



CITY OF BEVERLY HILLS
PUBLIC WORKS SERVICES DEPARTMENT
MEMORANDUM

TO: PUBLIC WORKS COMMISSION

FROM: Trish Rhay, Assistant Director of Public Works Services –
Infrastructure & Field 
Caitlin Sims, Senior Management Analyst CS

DATE: April 18, 2016

SUBJECT: UPDATE ON TIERED WATER RATES

ATTACHMENTS: None

At the March 10, 2016, Public Works Commission meeting, staff provided an update on the tiered water rates schedule and indicated it was moving forward with the financial and operational efficiency audit of the Water Utility. This operational audit is intended to ensure that the City's water utility is operating as efficiently as possible prior to moving forward with the re-development of the new tiered water rates structure.

The request for proposals for the operational and organizational efficiency audit was released in March 2016. While staff originally set the response deadline for March 29, 2016, and anticipated that it would be able to recommend the award the contract with the selected respondent at the April 5, 2016, City Council meeting, staff extended the response deadline by six days to provide respondents with sufficient time to submit high-quality responses.

The City received responses from five firms. Staff has reviewed these proposals, and three of these firms will be interviewed by City staff and members of the Public Works Commission. Staff will work with the selected vendor to finalize a contract, which staff currently anticipates will be presented to the City Council at its May 3, 2016, meeting. Work on the operational audit will begin immediately after that point.

In the interim, staff is moving forward with a public outreach process to ensure that a variety of stakeholders are able to provide public input. This process is already underway, as staff previously met with building owners and property managers of large commercial properties that are a part of the Building Owners and Managers Association (BOMA). Staff will also prioritize meetings with residential customers, specifically targeting multi-family customers and those in West Hollywood.

Staff will be available to answer any questions from the Commission at the meeting.