								Donielle, Michelle	As needed	Ongoing	
G3LA	94	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.
Water Tracker	95	Water Tracker, data issues	Address performance and data issues.	x				Lead				Alain, Michelle	8/1/2015	Ongoing	Phase 1 to be completed August 1
Website	96	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.
	97	BHTW	Coordinate Beverly Hills This Week messaging.				Lead					Therese	As needed	Ongoing	
	98	Employee email blasts	Send out email blasts to employees				Lead					Ryan, Therese	As needed	Ongoing	

Group	#	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
	99	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	x	Donielle, Logan		Ongoing	
	100	Water Rebates Program	Implement water rebates program.									Donielle, Michelle		Ongoing	City is still offer \$1.75 dollar rebates
	101	Water Heroes	Find and promote a Beverly Hills Water Hero each month.		Lead							Ryan	Monthly	Ongoing	July, Ginnelle Wolfe
	102	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	
	103	Monitor continuous flow	Monitor continuous flow at city facilities.	Lead								Donielle, Michelle	As needed	Ongoing	
	104	Monitor continuous flow	Monitor continuous flow, leaks and leak remediation for water accounts	Lead					x			Donielle, Michelle		Ongoing	
	105	Community events	Promote water conservation and community events.	x	x	Lead	x	x	x	x		Staff	As needed	Ongoing	
	106	Weekly Water Topic	Promote the weekly water topic on social media.			Lead						Ryan	Weekly	Ongoing	
	107	Press releases	Draft and finalize press releases.	x		Lead						Therese	As needed	Ongoing	
	108	Water Topic E-blast	Distribute weekly water topic E-blast.			Lead						Ryan		Ongoing	
	109	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.
	110	Photos on social media	Collect and upload photos regarding City's water conservation activities on social media sites.			Lead						Ryan	As needed	Ongoing	
	111	Water conservation on social media	Post water conservation videos, podcasts news stories, etc. on social media and website.			Lead						Ryan	As needed	Ongoing	
	112	Mass emails	Send out water conservation mass emails			Lead						Ryan	As needed	Ongoing	
	113	Editorials	Draft editorials regarding water conservation and drought crisis.			Lead						Therese	As needed	Ongoing	
	114	Media interviews	Coordinate media interviews.			Lead						Therese	As needed	Ongoing	



Beverly Hills Water Conservation

DROUGHT CRISIS

Beverly Hills water customers **MUST** conserve at least **30%**!

Conserve Water - Indoor Tips:

				
<p>Collect the water used rinsing fruits and vegetables to water your plants.</p>	<p>Run dishwasher and washing machine only when full. Save up to 1,000 gallons a month.</p>	<p>Limit your showers to 5 minutes. Save up to 5 gallons a minute.</p>	<p>Turn off water while brushing teeth, shaving or washing your face. Save up to 4 gallons a minute.</p>	<p>Replace fixtures with high efficiency washing machines, dishwashers, toilets & faucets. Check Rebates beverlyhills.org/rebates</p>

www.beverlyhills.org/conservation

Or call: 310-285-2467

Beverly Hills Mandatory Watering Schedule

Watering (Timing)	Mon	Tue	Wed	Thu	Fri	Sat	Sun
North of Blue Hill Reservoir		NO WATERING	NO WATERING	NO WATERING		NO WATERING	NO WATERING
South of Blue Hill Reservoir	NO WATERING		NO WATERING	NO WATERING	NO WATERING		NO WATERING

Limit your outdoor watering to 2 days a week, 8 minutes per station, before 9 a.m. or after 5 p.m.

Track your water consumption with Water Tracker:
Water.beverlyhills.org

Conserve Water - Outdoor Tips:

				
<p>Check and repair leaks and broken sprinkler heads immediately! Adjust sprinkler overspray.</p>	<p>Use a broom instead of a hose to clean driveways and sidewalks.</p>	<p>Use a Smart Controller Irrigation system to improve efficiency.</p>	<p>Spread a layer of organic mulch in planters to retain moisture.</p>	<p>Replace turf with drought tolerant plants.</p>



DROUGHT CRISIS

Beverly Hills water customers **MUST** conserve at least **30%**!

www.beverlyhills.org/conservation Or call: 310-285-2467

Beverly Hills Mandatory Watering Schedule

Limit your outdoor watering to 2 days a week, 8 minutes per station, before 9 a.m. or after 5 p.m.

Residents Living	Mon	Tue	Wed	Thu	Fri	Sat	Sun
North of Santa Monica Boulevard		NO WATERING	NO WATERING	NO WATERING		NO WATERING	NO WATERING
South of Santa Monica Boulevard	NO WATERING		NO WATERING	NO WATERING	NO WATERING		NO WATERING

Conserve Water - Indoor Tips:

Conserve Water - Outdoor Tips:

Track your water consumption with Water Tracker:

Water.beverlyhills.org



Beverly Hills is Conserving

www.beverlyhills.org/gardenguru



Engage a Garden Guru!

- ▶ You are ready to dig up your lawn and plant a California-friendly garden, but where do you start?
- ▶ The City of Beverly Hills has partnered with G3 Garden Gurus to teach customers how to save hundreds of gallons of water weekly by installing climate-appropriate landscaping.
- ▶ Schedule a City-subsidized, 90-minute consultation for only \$50!
- ▶ Garden Gurus are qualified "water wise" experts who will get you on track without any obligations.



90 minute/\$50



Your Garden Guru will evaluate your site and answer questions about:

- ✓ How to remove turf without chemicals
- ✓ How to build living soil
- ✓ How to adjust an irrigation system
- ✓ Where to locate a rain garden
- ✓ How to select climate-appropriate plants
- ✓ Where to place a rain barrel

To learn more about the program and schedule a guru appointment, visit www.beverlyhills.org/gardenguru

The City offers a \$1.75/sq. ft. rebate for replacing your lawn with low water use plants. beverlyhills.org/rebates





Track Your Water Use With The Water Tracker

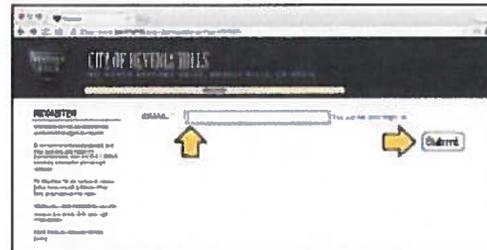
<http://water.beverlyhills.org>

9 Easy Steps To Sign Up

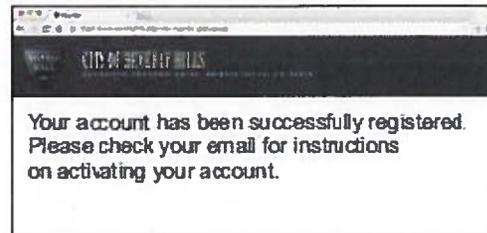
1 Visit <http://water.beverlyhills.org>. Click on "Sign up here" which is located at the bottom of the page.



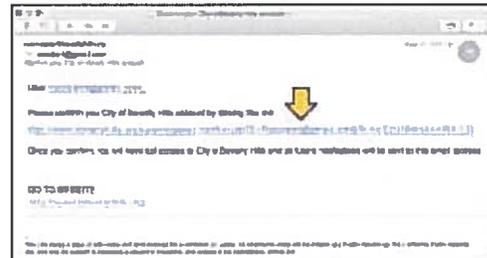
2 You will be redirected to the registration page. Enter your e-mail address in the field and click "Submit."



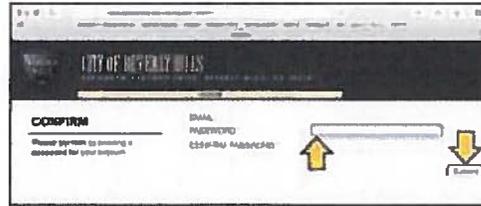
3 An e-mail confirmation will be sent to you containing information on how to activate your account.



4 Check your email and click on the e-mail link to activate your account.



5 You will then be directed to create a password for your account. Click "Submit."



6 You will be brought back to the home page after creating your password. Sign in using your email address and newly created password.



7 Click the "(+)" sign in your sidebar to add your water account. You will need your account customer number. Please refer to your water bill for this information. Click "Save."



8 Re-enter your email address and password. This re-authenticates your account.



9 You are ready to start using BH Water Tracker! Click "My Water Use" to start exploring Water Tracker and view your water usage statistics by year, month, week, or day. If you have any further questions, please contact **Beverly Hills Public Works Customer Service** at (310) 285-2467.



Attachment 4.C.i
Residential Toolkit mass mail, envelope

 <p><i>Protect. Preserve. Promote.</i> Sustainable Water Solutions</p> <p>155 Central Expressway, Suite 100, CA 94024</p> <div data-bbox="626 323 902 459"><p>DROUGHT CRISIS</p></div> <div data-bbox="228 911 886 1014"><p>REDUCE WATER USE TO AVOID POSSIBLE PENALTY SURCHARGES WATER SAVING TIPS AND TOOLS ENCLOSED.</p></div>	<p>Indicia Clear Zone</p> <p>Mailbox address Only</p> <p>Bar Code Mail Label(s)</p>
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Attachment 4.C.i

Residential Toolkit mass mail, faucet hanger both sides

Residents living	MON	TUE	WED	THU	FRI	SAT	SUN
North of Santa Monica Boulevard		NO WATERING	NO WATERING	NO WATERING		NO WATERING	NO WATERING
South of Santa Monica Boulevard	NO WATERING		NO WATERING	NO WATERING	NO WATERING		NO WATERING

Limit your outdoor watering to 2 days a week, 8 minutes per station*, before 9 a.m. or after 5 p.m.

*Due to efficiency in water usage, drip irrigation systems over an acreage (not the 8 minute watering limit)



Track your usage with City of Beverly Hills Water Tracker. Sign up at www.water.beverlyhills.org.
For other ways to save go to: www.beverlyhills.org/conservation or call City of Beverly Hills (310) 285-2467



Lugar de residencia	Lu	Ma	Mi	Ju	Vi	Sa	Do
Norte de Santa Mónica Boulevard		Prohibido regar	Prohibido regar	Prohibido regar		Prohibido regar	Prohibido regar
Sur de Santa Mónica Boulevard	Prohibido regar		Prohibido regar	Prohibido regar	Prohibido regar		Prohibido regar

El riego en exteriores queda limitado a 2 días por semana, 8 minutos por estación* antes de las 9 a. m., o después de las 5:00 p. m.

*Debido a la eficiencia en el uso de agua, los usuarios de los sistemas de riego por goteo no están incluidos.



Mantenga el control del uso de agua utilizando el Beverly Hills Water Tracker. Inscríbese en www.water.beverlyhills.org.
Para aprender sobre diversas formas de ahorrar agua visite www.beverlyhills.org/conservation o llame a la Ciudad de Beverly Hills (310) 285-2467.



Beverly Hills must reduce water use by at least 30%

AVOID PENALTY SURCHARGES

How you can help conserve water indoors :



Replace toilets and washing machines with water efficient units—rebates may apply. Go to www.beverlyhills.org/rebates.



Install a water efficient shower head—and shower less than five minutes.



Only run washing machine and dishwasher when full.

How you can help conserve water outdoors:



Replace turf with drought tolerant plants.



Use a broom instead of a hose to clean sidewalks, driveways and patios.



Install a smart sprinkler controller or drip system to water your landscape.

Track your usage with **City of Beverly Hills Water Tracker**.
Sign up at: www.water.beverlyhills.org

For other ways to save go to: www.beverlyhills.org/conservation
or call City of Beverly Hills: (310) 285-2457



Beverly Hills must reduce water use by at least 30%

AVOID PENALTY SURCHARGES

Beverly Hills Watering Restrictions

Residents living	MON	TUE	WED	THU	FRI	SAT	SUN
North of Santa Monica Boulevard	 WATERING	NO WATERING	NO WATERING	NO WATERING	 WATERING	NO WATERING	NO WATERING
South of Santa Monica Boulevard	NO WATERING	 WATERING	NO WATERING	NO WATERING	NO WATERING	 WATERING	NO WATERING

- **Limit your outdoor watering to 2 days a week, 8 minutes per station¹, before 9 a.m. or after 5 p.m. (see chart above).**
¹Due to efficiency in water usage, drip irrigation system users are exempt from the 8-minute watering limit.
- **Repair plumbing and irrigation leaks.**
- **No draining or refilling of existing pools, ponds or spas except for health or safety reasons.**
- **No filling of new pools unless increased water use is offset or a fee is paid into the water conservation fund.**
- **No using water features such as fountains unless they recirculate.**

**Rebates can assist in efforts to become more water-efficient.
 Find out more at www.beverlyhills.org/rebates**

For other ways to save go to: www.beverlyhills.org/conservation
 or call City of Beverly Hills: (310) 285-2467



City of Beverly Hills

Water Conservation Rebate Opportunities

As of July 1, the water conservation rebates program has been expanded to include more rebates on turf replacement and the purchase of select water-efficient devices. Beverly Hills water customers that applied for rebates before July 1, 2011 only qualify for the amount offered by the Metropolitan Water District (MWD).

Applications must be submitted online. For more information and to complete an application go to the website address be.ch. Note: Submitting an application does not guarantee a rebate as it is based on funding availability - funding amount can change.

www.beverlyhills.org/rebates



High-Efficiency Clothes Washers

Use 55% less water than standard clothes washers. Rebates start at \$300 (for washers purchased on or after June 1, 2012). Save up to 5,000 gallons per year.



High-Efficiency Toilets (HETs)

High efficiency toilet rebates are being offered for a limited time, starting at \$150 per toilet. Save up to 8,000 gallons per year.



Weather-Based Irrigation Controllers (WBICs)

Weather-based irrigation controllers help reduce over watering and can adjust according to the weather conditions. Rebates start at \$200 per controller for less than 1 acre of landscape and \$25 per station for more than 1 acre of landscape. Save up to 12,500 gallons per year.



Rotating Sprinkler Nozzles

Rotating sprinkler nozzles apply water gradually and uniformly compared to conventional spray heads. Rebates start at \$8 per nozzle; minimum quantity is 15 nozzles. Save up to 20% water use.



Rain Barrels

Rain barrels collect and reuse rainwater, which plants prefer. Rebate is \$/5 per barrel. Save up to roughly 1,300 gallons of water per year.



Soil Moisture Sensor

Soil moisture sensors bypass the scheduled irrigation cycle if the soil moisture is above a certain threshold. Rebates start at \$80. For large residential sites, rebates start at \$25 per irrigation controller station. Save up to 20% water use.



Turf Removal

Turf removal rebate is \$1.75 per sq. ft. for the first 2,500 sq. ft. Save up to 50% water use.

These rebates can assist in efforts to become more water-efficient, save water and avoid possible penalty surcharges.

For other ways to save go to: www.beverlyhills.org/conservation
or call City of Beverly Hills: (310) 285-2467



Attachment 4.C.i

Residential Toolkit mass mail, window cling





Penalty Surcharge and Appeals Process

Dear Beverly Hills Water Customer:

As California experiences continued drought conditions, the Governor is requiring all water users to do their part and conserve. At its May 5, 2015 meeting, the City Council declared a Stage D conservation program, which requires water customers to reduce water use by 30%. Stage D also calls for penalty surcharges to be assessed on water use beyond a customer's baseline consumption target. The baseline consumption target is 70% of water usage compared to the same billing period in 2013 (i.e. 30% reduction). Any water usage above this baseline will be subject to a penalty surcharge. The penalty surcharges will go into effect starting in October 2015 and will remain in effect only as long as there is a declared Drought State of Emergency. **Tier 1 residential customers – those using 10 units of water or less – are not subject to penalty surcharges.**

The following sections describe how the penalty surcharges will be assessed on water customers who do not meet their 30% conservation target, and the process through which qualifying customers may appeal for an adjusted conservation target.

Prior to any penalty surcharges being assessed, customers will be informed of their baseline consumption target, displayed in gallons per day. Beginning in August, a water customer's current bill will show the consumption target (i.e. 70% of 2013 usage) for the following billing cycle. For example, a customer's July-August 2015 bill would include the consumption target for September-October 2015. The September-October 2015 baseline consumption target would be 70% of the September-October 2013 water usage. Using Year 2013 water use information is consistent with the State's approach for measuring conservation efforts by water providers. The next section describes how the penalty surcharges will be assessed.

Penalty Surcharge Assessment Framework

The penalty surcharges account for costs that the City will incur if it fails to meet the reduction target established by the State. The framework uses a base rate multiplier approach, with a two-tiered penalty structure:

- 1) **Level 1 Penalty Surcharge** applies to customers that exceed the baseline consumption target and have water usage between 71% and 87% compared to the same billing period in 2013.

Penalty Surcharge Notification page 2

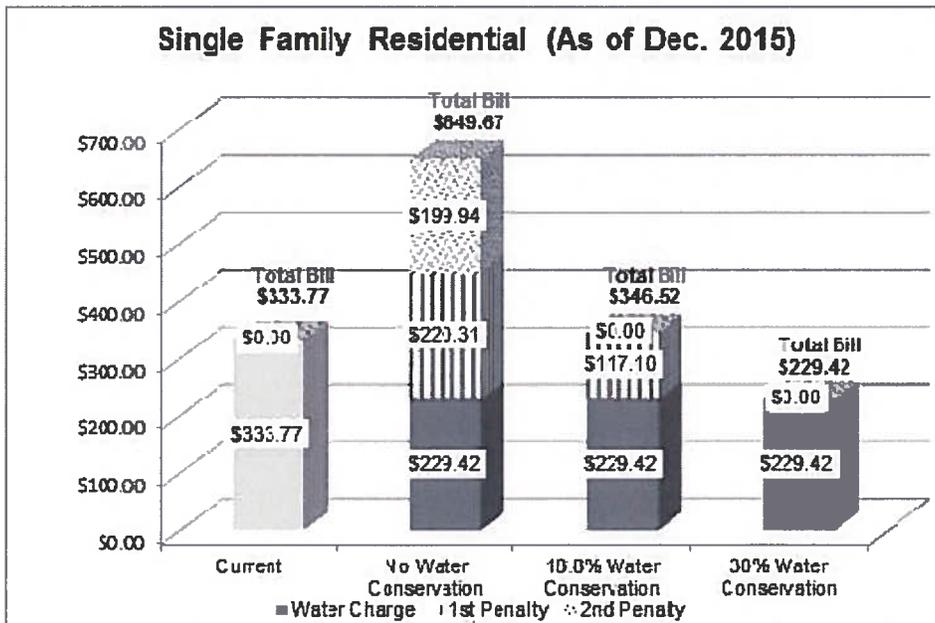
- 2) **Level 2 Penalty Surcharge** applies to customers that exceed the baseline consumption target and have water usage between 88% and 100% or more compared to the same billing period in 2013.

The table below shows how the penalty surcharge will be assessed:

	Level 1 Penalty Surcharge	Level 2 Penalty Surcharge
Usage between 0-70% of 2013 Usage (Below Baseline)	No Level 1 Penalty Surcharge	No Level 2 Penalty Surcharge
Usage between 71-87% of 2013 Usage	Base Rate times 1.59	No Level 2 Penalty Surcharge
Usage between 88-100%+ of 2013 Usage	Base Rate times 1.59 (Assessed on Usage between 71-87% of 2013 Billed Usage)	Base Rate times 3.08 (Assessed on Usage between 88-100%+ of 2013 Billed Usage)

The notion here is that those who conserve far less than the required 30% are subject to higher penalty surcharges (i.e. both Level 1 and Level 2 Penalty Surcharges) than those who may be closer to achieving the 30% reduction (i.e. Level 1 Penalty Surcharges only).

The following chart demonstrates this two-tier structure and shows how the penalty surcharges will affect a single-family residential customer's overall water bill. The chart below shows estimated costs for single-family residential customer in Tier 3 that reduces water usage by 0%, 18.8%, and 30% from 2013 levels, incorporating the proposed rate increases. As the chart and table shows, a customer that reduces their water usage by less than 30% will have bills that are comparable to their current bill, despite the water rate increases and a Level 1 Penalty Surcharge.



Anticipated Bill Charge, with Penalties Incorporated

Scenario	Baseline Water Charge	Level 1 Penalty Surcharge	Level 2 Penalty Surcharge	Total Bill
Current	\$333.77	n/a	n/a	\$333.77
A – 0% Conservation	\$229.42	\$220.31	\$199.94	\$649.67
B – 18.3% Conservation	\$229.42	\$117.10	\$0	\$346.52
C – 30% Conservation	\$229.42	\$0	\$0	\$229.42

The State can fine water purveyors such as the City of Beverly Hills with a penalty of up to \$10,000 per day for non-compliance and can impose conservation programs for failure to reduce water consumption. Additionally, the regional water agency Metropolitan Water District ("MWD") has provided the City with a restricted allocation of water and usage above this allocation will result in payment of nearly three times the current rate. Funds collected from the penalty surcharges will be used to cover additional MWD costs and any penalties and programs which the State may impose upon the City.

Penalty Surcharge Appeals Process

The City recognizes there are customers who were already conserving prior to 2015. As such, the City has identified those customers who have demonstrated significant water savings reductions between 2011 and 2013; these customers will receive a modified water reduction target in recognition of past conservation efforts. **Qualifying customers will receive a separate letter in the mail regarding this reduction.**

The City also recognizes there may be circumstances which make it difficult for customers to reduce water usage by 30%. As such, customers may appeal the water penalty surcharge and/or request a reduction of the conservation target by submitting the Water Penalty Surcharge Appeal Form found at www.beverlyhills.org/appeal. **The form is available and customers may submit the appeal form at any time, even before the penalty surcharge is assessed in October 2015.**

The appeal process has two stages:

Stage 1:

City staff will review Stage 1 Appeals. The following items need to be submitted:

- 1) Payment for the water bill, minus the penalty surcharge. Please include the bottom (remittance portion) of your utility bill.
- 2) A completed *Water Penalty Surcharge Appeal Form* found at www.beverlyhills.org/appeal.

The appeals application must be received by the bill due date, no exceptions.

Customers that meet one of the conditions below may be eligible for a reduced conservation target:

- Additional occupants in the home
- Medical condition that makes it challenging to reduce water consumption from the baseline
- New water customer since 2013

- Home in a fire hazard zone or area with slope stability concerns
- Home has unique property qualities requiring an adjustment to conservation target (such as recent replacement of a garden)

Applicants with one of the qualifying conditions will have their utility bill adjusted accordingly along with the adjusted conservation targets. A response to the appeal will be provided in writing within 30 days of the submittal.

Stage 2:

If the customer does not agree with the initial decision, he/she can request a hearing by submitting the *Water Penalty Surcharge Second Appeal Form* found at www.beverlyhills.org/appeal, along with full payment of the remaining balance on the account (if applicable), within 15 days of the initial appeal decision. The appeals hearing will be conducted by an Appeals Officer. Upon receipt of the form and payment, the City will schedule an Appeals Hearing, which can be conducted in writing or person within 30 days.

The Appeals Officer can make any reductions to the conservation target (down to 0%) and can waive all or a portion of the applicable penalties for the billing period(s) under review, which could even result in a credit due to the customer. These changes applied could impact all future billing periods. All Appeals Officer decisions are final.

The City of Beverly Hills recognizes and appreciates the continued conservation efforts of its water customers to help the City meet its reduction targets. The City is committed to providing resources to help achieve the reduction targets. Below are some resources available from the City to help you:

- **WaterTracker:** Track your daily, weekly, and monthly water usage using the City's free online tool. You can sign-up at <http://water.beverlyhills.org>. You will need your customer number, which can be found on your utility bill.
- **Garden Guru Coaching Session:** Sign-up for an individual 90-minute landscape consultation so you can learn more about outdoor irrigation and landscaping to reduce outdoor water usage. The cost is \$50 and you can sign-up online at www.beverlyhills.org/gardenguru.

Stay current with ongoing conservation efforts by regularly visiting the City's conservation page at www.beverlyhills.org/conservation.

Please contact City of Beverly Hills Customer Service at (310) 285-2436 if you have questions about your water rates or the penalty surcharge appeal process. To make a utility bill payment, please visit www.beverlyhills.org/payonline or contact us at (310) 285-2436.



DROUGHT CRISIS

Beverly Hills water customers **MUST** conserve at least **30%**!

www.beverlyhills.org/conservation 310-285-2467

Beverly Hills Mandatory Watering Schedule

Limit your outdoor watering to
**2 days a week, 8 minutes per station,
before 9 a.m. or after 5 p.m.**

Residential Watering	Mon	Tue	Wed	Thu	Fri	Sat	Sun
North of Santa Monica Boulevard	NO WATERING						
South of Santa Monica Boulevard	NO WATERING						

Track your water consumption: water.beverlyhills.org



Outdoor watering restrictions:

- ▶ Two days a week watering schedule
- ▶ Washing building exteriors prohibited
- ▶ Washing cars at home prohibited
- ▶ Only recirculating fountains allowed

Conserve Water - Outdoor Tips:

Check and repair leaks and broken sprinkler heads immediately! Adjust sprinkler overspray.	Use a trigger instead of a hose to clean driveways and sidewalks.	Use a Smart Controller irrigation system to improve efficiency.	Spread a layer of organic mulch to plants to retain moisture.	Replace turf with drought tolerant plants.

Adapted from www.beverlyhills.org/conservation



Crisis de Sequia

Clientes de Agua de Beverly Hills **DEBEN** Ahorrar un Mínimo de **30%**

www.beverlyhills.org/conservation o llame: 310-285-2467

Horario Obligatorio para Regar de Beverly Hills

Limite regar afuera:
**2 días a la semana, 8 minutos por cada estación de riego antes
de las 9am o después de las 5pm**

Residential Watering	Lunes	Martes	Miércoles	Jueves	Viernes	Sábado	Domingo
North of Santa Monica Boulevard	NO REGAR	NO REGAR	NO REGAR	NO REGAR	NO REGAR	NO REGAR	NO REGAR
South of Santa Monica Boulevard	NO REGAR	NO REGAR	NO REGAR	NO REGAR	NO REGAR	NO REGAR	NO REGAR

Siga su consumo de agua con (Water Tracker):
water.beverlyhills.org



Restricciones de Riego Afuera

- ▶ Horario de riego se limita a dos días a la semana
- ▶ Se prohíbe lavar los exteriores de edificios
- ▶ Se prohíbe lavar sus coches aparte de lavado de autos
- ▶ Solo se puede tener fuentes de recirculación

Consejos Para Areas Externas:

Verifique y arregle fugas o rupturas en los espesores de agua. Ajuste el exceso de riego.	Use una escoba en lugar de una manguera para limpiar las entradas y aceras.	Use controladores inteligentes en su sistema de irrigación para mejorar la eficiencia.	Aplique una capa de mantillo orgánico en sus plantadores para mantener la humedad.	Reemplace césped con plantas que toleren sequía.

Ver los folletos www.beverlyhills.org/conservation

Attachment 4.C.v.
Door Hanger, Water Tracker PSA

Link: <https://vimeo.com/135157620>

Monthly Water Usage 2014 - 2015

Water Use (gallons)

Month	Water Use (gallons)
Jan	6,800
Feb	8,000
Mar	7,500
Apr	8,000
May	6,500
Jun	5,800
Jul	7,000
Aug	7,800
Sep	8,800
Oct	8,800
Nov	8,800
Dec	9,200

Water Usage Snapshot

- TOTAL USAGE THIS BILLING CYCLE: 7,307 Gallons (+18%)
- TOTAL USAGE THIS MONTH: 9,064 Gallons (+15%)
- AVERAGE MONTHLY USAGE: 8,008 Gallons (+13%)

Water Tracker PSA
from Deverly Hills Television

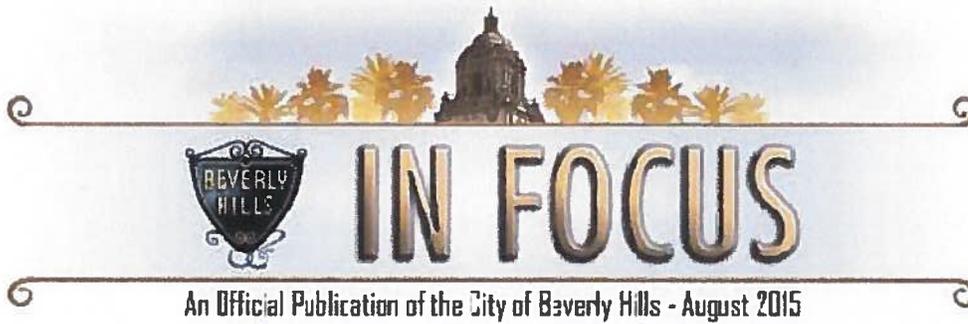
Follow Start Download

Attachment 4.C.vi. Newspaper

August Newsletter page 1

Link:

<http://www.beverlyhills.org/cbhfiles/storage/files/4669931191377676944/InFocusNewsletterAug2015Cweb.pdf>



Conserve Water and Avoid Penalty Surcharges

The historic drought affecting all of California means ALL Beverly Hills water customers must conserve by at least 30%. Penalty surcharges will go into effect this fall for customers who do not meet the City's mandatory conservation goals.

The penalty surcharges are part of the City's strategy for meeting water conservation targets—and for offsetting any potential costs that could be incurred if these conservation goals are not achieved. Potential costs to the City include rate increases from the Metropolitan Water District, which supplies the City's water; fines from the State Water Resources Control Board; and costs related to implementing additional conservation programs, if required by the state.

According to the penalty surcharge structure recently approved, customers who consume more water than 70% of their 2013 baseline can expect to pay the following amounts:

- For customers who use between 70% and 88% more than the base, the penalty is 1.59 times the base water rate for the excess amount.
- For customers who use more than 88% of the baseline, the penalty is 1.59 times the base water rate for 70% to 88% PLUS an additional 3.08 times the base on usage that is more than 88%.

To find your baseline, compare your current 60-day billing cycle to the same 60-day billing cycle in 2013 or sign up for Water Tracker at: water.beverlyhills.org.

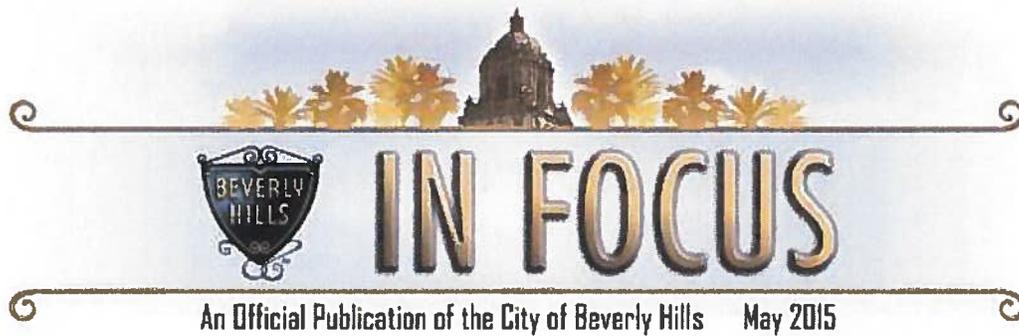
Penalty surcharges will go into effect this fall for customers who do not meet the City's mandatory conservation goals.



"Gold is the new Green". The City has cut off water to grass medians as part of conservation program

These penalty surcharges go into effect in October. Your August–September 2015 water bill, which will not be subject to penalties, will include your water conservation goal for the following billing period. There will be an appeals process for special circumstances. (See page 7.) These penalty surcharges will remain in place until the emergency drought declaration ends. (Please note that penalties do not apply to Tier 1 residential water customers.)

Fortunately, these scenarios—and the penalty surcharges—can be avoided if everyone commits to using 30% less water.



IN FOCUS

An Official Publication of the City of Beverly Hills May 2015

Water Conservation is Mandatory

Beverly Hills recently adopted strict conservation measures that require water customers to reduce water use by 30% and impose penalties on those who do not comply.

The City Council acted in response to the severe drought and the state mandate that Beverly Hills reduce overall water consumption by more than a third.

A mandatory Stage D water conservation program is now in effect for all water customers, including the City of West Hollywood's Westside area.

The new conservation program includes limits on landscape watering to two days a week. Residents north of Santa Monica Boulevard may water on Mondays and Fridays. Residents south of Santa Monica Boulevard may water on Tuesdays and Saturdays. On those days, watering should be

Beverly Hills recently adopted strict conservation measures that require water customers to reduce water use by 30% and impose penalties on those who do not comply.

limited to 8 minutes per station and take place between 5 p.m. and 9 a.m. *No watering is allowed on Wednesdays, Thursdays or Sundays.*

Beverly Hills Watering Schedule

What are my watering days under the City's 2-day outdoor watering schedule?

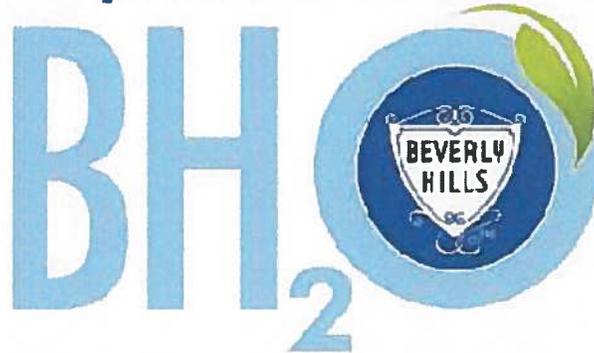
Residents Living	Mon	Tue	Wed	Thu	Fri	Sat	Sun
North of Santa Monica Boulevard			NO WATERING WEDNESDAY	NO WATERING THURSDAY			NO WATERING SUNDAYS
South of Santa Monica Boulevard			NO WATERING WEDNESDAY	NO WATERING THURSDAY			NO WATERING SUNDAYS

Water conservation in Beverly Hills is mandatory. Limit your outdoor watering to 2 days a week, 8 minutes per station, before 9 a.m. or after 5 p.m.

CONSERVE WATER

Stage D emergency conservation restrictions are now in effect. Beverly Hills water customers must reduce usage by **30%**.

Do your part, use water wisely!



Beverly Hills is Conserving

Learn how to conserve:

www.beverlyhills.org/conservation

**Report violations: www.beverlyhills.org/waterwaste
or call: 310-285-2467.**

Attachment 4.C.viii.

Email, Letter from Interim City Manager to City Employees from July 1, 2015



July 1, 2015

Dear City Staff,

As you know, the State of California is experiencing one of the most severe droughts on record. The governor has declared a drought State of Emergency and has directed officials to take all necessary actions to reduce consumption.

In an effort to cope with this unprecedented drought, the Beverly Hills City Council activated Stage D water restrictions in the City's emergency water conservation program in order to meet the state-mandated goal of a 32% reduction in water usage.

As good stewards of the environment, and as an example to our community, The City is taking a number of steps to reduce our own water consumption. To name a few examples, the City has turned off irrigation to the medians, is posting water conservation goals in all public restrooms, and is limiting the washing of City owned vehicles.

I am now asking for your help in reducing the City's water usage. By following these few tips you can help achieve our goal:

- report water leaks immediately;
- run dishwashers only when full;
- ensure faucets are fully turned off;
- dry sweep instead of using a hose to clean floors, sidewalks, and other hard surfaces;
- order coffee and water service only when necessary;
- limit showers to 5 minutes; and
- make a commitment to water conservation.

Let's make a commitment today to conserve water together.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Rubin".

Mark Rubin
Interim City Manager
City of Beverly Hills

City of Beverly Hills 455 N. Rexford Drive Beverly Hills, California 90210 www.beverlyhills.org

Attachment 4.C.ix.
Website, Landing page revamped in June 2015

Beverlyhills.org/conservation

The screenshot shows the website for Beverly Hills Public Works Conservation. At the top, there is a navigation bar with links for Planning, Living, Business, City Government, and Other Services. Below this is the Beverly Hills Public Works logo and address: 345 Foothill Road, Beverly Hills, CA 90210. The main content area features a large graphic with the text "BH₂ Beverly Hills is Conserving" and the URL "www.beverlyhills.org/conservation". Below this are four main sections, each with an icon and a list of links:

- Guidelines and Information**
 - Rebaton and Landscape Guidelines
 - 3-Day Notice of Watering Efficacy
 - Property by Address Guidelines (PAGs)
 - Water and Gas Bill Information
 - Contact Us
- Penalty Surcharge & Appeals**
 - Learn More
 - Water Rule Increases
- Residents**
 - Learn More
 - Track Your Water Use
 - Report Water Wast
- Businesses**
 - Learn More
 - Track Your Water Use
 - Report Water Wast

On the right side of the page, there is a vertical sidebar with various utility icons and a weather widget showing 73°F.

Website, Residential page revamped in June 2015

http://beverlyhills.org/living/recyclingandconservation/water/residents/web.jsp



BEVERLY HILLS PUBLIC WORKS

315 CROFT HILL ROAD, BEVERLY HILLS, CA 90210

Search

- Home
- Penalty Surcharge & Appeals
- Water Rate Increases
- FAQ
- Guidelines and Information
- Rebates
- Residents
- Businesses
- News
- Contact Us
- City of Beverly Hills
- Exploring
- Living
- Business
- City Government
- Online Services



Water Conservation Information for Residents

If you are a Beverly Hills resident, you came to the right place! Water conservation tips, programs and resources are available below.

[Home](#) | [FAQ](#) | [Businesses](#) | [News](#) | [Contact Us](#)

REBATES FOR ELIGIBLE WATER EFFICIENT DEVICES AND TURF REMOVAL

Starting July 1, 2015, the expanded water conservation rebate program will go into effect. Under the revised rebate program, the City will greatly supplement rebates on turf removal and the purchase of select water-efficient devices provided by Metropolitan Water District (MWD). A second program will subsidize one-on-one coaching sessions to educate the City's water conservation law to install water efficient irrigation systems and drought tolerant landscaping.

Examples of some of the rebates and subsidies under the expanded programs include:

- Turf Removal - MWD has discontinued their program due to overwhelming demand and lack of funding. City of Beverly Hills rebates are \$1.75 for the first 2,500 sq. ft.
- High-Efficiency Washing Machines - rebates up to \$35 to \$300.

For more information, please visit www.beverlyhills.org/rebates.



WATER CONSERVATION MATERIALS FOR RESIDENTS

Single Family

- [H2OUSE Tour](#) - Investigate your water saving opportunities in each area of your home.

Multi Family

- [How To Save Water in Apartment Buildings](#) - Green your water consumption buildings by following these steps.

Property Owners and Managers

- [Conservation Tips for Property Managers](#) - Ways property managers can conserve water.

CONSERVATION TIPS

Outdoor Watering

Attachment 4.C.x.
Water Conservation Pledge Program

Pledge card for participant to keep (below)

 <p>CITY OF BEVERLY HILLS WATER CONSERVATION PLEDGE FORM</p> <p>I, _____ pledge to use water wisely.</p> <ul style="list-style-type: none"> <input type="checkbox"/> I pledge to take shorter showers <input type="checkbox"/> I pledge to use less water in the bathtub <input type="checkbox"/> I pledge to use a broom to sweep sidewalks <input type="checkbox"/> I pledge to water sparingly in the garden <input type="checkbox"/> I pledge to remind my parents to conserve water <input type="checkbox"/> When I become an adult, I pledge to continue my water saving habits because I know that water is life and California does not have enough water to waste. <p>Signature: _____ Age: _____</p> <p>TAKE THE #BHWATERHEROS PLEDGE AND TELL US HOW YOU SAVE WATER</p>	<p>DID YOU KNOW H₂O FACTS</p> <ul style="list-style-type: none"> ◆ Beverly Hills produces 10% of its water. The rest is purchased from the Metropolitan Water District. ◆ Americans now use 127% more water than in 1950, and about 95% of the water entering our homes goes down the drain. ◆ Did you know Earth may be known as the "water planet" but even though about 70 percent of its surface is covered by water, less than 1 percent is available for human use? Water supplies are finite, and we can all help protect this critical and precious resource. ◆ Did you know toilets use 35% of indoor water use. ◆ The United States uses nearly 80 percent of its water for irrigation and thermoelectric power. ◆ Did you know Australians use an average of 54 gallons per person a day; Californians average 125 gallons. <p>#BHWATERHEROS</p>
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Water droplet return card for City to keep (left)

Sticker for participant to keep (right)



Water Conservation Pledge Program, droplet box



Attachment 4.C.xiii.
Other, Signs at city medians

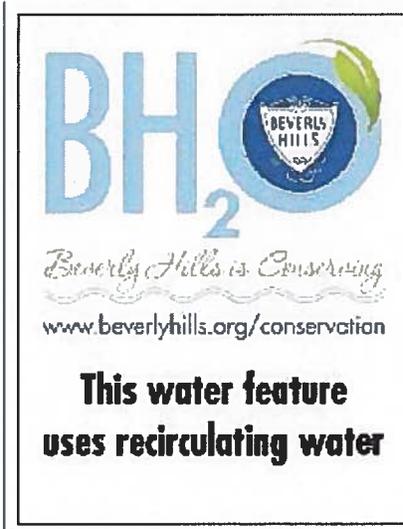


Attachment 4.C.xiii.

Parking Valet Signs at entrances to City parking facilities



Attachment 4.C.xiii.
Water Feature/Fountain Signs





AGENDA REPORT

Meeting Date: June 30, 2015
Item Number: E-17
To: Honorable Mayor & City Council
From: Donielle Kahikina, Deputy Director of Public Works Services, 
Operational Support
Michelle Tse, Senior Management Analyst *MST*
Subject: APPROVAL OF AMENDMENT NO. 1 TO THE AGREEMENT
BETWEEN THE CITY OF BEVERLY HILLS AND G3LA, LLC DBA
G3, GREEN GARDENS GROUP FOR OUTDOOR WATER
CONSERVATION PROGRAM SUPPORT; AND

APPROVAL OF A CHANGE PURCHASE ORDER FOR \$16,875
FOR A TOTAL NOT-TO-EXCEED PURCHASE ORDER OF
\$57,125

Attachments: 1. Amendment No. 1

RECOMMENDATION

Staff recommends that the City Council move to approve Amendment No. 1 to G3LA, LLC DBA G3, Green Gardens Group for outdoor water conservation program support; and approval of a Change Purchase Order for \$16,875 for a total not-to-exceed purchase order amount of \$57,125.

INTRODUCTION

The Public Works Conservation Subcommittee and staff have been in discussions with Green Gardens Group ("G3") to develop programs and resources for the community to assist with outdoor water conservation efforts, including the one-on-one landscape coaching program that was recently approved by the City Council during its June 8, 2015 meeting. Additionally, G3 has also worked on developing a draft garden handbook which identifies drought tolerant plant options; the draft handbook concept was agendized as an informational item to the City Council during its June 30, 2015 Study Session.

DISCUSSION

An agreement in the amount of \$40,250 was initially executed under the City Manager's authority to develop the draft garden handbook framework and also pre-development for the one-on-one landscape coaching program. The attached Amendment No. 1 will increase the Agreement amount to cover costs to implement the landscape coaching program, which consists of a 90-minute on-site landscape consultation to evaluate their

Meeting Date: June 30, 2015

yard and recommend landscape ideas to promote water conservation. The Agreement will also have funds earmarked for any additional City on-call professional services.

FISCAL IMPACT

The recently approved FY15-16 budget includes a Capital Improvement Program ("CIP") with \$348,550 earmarked for various conservation programs.



Approved By
George Chavez

Attachment 1

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF
BEVERLY HILLS AND G3LA, LLC DBA G3, GREEN GARDENS GROUP
FOR OUTDOOR WATER CONSERVATION PROGRAM SUPPORT

NAME OF CONTRACTOR: G3LA, LLC, DBA G3, Green Gardens Group

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Pamela Berstler, Managing Member

CONTRACTOR'S ADDRESS: 149 S. Barrington Ave. Suite # 758
Los Angeles, CA 90049
Attention: Pamela Berstler, Managing Member

CITY'S ADDRESS: City of Beverly Hills
345 Foothill Road
Beverly Hills, CA 90210
Attention: Michelle Tse, Senior Management Analyst

COMMENCEMENT DATE: June 1, 2015

TERMINATION DATE: June 30, 2016

CONSIDERATION: Original Agreement: Total not to exceed \$35,000.00, as more particularly described in Exhibit A;

Contingency for additional work not to exceed \$5,250.00, as more particularly described in Exhibit B;

Total fee not to exceed \$40,250.00

Amendment No. 1: Not to exceed \$16,875.00, as more particularly described in Exhibit A;

Original Agreement and Amendment: Total not to exceed \$57,125.00.

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND G3LA, LLC DBA G3, GREEN GARDENS GROUP FOR OUTDOOR WATER CONSERVATION PROGRAM SUPPORT

This Amendment No. 1 is to that certain Agreement between the City of Beverly Hills (hereinafter called "CITY"), and G3LA, LLC, dba G3, Green Gardens Group (hereinafter called "CONTRACTOR") dated June 23, 2015 and identified as Contract No. 264-15. ("Agreement").

RECITALS

A. CITY entered into a written agreement with CONTRACTOR to have certain services and/or goods provided as set forth in Exhibit A of the Agreement.

B. CITY desires to amend the Agreement to provide for additional services and to compensate CONTRACTOR for such services.

NOW, THEREFORE, the parties agree as follows:

Section 1. The "CONSIDERATION" shall be amended as set forth above on the cover page.

Section 2. Exhibit A, "Scope of Work," shall be amended as attached hereto and incorporated herein.

Section 3. Exhibit B, "Schedule of Payment and Rates," shall be amended as attached hereto and incorporated herein.

Section 4. Except as specifically amended by this Amendment No. 1, the remaining provisions of the Agreement shall remain in full force and effect.

EXECUTED the ____ day of _____ 20____, at Beverly Hills, California.

CITY OF BEVERLY HILLS,
a municipal corporation

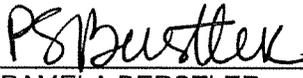
JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

(SEAL)

CONTRACTOR: G3LA, LLC, DBA G3, GREEN
GARDENS GROUP

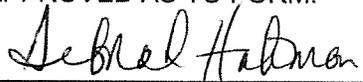


PAMELA BERSTLER
Managing Member

6/23/15

[Signatures continue]

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

MAHDI ALUZRI
Interim City Manager



GEORGE CHAVEZ
Director of Public Works Services

KARL KIRKMAN
Risk Manager

EXHIBIT A
SCOPE OF WORK

CONTRACTOR shall perform the following services:

Original Agreement:

Phase 1

Task 1.0 – Development of Beverly Hills Garden Guidelines Handbook - \$20,000.00

Task 1.1 – Guidelines Table of Contents Approval

Modeled on LA County Drought Tolerant Handbook (DTH) adapted to reflect Beverly Hills' standards for watershed wise gardens. Additional topics to be determined in meeting with staff. All content to be based on pre-existing DTH standards. Creation of new standards and guidelines not included in this scope of work.

Task 1.2 – Develop Graphic Elements and Layout of Handbook

Graphic elements of the handbook will include cover art/design, general handbook layout, sample landscape plan, how-to photos, articles and schematics.

Task 1.3 – Submit Preliminary Draft Handbook

Preliminary Draft submitted no later than June 15, 2015. The preliminary draft will contain both text and graphic elements.

Task 2.0 – One-on-one Conservation Coaching Pilot Program (Program establishment) – Program establishment not to exceed \$10,000.00

- a) Create a Beverly Hills branded information intake page on the Garden Gurus website linked to BH2O or other CITY website designated by Beverly Hills.
- b) Designate a Grand Guru to coordinate all correspondence, scheduling, deployment of gurus, and confirmations with clients for Beverly Hills program.
- c) Create Paypal payment system for \$50.00 resident co-pay.
- d) Consult with CITY to approve an evaluation and recommendation sheet for use during guru visits.

CITY is responsible to develop a list of zip codes, addresses or other identifying information for tracking and limiting participation in CITY's program.

Task 3.0 – On-call professional services

CONSULTANT shall provide on-call professional services as designated by appropriate CITY staff according to hourly rates more particularly described in Exhibit B.

Phase 2 (not included in this Agreement)

Scope of work for Phase 2, a continuation of work started under Phase 1, to be contracted under a separate written amendment upon successful completion of Phase 1.

This shall include:

Task 1.4 – Submit Revision of Draft Handbook

Task 1.5 – Submit Final Handbook

Task 1.6 – General Project Management and Reporting

Task 2.0 – One-on-one Conservation Coaching Pilot Program - 125 total visits

Amendment No. 1:

Phase 2

Task 2.0 – One-on-one Conservation Coaching Pilot Program - 125 total visits @ \$175.00 each

- a) Provide bi-weekly invoicing for all appointments completed and documented in previous two weeks @ \$175.00/visit.
- b) Randomly sample participants via surveys and follow-up phone calls to assess the efficacy of the pilot program.
- c) Provide final Report to CITY staff about the pilot program by July 31, 2015.
- d) Deploy for each visit, a CONTRACTOR Associate who has passed CONTRACTOR's Watershed Wise Landscape Professional training.
 - a. Each visit is 90 minutes + 30 minutes of travel time.
 - b. Each visit is \$50.00 paid by participant + \$175.00 paid by CITY for a total price of \$225.00/visit.
- e) Provide each resident a personalized evaluation and recommendations that will result in outdoor water conservation efforts:
 - a. Evaluate irrigation and provide recommendations for conservation
 - b. Coach on capturing rain water and creating a soil sponge
 - c. Recommend appropriate plantings
 - d. Provide guidance on rebates
 - e. Review new ordinance requirements

Task 3.0 – On-call professional services

CONTRACTOR shall provide on-call professional services as designated by appropriate CITY staff according to hourly rates more particularly described in Exhibit B.

CONSULTANT shall not perform additional landscape architect and/or landscape construction services for CITY residents it consults with under the CITY's Conservation Coaching Pilot Program.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

CITY shall compensate CONTRACTOR for the satisfactory performance of the work described in this Agreement in an amount not to exceed the following, according to the tasks below, as more particularly described in Exhibit A.

(Task 1.0 Development of Beverly Hills Garden Guidelines Handbook, \$20,000.00)

Task 2.0

One-on-one Conservation Coaching Pilot Program \$21,875.00, to be billed at the hourly rate

Task 3.0

On-call Professional Services \$10,000.00, to be billed at the hourly rate

Hourly rates designated for Tasks 2.0 and 3.0 shall adhere to the rates listed in the table below. CONTRACTOR shall assign appropriate staff at the corresponding hourly rate for the completion of each task.

Title	Name	Hourly rate
Managing Member	Pamela Berstler	\$185.00
Landscape Architect	Tom Rau John Tikotsky Gabrielle Fladd	\$185.00
Project Coordinator	Marianne Simon	\$150.00
G3 Associate	Stephanie Bartron	\$100.00
Creative Director	Alex Stevens	\$100.00
Layout/Graphic Arts		\$ 75.00
Administrative/CAD/Drafting		\$ 45.00

In the event CITY requests Additional Services for services outside the scope set forth in Exhibit A, the fee shall be negotiated in advance and set forth in writing, but shall not exceed Five Thousand Two Hundred and Fifty Dollars (\$5,250.00).

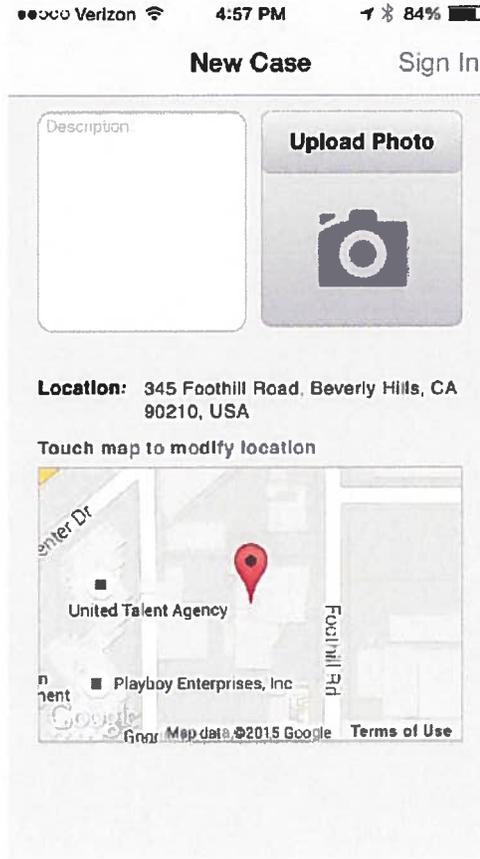
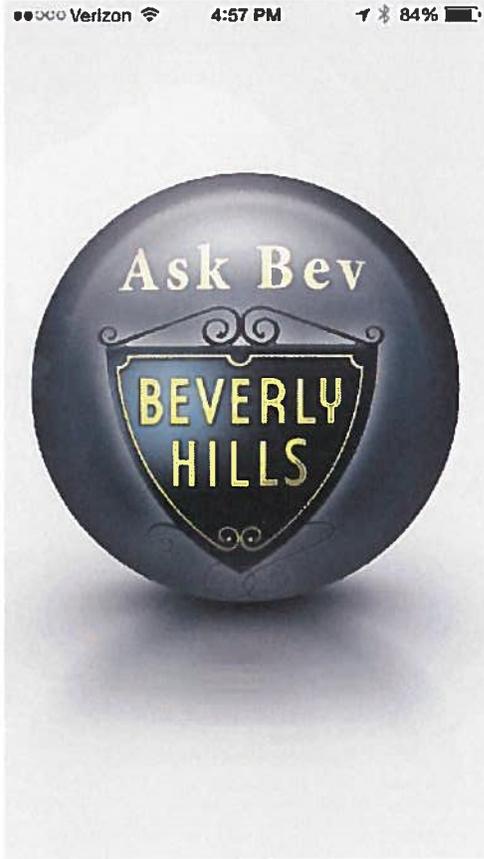
Total fee under this Agreement shall not exceed Fifty Seven Thousand One Hundred Twenty Five Dollars (\$57,125.00).

CONTRACTOR shall submit an itemized statement to CITY on a CITY approved form for its services performed, which shall include documentation setting forth in detail a description of the services rendered, and the hours of services, if appropriate. CITY shall pay CONTRACTOR the amount of such billing within thirty (30 days) of receipt of same.

Attachment 6

Residential	MWD Rebate	Beverly Hills Rebate	Total
Washer	\$85.00	\$215.00	\$300.00
Irrigation Controller	\$80.00	\$120.00	\$200.00
Rotating Nozzles	\$4.00	\$4.00	\$8.00
Toilets	\$100.00	\$50.00	\$150.00
Commercial			
High Efficiency Toilets (Tank Type)	\$100.00	\$200.00	\$300.00
High Efficiency Toilets (Flushometer)	\$100.00	\$200.00	\$300.00
High Efficiency Toilets (4 Liter)	\$145.00	\$155.00	\$300.00
Zero and Ultra Low Retrofit Urinals	\$200.00	\$300.00	\$500.00

Attachment 8.F.v.
Beverly Hills "Ask Bev" Mobile Application



Utility Rates and Fees

Attachment 14

REFERENCE	TYPE OF UTILITY CHARGE	2015/16 RATE	
		Inside City	Outside City
Temporary Supply from Fire Hydrant:			
	Application fee	40.09	50.11
	Deposit	1,212.37	1,515.47
	Service charge		
	Each 6 month period or less	159.33	199.17
	Equipment rental fee		
	First 15 days or less	52.09	65.11
	Each succeeding 15 or less	20.84	26.05
	Meter relocation (each)	52.09	65.11
	Fire Flow Test (per test)	459.46	574.32
	Water Meter Testing (per test)	918.92	1,148.65
	Groundwater Replenishment Fee	913.30	-
Water Rates:			
Service charges (bimonthly)			
Meter size (per meter):			
	1 inch and smaller	43.36	54.20
	1 1/2 inches	75.16	93.95
	2 inches	113.32	141.66
	3 inches	202.36	252.94
	4 inches	329.55	411.94
	6 inches	647.53	809.41
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	Tier 1 - from 1 to 4	3.53 4.41
	Tier 2 - over 10 and up to 55	Tier 2 - over 4 and up to 9	4.67 5.84
	Tier 3 - over 55 and up to 120	Tier 3 - over 9 and up to 16	7.36 9.21
	Tier 4 - over 120+	Tier 4 - over 16+	14.22 17.77
	Non-residential rate (Commercial, Governmental, and Schools)		6.04 7.55
*Capital charge incorporated in usage			
Fire Protection Service Charge (bimonthly):			
Size of connection:			
	2 inch and smaller	26.41	33.01
	2 1/2 inches	39.38	49.23
	3 inches	57.36	71.71
	4 inches	110.79	138.49
	6 inches	302.54	378.18
	8 inches	633.26	791.57
	10 inches	1,130.71	1,413.39

Capacity Fee Calculations

New Meter Installation and Meter Size Upgrades for both Residential and Non-Residential Projects:

Meter Size	Capacity Multiplier	Capacity Fee
1"	1	\$14,912
1.5"	2	\$29,824
2"	3.2	\$47,719
3"	6	\$89,473
4"	10	\$149,121
6"	20	\$298,243

Please note a credit will be given for existing water meter when calculation the water capacity fee

Disclaimer:
Attachment 15

This is provided for informational purposes only. The formatting of this ordinance may vary from the official hard copy. In the case of any discrepancy between this ordinance and the official hard copy, the official hard copy will prevail.

ORDINANCE NO. 15-O-2677
**AN ORDINANCE OF THE CITY OF BEVERLY HILLS
AMENDING THE BEVERLY HILLS MUNICIPAL CODE
REGARDING EMERGENCY WATER CONSERVATION
PROVISIONS**

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

Section 1. The City Council hereby amends and restates Section 9-4-302 (“GENERAL PROHIBITION; APPLICABILITY”) of Article 3 (“EMERGENCY WATER CONSERVATION PLAN”) of Chapter 4 (“WATER REGULATIONS”) of Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) of the Beverly Hills Municipal Code to read as follows:

“9-4-302: GENERAL PROHIBITION; PENALTY SURCHARGE; APPLICABILITY:

A. No person shall use or permit the use of water from the city for residential, commercial, industrial, governmental, or any other purposes in violation of any provision of this article or in an amount in excess of the use that is permitted by the water conservation stages defined below.

B. A penalty surcharge may be assessed for water usage contrary to the provisions of this Article or any water conservation measure adopted by the City Council in an amount set by resolution of the City Council.

C. The provisions of this article shall apply to all persons, customers and property served by the city of Beverly Hills, public works department - utilities division wherever situated.”

Section 2. The City Council hereby amends and restates Section 9-4-303 (“DECLARATION OF WATER CONSERVATION STAGES”) of Article 3 (“EMERGENCY WATER CONSERVATION PLAN”) of Chapter 4 (“WATER REGULATIONS”) of Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) of the Beverly Hills Municipal Code to read as follows:

“9-4-303: DECLARATION OF WATER CONSERVATION STAGES:

A. Water conservation stages shall be determined by the amount of water available or the potential for water interruption. The city manager shall monitor the supply and demand for water by customers. When the city manager finds that the guidelines for initiation of any stage, as set forth in this article, have been satisfied, he or she shall recommend to the city council that a resolution to declare the appropriate water conservation stage be adopted.

B. The city council may modify by resolution any of the requirements contained in the stages of water conversation set forth in Section 9-4-304 if the City Council determines that the modification is in the best interests of the city or is appropriate to promote compliance with any regulation mandated by the State Water Board.

C. The resolution by the city council implementing or terminating conservation stages shall be published within ten (10) days after its adoption at least once in a newspaper of general circulation within the city and the implementing resolution shall be posted in at least three (3) public places and shall continue to be posted until such time as the restrictions of each stage are repealed by resolution of the city council.

D. Except as otherwise may be provided by this article or a resolution adopted by the city council, any prohibitions on the use of water shall become effective immediately upon publication in a newspaper of general circulation within the city. Except as otherwise may be provided by a resolution adopted by the city council, any provisions requiring a percentage reduction in the use of water shall become effective at the first full billing period commencing on or after the date of such publication.”

Section 3. The City Council hereby amends and restates Section 9-4-304 (“REQUIREMENTS FOR WATER CONSERVATION STAGES”) of Article 3 (“EMERGENCY WATER CONSERVATION PLAN”) of Chapter 4 (“WATER REGULATIONS”) of Title 9 (“BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS”) of the Beverly Hills Municipal Code to read as follows:

“9-4-304: REQUIREMENTS FOR WATER CONSERVATION STAGES:

A. Stage A Requirements:

1. A stage A shortage shall be declared when the city manager determines that a five percent (5%) reduction in potable water use is required.

2. Stage A compliance shall consist of voluntary implementation of water conservation elements including, without limitation, reduced irrigation, no washdown of paved areas except to alleviate immediate fire or sanitation hazards, reduced operation of nonrecycling fountains, notification of hotel and restaurant patrons of water conservation goals, serving of water at restaurants only upon request and use of reclaimed water for construction purposes.

B. Stage B Requirements:

1. A stage B shortage shall be declared when the city manager determines that a ten percent (10%) reduction in potable water use is required.

2. Stage B compliance elements shall include the following mandatory elements:

a. Restaurants shall serve water upon request only;

b. All public restrooms in the city and private bathrooms in hotels shall notify patrons and employees of water conservation goals;

c. Plumbing and irrigation leaks shall be repaired as soon as practicable. The city may issue notices to repair visible leaks;

d. Except for single-family and multi-family residential users in tier 1 who will remain in tier 1 for the next billing cycle, all users shall reduce water usage to ninety percent (90%) of the amount in the baseline period as determined by the city council.

3. Violation by any person of the stage B mandatory requirements shall constitute an infraction and, upon conviction, shall be punished by a fine not to exceed one hundred dollars (\$100.00). The

violation of each element, and each separate violation thereof, shall be deemed a separate offense, and shall be punished accordingly.

Attachment 15

C. Stage C Requirements:

1. A stage C shortage shall be declared when the city manager determines that a twenty percent (20%) reduction in potable water use is required.

2. Stage C compliance elements shall include the following mandatory elements:

a. Restaurants shall serve water upon request only;

b. All public restrooms in the city and private bathrooms in hotels shall notify patrons and employees of water conservation goals;

c. Plumbing and irrigation leaks shall be repaired as soon as practicable. The city may issue notices to repair visible leaks;

d. Except for single-family and multi-family residential users in tier 1 who will remain in tier 1 for the next billing cycle, all users shall reduce water usage to eighty percent (80%) of the amount in the baseline period as determined by the city council.

3. Violation by any person of the stage C mandatory requirements shall constitute a misdemeanor and, upon conviction, shall be punished by a fine not to exceed five hundred dollars (\$500.00). Water supply through irrigation water services may be terminated for continued excessive use. The violation of each element, and each separate violation thereof, shall be deemed a separate offense, and shall be punished accordingly.

D. Stage D Requirements:

1. A stage D shortage shall be declared when the city manager determines that a thirty percent (30%) or higher reduction in potable water use is required.

2. Stage D compliance elements shall include the following mandatory elements:

a. Restaurants shall serve water upon request only;

b. All public restrooms in the city and private bathrooms in hotels shall notify patrons and employees of water conservation goals;

c. Plumbing and irrigation leaks shall be repaired as soon as practicable. The city may issue notices to repair visible leaks;

d. Landscape irrigation shall be restricted to selected days and times as determined by the city manager, unless such irrigation uses reclaimed wastewater;

e. Refilling of swimming pools, spas or ponds shall be prohibited unless required for health or safety reasons;

f. Operation of water fountains shall be prohibited unless the water is recirculated;

g. Exterior washdown of buildings and washdown of vehicles shall be prohibited, unless:

(1) The washing is done on the immediate premises of a commercial car wash or commercial service station or with reclaimed wastewater; or
Attachment 15

(2) The health, safety and welfare of the public is contingent upon frequent vehicle cleaning, such as the cleaning of garbage trucks and vehicles to transport food and perishables;

h. Water usage from fire hydrants shall be limited to firefighting, related activities or other activities necessary to maintain the public health, safety and welfare;

i. Except for single-family and multi-family residential users in tier 1 who will remain in tier 1 for the next billing cycle, users shall reduce water usage to seventy percent (70%) of the amount in the baseline period as determined by the city council.

3. Violation by any person of the stage D mandatory requirements shall constitute a misdemeanor and, upon conviction, shall be punished by a fine not to exceed one thousand dollars (\$1,000.00). Continued excessive use may result in termination of water supply through irrigation water services and/or restriction of water supply through domestic meters. The violation of each element, and each separate violation thereof, shall be deemed a separate offense, and shall be punished accordingly.

E. Stage E Requirements:

1. A stage E shortage shall be declared when the city manager determines that a catastrophic interruption of potable water supply has occurred or is foreseen.

2. The city manager shall have emergency water allocation authority in the case of a stage E declaration. This authority shall include the authority to interrupt service to any property or city service zone in order to provide the maximum water supply for human health and safety needs.

3. In allocating water, the city manager shall give first priority to health and safety needs of water utility customers. Subsequent water uses are prioritized to provide water supply first to maintain and expand commerce within the city, then to enhance the aesthetics of the environment, and then to facilitate construction activities.

4. Violation by any person of the stage E emergency water conservation regulations shall constitute a misdemeanor and, upon conviction, shall be punished by a fine not to exceed one thousand dollars (\$1,000.00) and six (6) months in jail. Continued excessive use may result in termination of water supply through irrigation water services and/or restriction of water supply through domestic meters. The violation of each element, and each separate violation thereof, shall be deemed a separate offense, and shall be punished accordingly.”

Section 4. The City Council hereby amends and restates Section 1-3-306 (“CONTENT OF COMPLIANCE ORDER”) of Article 3 (“ADMINISTRATIVE PENALTIES”) of Chapter 3 (“CODE VIOLATIONS”) of Title 1 (“GENERAL PROVISIONS”) of the Beverly Hills Municipal Code to read as follows:

“1-3-306: CONTENT OF COMPLIANCE ORDER:

A compliance order shall contain all of the following information:

A. The date and location of the violation and the approximate time the violation occurred.

B. The city code section violated and a description of the violation.

C. The action required to correct the violation and the date by which such action must be completed. Except for orders to comply with Article 3 ("EMERGENCY WATER CONSERVATION PLAN") of Chapter 4 ("WATER REGULATIONS") of Title 9 ("BUILDING AND PROPERTY HEALTH AND SAFETY REGULATIONS") of this Code, the date for compliance shall not be less than twenty (20) days from the date the compliance order is served.

D. The consequences of failing to correct the violation, including a description of the administrative hearing procedure and appeal process.

E. The time period after which administrative fines will begin to accrue if there is no compliance with the order.

F. The amount of the fine that will be imposed if there is no compliance with the order.

G. The name and signature of the citing official. "

Section 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this Ordinance shall remain in full force and effect.

Section 6. Publication. 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 the city Clerk's certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this city.

Section 7. Effective Date. 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: May 18, 2015

Effective: June 18, 2015

JULIAN A. GOLD, M.D.
Mayor of the City of
Beverly Hills, California

ATTEST:
_____(SEAL)

BYRON POPE
City Clerk
Approved as to form:

Approved as to content:

LAURENCE S. WIENER
City Attorney

MAHDI ALUZRI
Interim City Manager