



CITY OF BEVERLY HILLS
Department of Public Works
345 Foothill Road
Beverly Hills, CA 90210

Presorted
Standard Rate
US Postage
PAID
Permit 31050
Los Angeles CA



PROPOSED 5 YEAR WATER CHARGE INCREASES

Proposed 5-Year Water Charge Increases
Proposed water charge increases for the next 5 years from 2018-2022 to fund water quality, reliability, and infrastructure projects.

EXPLORE:

Customer Bill Impact and Bill Calculator Tool at
www.beverlyhills.org/waterrates.



LEARN:

Attend an **Informational Town Hall Meeting** on
September 28, 2017 at 6:00 p.m.
at the Beverly Hills Library Auditorium,
444 N. Rexford Drive, Beverly Hills

October 2, 2017 at 6:00 p.m.
at the City Hall Municipal Gallery,
455 N. Rexford Drive, Beverly Hills

Attend the **Public Works Commission Meeting** on
October 12, 2017 at 8:00 a.m.
at Beverly Hills City Hall, 455 N. Rexford Drive,
Room 280A, Beverly Hills

ATTEND:

The **Public Hearing** for the proposed rate increase is on
Tuesday, November 7, 2017 at 7:00 p.m. at the
City Council Meeting, 455 N. Rexford Drive,
City Council Chambers, Beverly Hills

WATCH:

Tune into Beverly Hills Television Channel 10 on November 7 to
watch the City Council meeting or view the meeting live online at
www.beverlyhills.org/living/beverlyhillstelevision/watchlive/.

SHARE:

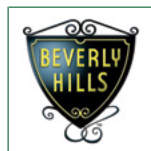
Facebook, Twitter

LISTEN:

Interested in a presentation by Beverly Hills staff about the
proposed rates and our water and wastewater infrastructure?
Contact AskPW@beverlyhills.org to schedule a presentation for
your group.

QUESTIONS:

Contact Customer Service at
AskPW@beverlyhills.org or (310) 285-2467.

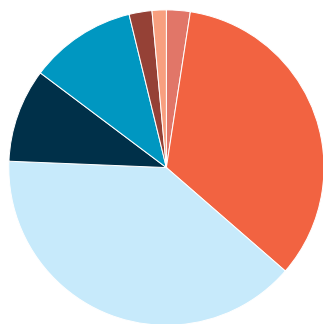


PUBLIC WORKS DEPARTMENT

The Beverly Hills water system is made up of 171 miles of pipeline, 11 reservoirs, 4 water wells, and a water treatment plant. The Public Works Department is responsible for maintaining, expanding, and rehabilitating this aging infrastructure to ensure that all customers continue to receive the highest quality water. These new and rehabilitation projects are possible because funding from the water rates is reinvested into the water capital improvement programs for projects to maintain, expand, and rehabilitate the system. The following chart shows the City's current capital investment forecast.



WATER CAPITAL INVESTMENT PROJECTS THROUGH FISCAL YEAR 2022



Asset & System Management \$659,000	Pump Stations & Reservoirs \$4,950,000
Water Efficiency \$1,060,703	Wells \$15,352,103
Right-of-Way Infrastructure \$1,100,000	Waterlines \$17,750,000
Treatment \$4,343,203	

NOTICE OF PUBLIC HEARING FOR PROPOSED WATER SERVICE CHARGES INCREASE

Inside this brochure, you will find information on the following:

- Proposed water rate charges, which includes (i) a schedule of increases for the next five years (Pg. 2) and (ii) automatic adjustments that pass through the adopted increases or decreases in the wholesale charges for water (Pg. 3)
- Bill impacts with the proposed water rates charges increases (Pg. 3)
 - ❖ For example, an average single-family residential customer with a 1-inch meter uses approximately 30 hundred cubic feet (HCF) or 22,440 gallons of water bi-monthly.
 - ❖ Based on the average water usage, a single-family residential customer will see an increase of approximately \$5.50 to \$6.50 on each bi-monthly bill over the next five years.
 - ❖ A single-family residential customer will see an increase of approximately \$29.52 on each bi-monthly bill at the end of the 5 year period.
- Overview of various utility charges that appear on your bill (Pg. 3)
- Website link to an interactive customer bill impact and bill calculator tool (Pg. 4)
- Where and how your water utility dollars are spent (Pg. 4)
- Where to get more information and have your voice heard regarding the proposed water rate charges (Pg. 4)

PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council will hold a public hearing on the proposed increase in water charges at the following place and time:

NOVEMBER 7, 2017 AT 7:00 P.M.

CITY COUNCIL CHAMBERS—455 N. REXFORD DRIVE, BEVERLY HILLS, CA

At the public hearing, the City Council will hear and consider all objections or protests to the proposed water rate increase as described on Page 2 and Page 3 of this notice. Any property owner or property tenant that is directly responsible for the payment of water service charges (each, a “water customer”) may submit a written protest against the proposed increase. Written protests may be delivered to the City Clerk at the public hearing prior to the end of the public hearing or may be mailed or personally delivered to the City Clerk at City Hall, 455 N. Rexford Drive (Room 290), Beverly Hills, CA 90210. Protests that are mailed or delivered to City Hall must be received by the City Clerk before 5:00 p.m. on November 7, 2017.

A majority protest exists if, at the end of the public hearing, there are written protests submitted by a majority of the water customers subject to the proposed increase. No more than one written protest per parcel of property will be counted in calculating a majority protest. The City Council cannot adopt the proposed increase if a majority protest exists. No late postmarks will be accepted, and emailed, faxed or photocopied protests will not be counted.

A written protest must include all of the following to be considered in determining a majority protest:

1. Clearly stated opposition to the increase in the water charge(s);
2. Name of the owner or customer of record who is submitting the protest;
3. Identification by street address or utility account number of the parcel with respect to which the protest is made; and
4. Original signature and legibly printed name of the owner or customer of record who is submitting the protest.

Oral comments at the public hearing will not be counted in the determination of a majority protest unless accompanied by a written protest.

Dear Valued Customer:

The City of Beverly Hills has been delivering drinking water to customers for more than a century and is committed to providing around-the-clock, reliable and quality service. Thank you to all our customers for answering the call to conserve during this last drought and being good stewards of our water future.

The City is now embarking on ambitious efforts to reinvest in our infrastructure and continue to produce local water in the City. Although the Metropolitan Water District supplies the majority of our water, local water production helps to protect the City’s water supply and diversifies our water supply portfolio to increase reliability.

As a public enterprise, the water utility is self-supporting, largely through revenues generated by rates paid by our customers. Your money is directly reinvested into the Water Enterprise to pay for the water that you use every day for drinking, bathing, cooking and outdoor watering. Your money also funds less visible expenses such as long-term debt payments, planning and environmental compliance. Asking our customers to pay more is never easy, but these incremental increases will assist in investing and reinvesting in critical infrastructure.

If you have any questions, we invite you to attend a Town Hall informational meeting on **Thursday, September 28** at the Beverly Hills Library Auditorium, 444 N. Rexford Drive at 6 p.m., or **Monday, October 2** at the Municipal Gallery at City Hall, 455 N. Rexford Drive at 6 p.m. You can also visit our informational page at www.beverlyhills.org/waterrates.

Sincerely,

Shana E. Epstein, Director of Public Works

Beverly Hills Customers Proposed 5-Year Water Rates

Proposed Bi-Monthly Water Service Charge & Volume Rates		Effective Date				
		1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022
Meter Size		Bi-Monthly Service Charge (For All Customers)				
1" or Smaller		\$44.66	\$46.00	\$47.38	\$48.80	\$50.27
1 1/2"		\$77.41	\$79.74	\$82.13	\$84.59	\$87.13
2"		\$116.72	\$120.22	\$123.83	\$127.54	\$131.37
3"		\$208.43	\$214.68	\$221.12	\$227.76	\$234.59
4"		\$339.44	\$349.62	\$360.11	\$370.91	\$382.04
6"		\$666.96	\$686.96	\$707.57	\$728.80	\$750.66
Meter Size		Bi-Monthly Fire Service Charge				
2" or smaller		\$27.20	\$28.02	\$28.86	\$29.72	\$30.62
2 1/2"		\$40.56	\$41.78	\$43.03	\$44.32	\$45.65
3"		\$59.08	\$60.85	\$62.68	\$64.56	\$66.50
4"		\$114.11	\$117.54	\$121.06	\$124.70	\$128.44
6"		\$311.62	\$320.96	\$330.59	\$340.51	\$350.73
8"		\$652.26	\$671.83	\$691.98	\$712.74	\$734.12
10"		\$1,164.63	\$1,199.57	\$1,235.56	\$1,272.62	\$1,310.80

Volume Rates (\$ per HCF); HCF (Hundred Cubic Feet = 748 Gallons)

Single-Family Residential						
Tier 1	0 up to 10	\$4.02	\$4.14	\$4.26	\$4.39	\$4.52
Tier 2	Over 10 up to 55	\$5.30	\$5.46	\$5.63	\$5.80	\$5.97
Tier 3	Over 55 up to 120	\$8.36	\$8.61	\$8.87	\$9.14	\$9.41
Tier 4	Over 120	\$16.15	\$16.63	\$17.13	\$17.65	\$18.18
Multi-Family Residential						
Tier 1	0 up to 4 Per Dwelling Unit	\$4.02	\$4.14	\$4.26	\$4.39	\$4.52
Tier 2	Over 4 up to 9 Per Dwelling Unit	\$5.30	\$5.46	\$5.63	\$5.80	\$5.97
Tier 3	Over 9 up to 16 Per Dwelling Unit	\$8.36	\$8.61	\$8.87	\$9.14	\$9.41
Tier 4	Over 16 Per Dwelling Unit	\$16.15	\$16.63	\$17.13	\$17.65	\$18.18
Non-Residential		\$6.86	\$7.07	\$7.28	\$7.50	\$7.72

Outside City Customers Proposed 5-Year Water Rates

Proposed Bi-Monthly Water Service Charge & Volume Rates		Effective Date				
		1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022
Meter Size		Bi-Monthly Service Charge (For All Customers)				
1" or Smaller		\$55.83	\$57.50	\$59.23	\$61.00	\$62.83
1 1/2"		\$96.77	\$99.67	\$102.66	\$105.74	\$108.91
2"		\$145.91	\$150.29	\$154.80	\$159.44	\$164.22
3"		\$260.53	\$268.34	\$276.39	\$284.69	\$293.23
4"		\$424.30	\$437.03	\$450.14	\$463.64	\$477.55
6"		\$833.69	\$858.70	\$884.46	\$911.00	\$938.33
Meter Size		Bi-Monthly Fire Service Charge				
2" or smaller		\$34.00	\$35.02	\$36.07	\$37.15	\$38.27
2 1/2"		\$50.71	\$52.23	\$53.79	\$55.41	\$57.07
3"		\$73.86	\$76.08	\$78.36	\$80.71	\$83.13
4"		\$142.64	\$146.92	\$151.33	\$155.87	\$160.55
6"		\$389.53	\$401.21	\$413.25	\$425.64	\$438.41
8"		\$815.32	\$839.78	\$864.97	\$890.92	\$917.65
10"		\$1,455.79	\$1,499.47	\$1,544.45	\$1,590.78	\$1,638.51

Volume Rates (\$ per HCF)

Single-Family Residential						
Tier 1	0 up to 10	\$5.01	\$5.16	\$5.31	\$5.47	\$5.63
Tier 2	Over 10 up to 55	\$6.63	\$6.83	\$7.04	\$7.25	\$7.47
Tier 3	Over 55 up to 120	\$10.45	\$10.77	\$11.09	\$11.42	\$11.77
Tier 4	Over 120	\$20.18	\$20.78	\$21.41	\$22.05	\$22.71
Multi-Family Residential						
Tier 1	0 up to 4 Per Dwelling Unit	\$5.01	\$5.16	\$5.31	\$5.47	\$5.63
Tier 2	Over 4 up to 9 Per Dwelling Unit	\$6.63	\$6.83	\$7.04	\$7.25	\$7.47
Tier 3	Over 9 up to 16 Per Dwelling Unit	\$10.45	\$10.77	\$11.09	\$11.42	\$11.77
Tier 4	Over 16 Per Dwelling Unit	\$20.18	\$20.78	\$21.41	\$22.05	\$22.71
Non-Residential		\$8.58	\$8.84	\$9.10	\$9.38	\$9.66

*HCF (HUNDRED CUBIC FEET) = 748 GALLONS

SAMPLE BEVERLY HILLS CUSTOMER BILL IMPACTS

Single-Family Residential Bi-Monthly Bill Impact

Usage	Current			Total (Water + Wastewater) Bi-Monthly Bill Increase					
	Water		Wastewater	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	Overall Bi-monthly Bill Increase
	Service	Volumetric		Increase	Increase	Increase	Increase	Increase	
10 HCF 1" meter	\$43.36	\$39.00	\$87.38	\$2.47	\$2.54	\$2.62	\$2.70	\$2.78	\$13.12
30 HCF 1" meter	\$43.36	\$142.00	\$87.38	\$5.56	\$5.73	\$5.90	\$6.08	\$6.26	\$29.52
55 HCF 1" meter	\$43.36	\$270.75	\$87.38	\$9.42	\$9.71	\$10.00	\$10.30	\$10.61	\$50.03
120 HCF 1.5" meter	\$75.16	\$798.55	\$87.38	\$26.21	\$27.00	\$27.81	\$28.64	\$29.50	\$139.16
150 HCF 1.5" meter	\$75.16	\$1,268.95	\$87.38	\$40.32	\$41.53	\$42.78	\$44.06	\$45.38	\$214.08

Multi-Family Residential 5-Unit Complex Bi-Monthly Bill Impact

Usage	Current			Total (Water + Wastewater) Bi-Monthly Bill Increase					
	Water		Wastewater	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	Overall Bi-monthly Bill Increase
	Service	Volumetric		Increase	Increase	Increase	Increase	Increase	
Total 20 HCF (4 HCF/Unit) 1" meter	\$43.36	\$78.00	\$436.90	\$3.64	\$3.75	\$3.86	\$3.98	\$4.10	\$19.33
Total 80 HCF (16 HCF/Unit) 1.5" meter	\$75.16	\$490.95	\$436.90	\$16.98	\$17.49	\$18.02	\$18.56	\$19.11	\$90.17
Total 105 HCF (21 HCF/Unit) 1.5" meter	\$75.16	\$882.95	\$436.90	\$28.74	\$29.61	\$30.49	\$31.41	\$32.35	\$152.60

Commercial Bi-Monthly Bill Impact

Usage	Current			Total (Water + Wastewater) Bi-Monthly Bill Increase					
	Water		Wastewater	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	Overall Bi-monthly Bill Increase
	Service	Volumetric		Increase	Increase	Increase	Increase	Increase	
25 HCF 1" meter	\$43.36	\$166.50	\$211.20	\$6.30	\$6.48	\$6.68	\$6.88	\$7.09	\$33.43
90 HCF 1" meter	\$43.36	\$599.40	\$671.40	\$19.28	\$19.86	\$20.46	\$21.07	\$21.70	\$102.38
5000 HCF 6" meter	\$647.53	\$33,300.00	\$35,434.20	\$1,018.43	\$1,048.98	\$1,080.45	\$1,112.86	\$1,146.25	\$5,406.96

HCF (Hundred Cubic Feet = 748 Gallons)

Bi-monthly increases are compared to the previous year (i.e. 1/1/18 compared to current; 1/1/19 compared to 1/1/18)

PROPOSED PASS-THROUGH

At the public hearing on **November 7, 2017**, the City Council will also consider a pass-through charge that would allow increases in wholesale water charges for purchasing water from the Metropolitan Water District (MWD) to be passed through directly to the customers if they are higher than the adopted budgeted costs with an advance notice. Wholesale purchased water costs fluctuate for a variety of reasons that are beyond the control of Beverly Hills. Rather than budgeting higher costs at this time and increasing water charges more now, this pass-through mechanism will be used when actual needs are known.

YOUR UTILITY BILL

Your bi-monthly utility bill includes charges for water, wastewater, stormwater, and solid waste services.

WATER: Sum of (1) the fixed meter charge, which is based on meter size, and (2) usage charge, which is based on the amount of water used during the billing period. In master-metered buildings with a single bill, for the volumetric charge, the number of dwelling units serves as a multiplier to set the tiers.

WASTEWATER: For residential customers, the charge is per residential unit. For commercial customers, the charge is the sum of (1) a fixed charge and (2) a quantity and quality charge based on the volume of water used. Some commercial customers are also assessed an additional surcharge based on the composition of discharge.

STORMWATER: Flat rate per residential unit for residential customers and a flat rate for non-residential customers.

SOLID WASTE: For single-family residential customers, the charge is a sum of a refuse fee, which is based on the lot size, and a flat alley maintenance fee.

For multi-family residential customers with alley service, the charge is the sum of a refuse fee and alley maintenance fee, both of which are charged

based on the number of residential units. Commercial and multi-family customers with bin service receive a monthly refuse bill based on the size of bin and the number of times per week that refuse is collected.

Those customers that live in West Hollywood are only charged for water services on the Beverly Hills bill.

The proposed changes at this time are only to the water charges on your bill. To see how the proposed rates may change your bill, please visit www.beverlyhills.org/waterrates to explore the Bill Calculator Tool.

DROUGHT SURCHARGES

The drought penalty surcharge ended in June 2016, so customers no longer see that charge on their utility bills.

While this drought has been declared over, the City will continue to face droughts, and water conservation remains a priority for the City. However, since the proposed rates are based on the amount of water projected to be sold and the amount of wastewater to be cleaned, using less water will decrease revenues. As part of the cost of service study to be completed in the spring of 2018, the City will also consider different funding alternatives to address revenue gaps during future droughts and periods of reduced water consumption.

