



CITY OF BEVERLY HILLS
Room 280A
455 North Rexford Drive
Beverly Hills, CA 90210

**PUBLIC WORKS COMMISSION
REGULAR MEETING MINUTES**

May 10, 2018
8:00 a.m.

MEETING CALLED TO ORDER

Date/Time: May 10, 2018 / 8:03 a.m.

PLEDGE OF ALLEGIANCE

CIVILITY STATEMENT

ROLL CALL

Commissioners Present: Commissioners Alpert, Wolfe, Vice Chair Aronberg, Chair Felsenthal

Commissioners Absent: Commissioner Greer

Staff Present: Gilbert Borboa, Vincent Chee, Vince Damasse, Josette Descalzo, Samer Elayyan, Shana Epstein, Debby Figoni, Michael Hensley, Ilene Knebel, Chad Lynn, Robert Welch.

COMMUNICATIONS FROM THE AUDIENCE

Members of the public may address the Commission regarding any items not on the Agenda that are within the subject matter jurisdiction of the Commission. By State law, the Commission may not discuss or vote on items not on the Agenda.

None.

APPROVAL OF AGENDA

By Order of the Chair, the agenda was approved as presented.

CONSENT CALENDAR

1. Consideration of the Minutes of the regular meeting of May 10, 2018.

Motion: MOVED by Vice Chair Aronberg, SECONDED by Commissioner Alpert to approve the minutes as presented. (4-0).

AYES: Commissioners Alpert, Wolfe, Vice Chair Aronberg, Chair Felsenthal

ABSTAIN: None

NOES: None

CARRIED

REPORTS FROM PRIORITY AGENCIES

Operations Reports from City Departments, Consultants and Outside Agencies

- Metropolitan Water District (MWD) Director Barry Pressman was not in attendance.
 - Chair Felsenthal reported that 23 lawsuits have already been filed against MWD for funding the tunnel project and they are anticipating more still to be filed.
 - Chair Felsenthal referred to an article about allocating Prop 1 funds and the frustration surrounding the distribution of money to meet the specific criteria for use of the funds.

CONTINUED BUSINESS

2. Capital Improvement & Major Projects

Acting City Engineer Robert Welch updated the Commission on the Capital Improvement & Major Project items in the Commission packet. Updates included: Bids were received and are being evaluated for Pump Station #8; Oil and Gas Well Plugging Project is progressing with the start of de-pressurizing the wells; Metro project (Section 1 La Cienega Station) traffic will be reconfigured in the area in June; Some parking will be returned on Wilshire; K-rails will be reconfigured to allow for utility work in the Section 2 area; Asbestos abatement work will begin within 30 days in anticipation of the building to be demolished at the NE corner of Canon/Wilshire; The MOA is being negotiated for the design/build for the Rodeo Station. Project Manager Samer Elayyan addressed Commissioner questions about construction work hours and unevenness of the pavement on Santa Monica Boulevard.

Commissioner comments:

- The Commission asked for confirmation that Metro owns the building needing asbestos abatement and they are funding the abatement. The City Council has approved the permit approved and the work to be done.
- Staff confirmed that the Coffee Bean property is currently under the General Asset Fund but is once there is approval for the WEP, it will be moved to the Water Enterprise Fund.

3. Water Rates/Cost of Service Discussion

Director of Public Works Shana Epstein introduced the item. Representatives from HF&H, Rick Simonson and John Farnkopf, gave a presentation on the policies that are part of the cost of service study. They have not been agreed upon by the Ad Hoc Committee; this is still in progress. If there are additional questions to be addressed, this is an opportunity to add to the conversation. The Chair added that this discussion is to determine the appropriate amounts and the fair and equitable cost allocation among all the different customer categories. The net impact of the changes to be discussed for residential, commercial and public authority customers will vary based on their actual water consumption. In addition, the discussion is to align rates with actual cost of service.

The policy areas to be discussed are customer classes, service charges and quantity charges. Input and direction will be presented to the Ad Hoc Committee to continue to form rate calculations that will ultimately be presented to City Council.

The current charges on the water bill are the fixed service charge and the variable volume charge. Beverly Hills customer rates were reviewed.

After each recommendation, information was presented with comparisons with six different cities including Northern and Southern California, Arizona and LADWP.

Policy issues discussed and recommendations:

Issue 1a – Status of Multi Family customer class

- Maintain separate class

Issue 1b – Create Irrigation customer classes (Single Family, Multi Family, Commercial)

- Create Irrigation class

Issue 2a – Revenue from fixed and variable charges

- Maintain current 15% fixed revenue

Issue 2b – Revenues from fire service charges

- Maintain current 4% fixed revenue

Issue 3a – Single Family residential tiers

- Adjust four tiers to current demand patterns

Issue 3b – Multi Family residential tiers

- Reduce from four to two and size to current demands

Issue 3c – Commercial uniform rate

- Maintain uniform rate

Issue 3d – Single Family, Multi Family, and Commercial Irrigation rates

- Apply same rate to all

Issue 4a – Create Water Supply Reliability Charge

- Add charge to all quantity charges

Issue 4b – Apply revenue stabilization adjustments during shortages

- Apply adjustment factors linked to Shortage Plan

Issue 4c – Outside City differential

- Convert from multiplier to cost allocation for quantity charges

Speakers: Lauren Meister, City of West Hollywood Councilmember
David Warren, West Hollywood Resident
Rich Cohen, West Hollywood Resident

Commissioner comments:

- The Ad Hoc is still in the process of discussing the items and is still in the analysis and review stage.
- The Commission conveyed that the final decisions will be as fair and equitable as possible to all classes of customers based on actual usage.
- The facilities that support the water services are located in Beverly Hills.
- Beverly Hills has conservation ordinances that restrict water usage. Are there similar ordinances in the City of West Hollywood?
- The Commission commented on the temporary use of general funds during low periods so the reserves don't dissipate.

The Commission took a break at 9:40 a.m.
The Commission returned at 9:50 a.m.

4. Hollywood Basin Wells Pre-Treatment Testing Update

Assistant Director of Public Works Gilbert Borboa, Carollo Project Manager Adam Zacheis and Carollo Vice President Rich Pyle presented this item. Since the April Commission meeting, comments from the Ad Hoc Committee have been incorporated into the report. Subsequently, the report was distributed to the Commission. Current water quality issues were highlighted as well as the Water Treatment Testing Processes. Recommendations included a raw water blow down (drain to the storm drain), a sand separator and an oxidation/media filtration system. A preliminary cost estimate was presented as well as the recommendation of the progressive design-build procedure. Final staff recommendations were reviewed.

Commissioner comments:

- The Commission recommended adding a specific notation to retain an independent owner's representative for construction management.
- The Commission also suggested upgrades to the wastewater stream that would help reduce the maintenance/operational costs.
- There will be additional costs for water including well maintenance, and supplementary raw water opportunities. City Council needs to be apprised of the need to continue making investments.
- The Commission asked about some functionality of the recommendations.
- The Commissioners agreed that the report was well written.
- The Commission wanted to confirm that the process being recommended is discussed and all options are presented and methods chosen are agreed upon.
- The Commission discussed the additional expense for membranes once the plant is operational as well as costs identified for chemicals necessary to run the operation and the fees for disposal of the brine.
- Even with the above expenses, the net cost per acre foot of water will be reduced because there will be increase water production.

Motion: MOVED by Commissioner Alpert, SECONDED by Vice Chair Aronberg that the Public Works Commission adopt the staff recommendation presented and include the following: retain an owner's representative for cost and construction management and to continue to evaluate alternatives to the disposal system for the plant. (4-0).

AYES: Commissioners Alpert, Wolfe, Vice Chair Aronberg, Chair Felsenthal

ABSTAIN: None

NOES: None

CARRIED

5. Implementation Plan for the LED Street Light Replacement Program

Environmental Compliance and Sustainability Programs Manager Josette Descalzo presented the item. Additional comments provided by the consulting team of Chris Ford, Project Manager from the Energy Coalition, Matt Schroeder from the Gordon Group and Doc Rivers from CEO Express Energy. A brief background was provided as well as electrical and cost savings and an analysis of the LED Fixtures and Adaptive Controls. This project is only changing the light fixtures, not the poles. The preferred Phillips LED products were described. Demonstrations of the lighting had been done with the support of public safety. Recommendations were presented.

Speaker: A.J. Wilmer

Commissioner comments:

- The Commission would like the public to have an opportunity to comment further on the lights before a final decision is made.
- The Commission commented about the potential rebates.
- The Commission discussed concern with the brightness levels.
- There was a discussion about the potential future upgrades.
- The Commission inquired about the analysis and technical specifications of the adaptive controls.
- The Commission requested to review the specific specifications on the luminaires and the adaptive controls prior to the contract being signed.
- The Commission inquired if we track our Greenhouse Gas Emission.

Motion: MOVED by Chair Felsenthal, SECONDED by Commissioner Alpert that the Public Works Commission approve moving forward with the staff recommendation subject to additional public outreach and joint future contract review/approval by Information Technology and one of our subcommittees. (4-0).

AYES: Commissioners Alpert, Wolfe, Vice Chair Aronberg, Chair Felsenthal

ABSTAIN: None

NOES: None

CARRIED

NEW BUSINESS

None.

PROJECT UPDATES & STATUS ITEMS

6. Water Efficiency Update
Report for information only.

Commissioner comment:

- The Commission suggested reinstating the rebate program.

7. Specific Information and Department Update

