## KRAUSE, KALFAYAN, BENINK, & SLAVENS

A LIMITED LIABILITY PARTNERSHIP

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JAMES C. KRAUSE (1950-2012)

September 5, 2017

City Council
City of Long Beach
ATTN: CITY CLERK
333 W. Ocean Blvd. Council Chamber
Long Beach, CA 90802

RE: Proposed Transfers of Pipeline Permit Fees and Adoption of Water and

Sewer Rates

Dear Members of City Council:

As you are aware, this firm represents Long Beach resident Diana Lejins (3515 Josie Ave., Long Beach, CA 90808) in a lawsuit currently pending against the City, *Lejins v. City of Long Beach*, Los Angeles Superior Court Case No. BS165724. The lawsuit alleges that the City includes in its water and sewer rate structure, surplus charges in order to fund transfers to the City's General Fund as Pipeline Permit Fees. Ms. Lejins contends that the Pipeline Permit Fees are not part of the cost of providing water and sewer services and thus violate Proposition 218. (See California Const. art. XIII D, §, 6 subd. (b).)

At today's City Council meeting, you will consider whether to approve the proposed FY 17-18 budget adopted by the Water Department. You will also consider whether to approve Water Department Resolution No. WD-1376 establishing water and sewer rates and charges effective October 1, 2017. Ms. Lejins respectfully requests that you not adopt or approve the budget or rates for the reasons stated in the lawsuit and as reflected in the protest letter Ms. Lejins will be submitting at the Water Department's public hearing on September 7, 2017, a copy of which is attached hereto.

Please include this correspondence in the record of today's City Council meeting (Item Nos. 17-0734 and 17-0735.) Thank you for your consideration.

Sincerely,

Eric J. Benink

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