

ORDINANCE NO. ORD-06-0038

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING RESOLUTION NO. WD-1219, A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS OF THE CITY ESTABLISHING THE RATES AND CHARGES TO BE CHARGED FOR WATER AND SEWER SERVICE

The City Council of the City of Long Beach ordains as follows:

Section 1. That Resolution No. WD-1219 of the Board of Water Commissioners of the City of Long Beach, entitled "A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS FIXING RATES AND CHARGES FOR WATER AND SEWER SERVICE TO ALL CUSTOMERS, SUBJECT TO THE APPROVAL OF THE RATEPAYERS AND OF THE CITY COUNCIL BY ORDINANCE," adopted by said Board on August 17, 2006, and the rates fixed in the Resolution to be charged for water and sewer service be and the same are hereby approved subject to approval by the ratepayers at a public hearing.

Sec. 2. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first day after it is approved by the Mayor.

I certify that this ordinance was adopted by the City Council of the City of

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1 Long Beach at its meeting of September 19, 2006, by the following vote:

2 Ayes: Councilmembers: B. Lowenthal, S. Lowenthal, DeLong,
3 O'Donnell, Schipske, Richardson,
4 Reyes Uranga, Gabelich, Lerch.

5 _____
6 Noes: Councilmembers: None.

7 _____
8 Absent: Councilmembers: None.

9 _____

10 _____
11  _____
12 City Clerk

13 Approved: 9/21/06 _____
14 (Date) Mayor

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RESOLUTION NO. WD-1219

A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS AMENDING RESOLUTION NO. WD-1213 FIXING RATES AND CHARGES FOR WATER AND SEWER SERVICE TO ALL CUSTOMERS, SUBJECT TO THE APPROVAL OF THE CITY COUNCIL BY ORDINANCE

The Board of Water Commissioners of the City of Long Beach resolves as follows:

Section 1. That the following rates and charges for potable and reclaimed water service and for sewer service are hereby established, and the Long Beach Water Department ("Water Department") of the City of Long Beach ("City") is hereby authorized and directed to charge and collect the same in accordance with the provisions of this resolution, subject to approval by the rate payers at a hearing on October 12, 2006.

Sec. 2. For all metered services the charge for potable and reclaimed water shall consist of both a service charge based on the size of the service and a quantitative charge for water delivered.

A. On November 1, 2006, the service charge shall be in accordance with the following table:

| <u>Size of Service</u> | <u>Daily Service Charge</u> |
|------------------------|-----------------------------|
| 5/8 or 3/4 inch | \$0.297 |
| 1 inch | 0.448 |
| 1-1/2 inch | 0.835 |
| 2 inch | 1.238 |
| 3 inch | 2.563 |
| 4 inch | 4.056 |
| 6 inch | 7.474 |

| 1 | <u>Size of Service</u> | <u>Daily Service Charge</u> |
|---|------------------------|-----------------------------|
| 2 | 8 inch | 11.731 |
| 3 | 10 inch | 19.213 |
| 4 | 12 inch | 23.483 |
| 5 | 16 inch | 38.865 |

6 B. On November 1, 2006, the quantitative charge for all water delivered shall
7 be as follows, based on monthly meter readings:

8 1) For single family residential customers of potable water who have been
9 granted an exemption from the City's Utility Users Tax in accordance with Chapter
10 3.68 of the Long Beach Municipal Code:

| | | | |
|----|----------|--|---------|
| 11 | Tier IA | First 5 Billing Units (or fraction thereof) | \$0.867 |
| 12 | Tier II | Next 10 Billing Units (or fraction thereof) | \$1.734 |
| 13 | Tier III | Over 15 Billing Units (or fraction thereof) | \$2.601 |

14 2) For single family residential customers of potable water who have not
15 been granted an exemption from the City's Utility Users Tax:

| | | | |
|----|----------|--|---------|
| 16 | Tier IB | First 5 billing units (or fraction thereof) | \$1.561 |
| 17 | Tier II | Next 10 billing units (or fraction thereof) | \$1.734 |
| 18 | Tier III | Over 15 billing units (or fraction thereof) | \$2.601 |

19 3) For duplex residential customers of potable water who have been
20 granted an exemption from the City's Utility Users Tax in accordance with
21 Chapter 3.68 of the Long Beach Municipal Code:

| | | | |
|----|---------|---|---------|
| 22 | Tier IA | First 2.5 billing units (or fraction thereof) per dwelling unit | \$0.867 |
| 23 | Tier II | Next 10.5 billing units (or fraction thereof) per dwelling unit | \$1.734 |

1 Tier III Over 13 billing units
2 (or fraction thereof)
3 per dwelling unit \$2.601

4 4) For duplex residential customers of potable water who have not been
5 granted an exemption from the City's Utility Users Tax:

6 Tier IB First 2.5 billing units
7 (or fraction thereof)
8 per dwelling unit \$1.561

9 Tier II Next 10.5 billing units
10 (or fraction thereof)
11 per dwelling unit \$1.734

12 Tier III Over 13 billing units
13 (or fraction thereof)
14 per dwelling unit \$2.601

15 5) For multi-family residential customers of potable water who have been
16 granted an exemption from the City's Utility Users Tax in accordance with Chapter
17 3.68 of the Long Beach Municipal Code:

18 Tier IA First 2.5 billing units
19 (or fraction thereof)
20 per dwelling unit \$0.867

21 Tier II Next 6.5 billing units
22 (or fraction thereof)
23 per dwelling unit \$1.734

24 Tier III Over 9 billing units
25 (or fraction thereof)
26 per dwelling unit \$2.601

27 6) For multi-family residential customers of potable water who have not
28 been granted an exemption from the City's Utility Users Tax:

29 Tier IB First 2.5 billing units
30 (or fraction thereof)
31 per dwelling unit \$1.561

32 Tier II Next 6.5 billing units
33 (or fraction thereof)
34 per dwelling unit \$1.734

35 Tier III Over 9 billing units
36 (or fraction thereof)
37 per dwelling unit \$2.601

38 7) For commercial customers of potable water, \$1.734 per billing unit, or

1 fraction thereof.

2 8) For industrial customers of potable water, \$1.734 per billing unit, or
3 fraction thereof.

4 9) For irrigation customers of potable water, \$1.734 per billing unit, or
5 fraction thereof.

6 10) For City of Long Beach Departments using potable water, \$1.734 per
7 billing unit, or fraction thereof.

8 11) For reclaimed water users whose use is "peaking" as defined herein,
9 \$1.214 per billing unit, or fraction thereof.

10 12) For reclaimed water users whose use is "non-peaking" as defined
11 herein, \$0.867 per billing unit, or fraction thereof.

12 13) These quantitative charges shall be subject to adjustment as provided
13 in Subsection C of this Section.

14 14) There shall be no charge for water used through fire hydrants for
15 extinguishing fires.

16 C. The quantitative charges for Tier IB were adjusted on October 1, 1999
17 to reflect the action of the Board approving incremental increases to Tier IB.

18 Sec. 3. A. Unmetered water service may be rendered to unoccupied or
19 occupied property where it is not practical to meter the water, and on November 1, 2006,
20 the rate for unmetered water service shall be:

| 21 | <u>Size of Service</u> | <u>Daily Rate</u> |
|----|------------------------|-------------------|
| 22 | 5/8 or 3/4 inch | \$1.450 |
| 23 | 1 inch | \$2.451 |
| 24 | 1-1/2 inch | \$6.038 |
| 25 | 2 inch | \$9.499 |

26 The rates for unmetered water service shall begin on the date of use of water
27 by the customer, as determined by the General Manager.

28 B. The rates for unmetered water service shall begin on the date of use

1 of water by the customer, as determined by the General Manager of the Water Department
2 (“General Manager”).

3 Sec. 4. Charges for water service through meters at temporary service
4 connections from fire hydrants or otherwise shall be at the applicable quantitative charge
5 plus the service charge, together with a charge for installing, changing, and removing the
6 meter and fittings in accordance with the “Rules, Regulations and Charges Governing
7 Potable Water, Reclaimed Water, Sewer Service and the Emergency Water Conservation
8 Plan” of the Water Department.

9 Sec. 5. A. On November 1, 2006, the service charge for private fire
10 protection service shall be in accordance with the following table:

| 11 | <u>Size of Service</u> | <u>Daily Rate</u> |
|----|------------------------|-------------------|
| 12 | 2 inch | \$0.620 |
| 13 | 3 inch | \$1.059 |
| 14 | 4 inch | \$1.565 |
| 15 | 6 inch | \$2.668 |
| 16 | 8 inch | \$3.910 |
| 17 | 10 inch | \$5.289 |
| 18 | 12 inch | \$6.667 |
| 19 | 16 inch | \$9.776 |

20 The service charges in this Section shall only include water used for fire
21 extinguishing purposes and a reasonable amount of water used for testing the fire line.

22 B. Whenever the Water Department finds that water through a private fire
23 protection service is being used for purposes other than fire extinguishing or testing the fire
24 line, the General Manager may make a determination of the quantity of water used, the
25 quantitative charges for that water, and the service charges to be applied. His determina-
26 tion shall be final. In addition, if water through a private fire protection service is used for
27 purposes other than fire extinguishing or testing the fire line, the Water Department may
28 discontinue the private fire protection service or may install a domestic or fire flow meter,

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1 at either the customer's or its expense as the General Manager may determine, and
2 thereafter the service shall be classified as regular service and billed at the rates applicable
3 thereto.

4 Sec. 6. The primary purpose of fire hydrants is extinguishing fires and they
5 shall be opened and used only by the Water Department or the Long Beach Fire
6 Department, or such other persons as may be authorized to do so by the General Manager
7 or the Chief of the Fire Department. Where fire hydrants are installed and maintained by
8 the Water Department, there shall be no standby charge made to the Fire Department.

9 Sec. 7. A. For all sewer service where the sewer lateral connects to a main
10 line maintained by the Water Department, or the sewer lateral is located in the public right-
11 of-way, the charge for sewer service shall consist of both a daily sewer rate and a
12 volumetric sewer rate.

13 B. The daily sewer rate shall be in accordance with the following table:

| 14 <u>Size of Service</u> | 15 <u>Daily Sewer Rate</u> |
|------------------------------|----------------------------|
| 16 5/8 or 3/4 inch | 17 \$ 0.129 |
| 18 1 inch | 19 0.204 |
| 20 1-1/2 inch | 21 0.371 |
| 22 2 inch | 23 0.538 |
| 24 3 inch | 25 1.114 |
| 26 4 inch | 27 1.764 |
| 28 6 inch | 3.248 |
| 8 inch | 5.104 |
| 10 inch | 8.350 |
| 12 inch | 10.206 |
| 16 inch | 16.701 |

 C. The volumetric sewer rate shall be \$0.179 per 100 cubic feet of water
furnished where water service size is 5/8 inches or larger. The volumetric sewer rate shall
not be applicable to fire services.

1 D. For volumetric sewer rates, there are the following customer classifica-
2 tions: single family residential; duplex residential; multi-family residential; City Depart-
3 ments; commercial; and industrial.

4 Volumetric sewer rates for single family residential, duplex residential and
5 multi-family residential shall be computed based on the average of actual potable water
6 use for two winter billing periods. The winter billing periods used will be determined by the
7 meter reading schedule for the account. The actual winter usage is divided by the number
8 of winter days to obtain an average volume. The average volume will be the base volume
9 on which the volumetric sewer rate is charged for the next twelve month period beginning
10 with May's billing periods. Each year, the average volume will be recalculated for the
11 succeeding twelve-month period. Exceptions to the above calculation methodology will use
12 the average volume for the classification in which the customer falls as the average volume
13 or a calculation using available usage information for the account. For those residential
14 customers with no previous history of use for two winter billing periods, the average volume
15 for the classification in which the customer falls will be used.

16 E. For all users of the sewer system that do not receive a water bill from the
17 City but where the user's sewer lateral connects to a main line maintained by the Water
18 Department, or where the sewer lateral is located in the public right-of-way, the charge for
19 sewer service shall consist of both a daily sewer rate and a volumetric sewer rate. The
20 daily sewer rate shall be as provided in Subsection 7(B) of this Resolution. For these
21 customers, the volumetric sewer rate shall be based on the average volume for the
22 customer's classification.

23 F. The City shall collect from all developments and all developments shall
24 be required to pay a capacity charge of Seventy-Five Dollars and Two Cents (\$75.02) per
25 equivalent fixture unit at the time application for sewer service is made, but in no event
26 later than the time that the City issues a sewer permit for connection to the City sewerage
27 system, as set forth in the Long Beach Municipal Code and the "Rules, Regulations and
28 Charges Governing Potable Water, Reclaimed Water, Sewer Service and the Emergency

1 Water Conservation Plan” of the Water Department.

2 G. Upon receipt of an application for sewer service, the City’s Department
3 of Planning and Building (through the Plan Checker for Plumbing) shall calculate the
4 amount of the capacity charge by: 1) determining if this resolution applies to the
5 development; and 2) if this resolution does not apply, indicating same on the application
6 for sewer service and the reason this resolution does not apply, and processing the
7 application in accordance with ordinances, resolutions, and regulations; or 3) if this
8 resolution does apply, determining the number of equivalent fixture units in the
9 development and multiplying that number by the capacity charge per equivalent fixture unit.

10 H. The sewer capacity charge shall be subject to annual adjustment,
11 effective October 1 of each year, to reflect the increase of the Construction Cost Index
12 (“CCI”) for Los Angeles as published in the “Engineering News-Record”. The increase
13 shall be calculated each September by dividing the CCI published in August of the current
14 calendar year by the CCI published in August of the preceding calendar year; that figure
15 multiplied by the sewer capacity charge in effect in October shall be the new sewer
16 capacity charge. No adjustment shall be made to reflect a decrease in the CCI.

17 I. Funds derived from capacity charges shall be placed in the Sewer Fund
18 and shall be used only for the operation, construction, reconstruction, acquisition, or
19 maintenance of the City sewerage system.

20 J. Anyone who has paid a capacity charge may apply for a full or partial
21 refund if within one year after payment: 1) the applicant has not been permitted to connect
22 to the City sewerage system; or 2) the development on which the capacity charge was
23 calculated has been modified pursuant to applicable City ordinances, resolutions, or
24 regulations, resulting from a reduction in the number of equivalent fixture units. Refund
25 applications shall be made on forms provided by the City and shall contain a declaration
26 under oath of those facts, along with relevant documentary evidence, which qualify the
27 applicant for the refund. In no event shall a refund exceed ninety percent (90%) of the
28 amount of the capacity charge actually paid.

1 K. Anyone subject to a capacity charge who constructs, deposits money into
2 escrow with the City for the construction of, participates in an assessment district for the
3 construction of, or otherwise contributes money or improvements to the City for the
4 operation, construction, reconstruction, acquisition, or maintenance of the City sewerage
5 system shall be eligible for a credit for such contribution against the capacity charge
6 otherwise due. The amount of the credit shall be the value of the contribution as
7 determined by the City provided, however, that the credit shall not exceed ninety percent
8 (90%) of the amount of the capacity charge. Applications for said credit shall be made on
9 forms provided by the City and shall be submitted at or before the time of application for
10 sewer service. The application shall contain a declaration under oath of those facts, along
11 with relevant documentary evidence, which qualify the applicant for the credit.

12 L. The capacity charge and requirements pertaining thereto shall not affect
13 in any way the permissible use of property, density of development, design and
14 improvement standards, public improvement requirements, or any other aspect of the
15 development of land or construction of buildings which may be imposed by the City
16 pursuant to the Long Beach Municipal Code, Subdivision Regulations, or other state or
17 local laws, ordinances or regulations which shall be in effect with respect to all
18 developments.

19 M. The capacity charge is a charge on development that reflects a
20 development's proportionate share of the present depreciated value of the existing City
21 sewerage system. As such the capacity charge is additional to and not in substitution of
22 the following: 1) on-site sewer facility requirements imposed by the City pursuant to the
23 Long Beach Municipal Code, Subdivision Regulations, and other state or local laws,
24 ordinances or regulations; 2) sewer permit fees; 3) connection charges; 4) sewer rates; and
25 5) other fees, rates, and charges including but not limited to sewer standby or immediate
26 availability charges and capital facilities charges for services or facilities other than as a
27 proportionate share of the present depreciated value of the existing City sewer system.
28 In no event shall an applicant for sewer service be obligated to pay fees, rates, or charges

1 in excess of those calculated pursuant to applicable City ordinances, which shall not
2 individually or collectively exceed the reasonable cost of providing sewer service to the
3 development.

4 Sec. 8. Any term not defined herein which is defined in the Long Beach
5 Municipal Code or in the "Rules, Regulations and Charges Governing Potable Water,
6 Reclaimed Water, Sewer Service, and the Emergency Water Conservation Plan" of the
7 Water Department shall have the meaning stated therein.

8 Sec. 9. A. Regular bills for water service and sewer service shall be issued
9 at intervals of approximately one month (commonly called "monthly") except in those cases
10 where the General Manager or the Board of Water Commissioners shall prescribe another
11 billing interval. Insofar as practical, meters shall be read at regular intervals for the
12 preparation of regular bills, and meters shall be read as required for the preparation of
13 opening, closing, and special bills.

14 B. Every water customer and every sewer customer shall be liable for
15 payment of bills for water service and sewer service. Charges for water service and sewer
16 service shall be included in municipal utility bills.

17 C. Anyone who has been granted an exemption under Chapter 3.68 of the
18 Long Beach Municipal Code as of the date of this resolution does not need to file a
19 separate application for exemption hereunder.

20 Sec. 10. Whenever the correctness of any bill for water or sewer service is
21 questioned by a customer, the procedures established in the "Rules, Regulations and
22 Charges Governing Potable Water, Reclaimed Water, Sewer Service, and the Emergency
23 Water Conservation Plan" of the Water Department shall be followed.

24 Sec. 11. The following words shall have the meanings defined as follows:

25 A. "Billing unit" means one hundred (100) cubic feet of water and equals 748
26 gallons;

27 B. "Commercial" refers to activities devoted primarily to business, property
28 management, or a profession;

1 C. "Industrial" refers to activities devoted primarily to manufacturing or
2 processing;

3 D. "Non-peaking" means total average daily demand occurring at a
4 continuous, constant level over a twenty-four (24) hour period;

5 E. "Peaking" means total average daily demand occurring between the hours
6 of 9:00 p.m. and 6:00 a.m.

7 F. "Winter billing period" means the time period used for sewer volumetric
8 calculation purposes, which includes bills with a bill prepared date in December, January,
9 and/or February.

10 Sec. 12. All other resolutions of the Board of Water Commissioners, or
11 provisions thereof, which conflict with this resolution are hereby rescinded. The charges,
12 conditions, and provisions established in this Resolution shall supersede all others
13 previously established.

14 Sec. 13. The Secretary of the Board of Water Commissioners shall certify
15 to the passage of this resolution and it shall take effect by operation of law following its
16 approval by the City Council by ordinance.

17 I hereby certify that the foregoing resolution was adopted by the Board of
18 Water Commissioners of the City of Long Beach at its meeting held on August 17, 2006,
19 by the following vote:

20 Ayes: Commissioners: STEPHEN CONLEY, FRANK CLARKE
21 HELEN HANSEN, LILLIAN KAWASAKI
22 _____

23 Noes: Commissioners: _____

24 Absent: Commissioners: WILLIAM TOWNSEND

25
26 *Lillian Kawasaki*
27 Secretary
28 Board of Water Commissioners

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Exhibit B

FISCAL YEAR 2007 APPROPRIATIONS ORDINANCE BY DEPARTMENT

| <u>DEPARTMENT</u> | <u>FY 07 NEW ALLOCATION</u> | <u>FY 06 ESTIMATED CARRYOVER*</u> | <u>FY 07 APPROPRIATION</u> |
|------------------------------|---------------------------------|---------------------------------------|--------------------------------|
| MAYOR AND COUNCIL | 5,115,005 | - | 5,115,005 |
| CITY ATTORNEY | 9,908,431 | - | 9,908,431 |
| CITY AUDITOR | 2,787,833 | - | 2,787,833 |
| CITY CLERK | 3,019,004 | - | 3,019,004 |
| CITY MANAGER | 8,615,671 | - | 8,615,671 |
| CITY PROSECUTOR | 4,703,342 | (3,815) | 4,699,528 |
| CIVIL SERVICE | 2,847,252 | - | 2,847,252 |
| COMMUNITY DEVELOPMENT | 264,447,005 | 103,685,819 | 368,132,824 |
| FINANCIAL MANAGEMENT** | 344,982,691 | 13,817 | 344,996,507 |
| FIRE | 83,487,479 | 480,184 | 83,967,663 |
| HEALTH AND HUMAN SERVICES | 50,343,829 | 36,804,438 | 87,148,267 |
| HUMAN RESOURCES | 7,370,418 | - | 7,370,418 |
| LIBRARY SERVICES | 14,733,886 | - | 14,733,886 |
| LONG BEACH GAS AND OIL | 391,624,326 | 3,386,611 | 395,010,937 |
| PARKS, RECREATION AND MARINE | 49,768,396 | 12,321,823 | 62,090,219 |
| PLANNING AND BUILDING | 13,724,637 | 29,800 | 13,754,437 |
| POLICE | 183,382,884 | 3,838,928 | 187,221,812 |
| PUBLIC WORKS | 190,508,161 | 149,170,363 | 339,678,525 |
| TECHNOLOGY SERVICES | 30,467,787 | 346,047 | 30,813,834 |
| TOTAL | 1,661,838,038 | 310,074,014 | 1,971,912,052 |

* Carryover of multi-year grants and CIP funds.

** Department of Financial Management includes Water, Sewer and Harbor Fund internal service charges that are contained in the resolutions of those funds, and citywide activities such as debt service payments.