

# **Attachment 1**

RESOLUTION NO. 16-R-\_\_\_\_\_

RESOLUTION OF THE COUNCIL OF THE CITY OF  
BEVERLY HILLS MODIFYING THE 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, on June 30, 2015, the City Council adopted its resolution No. 15-R-13045 to establish a penalty surcharge for water usage contrary to the provisions of the Stage D water conservation measures pursuant to Beverly Hills Municipal Code Section 9-4-302.

WHEREAS, at a public hearing held on January 5, 2015, the City Council considered its ordinance entitled "An Ordinance of the City of Beverly Hills to Modify the Rates and Charges for Water Services and Facilities Furnished by the City" (the "Water Rate Ordinance").

WHEREAS, upon the adoption of the Ordinance, the City Council desires to modify the penalty surcharge to provide for the recovery of drought costs based on the revised rates and charges.

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 1.44 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 2.29 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 3.73 times the basic water rate).

c. The baseline period shall be the days in the 2013 calendar year against which water use is compared for those same days in 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 30, 2015).

d. The penalty surcharge established by this section shall not apply to any users excepted from the requirement in Beverly Hills Municipal Code Section 9-4-304 to reduce water usages to seventy percent (70%) of the amount in the baseline period.

e. The penalty surcharge established by this section shall be effective upon the effective date of the rates and charges adopted by the Water Rate Ordinance.

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:

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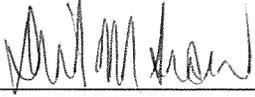
JULIAN A. GOLD, M.D.  
Mayor of the City of Beverly Hills,  
California

ATTEST:

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BYRON POPE  
City Clerk

(SEAL)

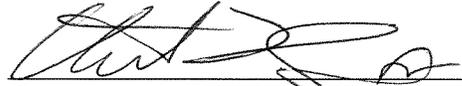
APPROVED AS TO FORM:



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DAVID SNOW  
Interim City Attorney

APPROVED AS TO CONTENT:



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GEORGE CHAVEZ  
Director of Public Works Services