



Long Beach Water

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Board of Water Commissioners
June 18, 2020 Board Meeting

CHRISTOPHER J. GARNER, General Manager

Subject:

Adopt Resolution WD-1429, a Resolution of the City of Long Beach Board of Water Commissioners Fixing Rates and Charges for Water and Sewer Services to All Customers, subject to the Approval of the City Council by Ordinance, and subject to a public protest hearing as provided for in the California Constitution Article XIII.

Executive Summary:

Pursuant to the budget guidelines of City Charter Section 1405, the Rate Resolution must be adopted in conjunction with the Fiscal Year 2020-2021 Budget Resolution, and will be submitted to the City Council for approval subsequent to Board adoption.

The proposed Rate Resolution WD-1429 (Attachment 1) replaces the current rate resolution, WD-1413, and incorporates a 6% increase for water rates and no change for sewer rates.

The typical monthly water bill for a single family residence, consisting of a volumetric and daily service charge and based on 10 billing units, will increase by approximately \$3.06 per month. The typical monthly sewer bill for a single family residence, consisting of a volumetric and daily service charge and based on 10 billing units, will not change.


Board Recommendation

Adopt Resolution WD-1429, a Resolution of the City of Long Beach Board of Water Commissioners Fixing Rates and Charges for Water and Sewer Services to All Customers, Subject to the Approval of the City Council by Ordinance, and subject to a public protest hearing as provided for in the California Constitution Article XIII.

 6/10/2020

B. Anatole Falagan
Assistant General Manager

Date

 6/10/20

Christopher J. Garner
General Manager

Date

Attachment

RESOLUTION NO. WD-1429

A RESOLUTION OF THE CITY OF LONG BEACH
BOARD OF WATER COMMISSIONERS AMENDING
RESOLUTION NO. WD-1413 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 a Public Hearing. All of the following rates and charges shall be
effective as of October 1, 2020.

Section 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. The service charge shall be as follows:

1. Single family residential, duplex residential, and multi-
family residential customers of potable water who have been granted an
exemption from the City's Utility Users Tax in accordance with Chapter 3.68
of the Long Beach Municipal Code shall receive a monthly service charge bill
credit of approximately Five Dollars (\$5.00) and the service charge rates shall
be as follows:

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<u>Size of Service</u>	<u>Daily Service Charge</u>
5/8 or 3/4 inch	\$0.696
1 inch	\$1.032
1-1/2 inch	\$1.873
2 inch	\$2.882
3 inch	\$6.075
4 inch	\$10.272
6 inch	\$22.874
8 inch	\$47.234
10 inch	\$70.755
12 inch	\$89.234
16 inch	\$131.233

2. For commercial, industrial, irrigation, City of Long Beach Department, reclaimed, single family residential, duplex residential, and multi-family residential customers who have not been granted an exemption from the City's Utility Users Tax in accordance with Chapter 3.68 of the Long Beach Municipal Code the service charge rates shall be as follows:

<u>Size of Service</u>	<u>Daily Service Charge</u>
5/8 or 3/4 inch	\$0.696
1 inch	\$1.032
1-1/2 inch	\$1.873
2 inch	\$2.882
3 inch	\$6.075
4 inch	\$10.272
6 inch	\$22.874
8 inch	\$47.234
10 inch	\$70.755

<u>Size of Service</u>	<u>Daily Service Charge</u>
12 inch	\$89.234
16 inch	\$131.233

B. The quantitative charge for all water delivered shall be as follows, based on monthly meter readings:

1. For single family residential, duplex residential, and multi-family residential customers of potable water who have been granted an exemption from the City's Utility Users Tax in accordance with Chapter 3.68 of the Long Beach Municipal Code:

Tier IA	First 6 Billing Units (or fraction thereof)	\$0.000
Tier II	Next 7 Billing Units (or fraction thereof)	\$4.663
Tier III	Over 13 Billing Units (or fraction thereof)	\$6.805

2. For single family residential, duplex residential, and multi-family residential customers of potable water who have not been granted an exemption from the City's Utility Users Tax:

Tier IB	First 6 Billing Units (or fraction thereof)	\$2.436
Tier II	Next 7 Billing Units (or fraction thereof)	\$4.663
Tier III	Over 13 Billing Units (or fraction thereof)	\$6.805

3. For commercial customers of potable water, \$3.623 per billing unit, or fraction thereof.

4. For industrial customers of potable water, \$3.623 per billing unit, or fraction thereof.

5. For irrigation customers of potable water, \$3.623 per billing unit, or fraction thereof.

6. For City of Long Beach Departments using potable water, \$3.623 per billing unit, or fraction thereof.

7. For reclaimed water users whose use is "peaking" as defined herein, \$2.356 per billing unit, or fraction thereof.

8. For reclaimed water users whose use is "non-peaking" as defined herein, \$2.000 per billing unit, or fraction thereof.

9. For reclaimed water users whose use is "interruptible" as defined herein, \$2.000 per billing unit or fraction thereof.

10. These quantitative charges shall be subject to adjustment as provided in Section 4 of this Section.

11. There shall be no charge for water used through fire hydrants for extinguishing fires.

Section 3.

A. Unmetered water service may be rendered to unoccupied or occupied property where it is not practical to meter the water, and the rate for unmetered water service shall be:

<u>Size of Service</u>	<u>Daily Rate</u>
5/8 or 3/4 inch	\$3.025
1 inch	\$5.118
1-1/2 inch	\$12.607
2 inch	\$19.833

B. The rates for unmetered water service shall begin on the date of use of water by the customer, as determined by the General Manager of the Water Department ("General Manager").

Section 4. By Resolution the Board of Water Commissioners has

1 established a Water Conservation and Water Supply Shortage Plan (the Plan). Pursuant
2 to the Plan, the Board may declare that a Stage 1, Stage 2 or Stage 3 Water Supply
3 Shortage exists, in its sole discretion. Upon such declaration, the Board may increase
4 water rates, by an amount necessary, as determined by the Board but not to exceed the
5 following percentages:

6 Stage 1 Water Supply Shortage Rate. Water rates may be increased by an amount
7 not to exceed 10% above the pre-shortage rate.

8 Stage 2 Water Supply Shortage Rate. Water rates may be increased by an amount
9 not to exceed 25% above the pre-shortage rate.

10 Stage 3 Water Supply Shortage Rate. Water rates may be increased by an amount
11 not to exceed 50% above the pre-shortage rate.

12 Section 5. Charges for water service through meters at temporary service
13 connections from fire hydrants or otherwise shall be at the applicable quantitative charge
14 plus the meter rental fee, together with a charge for installing, relocating, and removing the
15 meter and fittings in accordance with the "Rules, Regulations and Charges Governing
16 Potable Water, Reclaimed Water, Sewer Service and the Emergency Water Conservation
17 Plan" of the Water Department.

18 Section 6.

19 A. The service charge for private fire protection service shall be in
20 accordance with the following table:

<u>Size of Service</u>	<u>Daily Rate</u>
22 2 inch	\$0.412
23 3 inch	\$0.829
24 4 inch	\$1.550
25 6 inch	\$4.129
26 8 inch	\$8.580
27 10 inch	\$15.276
28 12 inch	\$24.555

Size of Service

Daily Rate

16 inch

\$52.109

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

B. Whenever the Water Department finds that water through a private fire protection service is being used for purposes other than fire extinguishing or testing the fire line, the General Manager may make a determination of the quantity of water used, the quantitative charges for that water, and the service charges to be applied. The General Manager's determination shall be final. In addition, if water through a private fire protection service is used for purposes other than fire extinguishing or testing the fire line, the Water Department may discontinue the private fire protection service or may install a domestic or fire flow meter, at either the customer's or its expense as the General Manager may determine, and thereafter the service shall be classified as regular service and billed at the rates applicable thereto.

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

Section 8.

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

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

<u>Size of Service</u>	<u>Daily Sewer Rate</u>
5/8 or 3/4 inch	\$0.225
1 inch	\$0.333
1-1/2 inch	\$0.874
2 inch	\$1.507
3 inch	\$3.511
4 inch	\$5.079
6 inch	\$14.150
8 inch	\$14.999
10 inch	\$23.218
12 inch	\$29.284
16 inch	\$43.069

C. The volumetric sewer rate shall be \$0.357 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.

Industrial customers may apply for separately metered sewer discharge in accordance with the "Rules, Regulations and Charges Governing Potable Water, Reclaimed Water, Sewer Service, and the Water Conservation and Water Supply Shortage Plan" of the Water Department.

D. For volumetric sewer rates, there are the following customer classifications: single family residential; duplex residential; multi-family residential; City Departments; commercial; and industrial.

Volumetric sewer rates for single family residential, duplex residential and multi-family residential shall be computed based on the average of actual potable water use during the winter billing periods. The

1 winter billing periods used will be determined by the meter reading schedule
2 for the account. The actual winter usage is divided by the number of winter
3 days to obtain an average volume. The average volume will be the base
4 volume on which the volumetric sewer rate is charged for the next twelve
5 month period beginning with May's billing periods. Each year, the average
6 volume will be recalculated for the succeeding twelve-month period.
7 Exceptions to the above calculation methodology will use the average volume
8 for the water service size in which the customer falls as the average volume
9 or a calculation using available usage information for the account. For those
10 residential customers with no previous history of use during the winter billing
11 periods, the average volume for the water service size in which the customer
12 falls will be used.

13 E. For all users of the sewer system that do not receive a water
14 bill from the City but where the user's sewer lateral connects to a main line
15 maintained by the Water Department, or where the sewer lateral is located in
16 the public right-of-way, the charge for sewer service shall consist of both a
17 daily sewer rate and a volumetric sewer rate. The daily sewer rate shall be
18 as provided in Subsection 8(B) of this Resolution. For these customers, the
19 volumetric sewer rate shall be based on the average volume for the
20 customer's water service size.

21 F. The City shall collect from all developments and all
22 developments shall be required to pay a capacity charge of One Hundred
23 and Nine Dollars and Five Cents (\$109.05) per equivalent fixture unit at the
24 time application for sewer service is made, but in no event later than the time
25 that the City issues a sewer permit for connection to the City sewage system,
26 as set forth in the Long Beach Municipal Code and the "Rules, Regulations
27 and Charges Governing Potable Water, Reclaimed Water, Sewer Service
28 and the Emergency Water Conservation Plan" of the Water Department.

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

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

20 I. Funds derived from capacity charges shall be placed in the
21 Sewer Fund and shall be used only for the operation, construction,
22 reconstruction, acquisition, or maintenance of the City sewage system.

23 J. Anyone who has paid a capacity charge may apply for a full or
24 partial refund if within one year after payment: 1) the applicant has not been
25 permitted to connect to the City sewage system; or 2) the development on
26 which the capacity charge was calculated has been modified pursuant to
27 applicable City ordinances, resolutions, or regulations, resulting from a
28 reduction in the number of equivalent fixture units. Refund applications shall

1 be made on forms provided by the City and shall contain a declaration under
2 oath of those facts, along with relevant documentary evidence, which qualify
3 the applicant for the refund. In no event shall a refund exceed ninety percent
4 (90%) of the amount of the capacity charge actually paid.

5 K. Anyone subject to a capacity charge who constructs, deposits
6 money into escrow with the City for the construction of, participates in an
7 assessment district for the construction of, or otherwise contributes money or
8 improvements to the City for the operation, construction, reconstruction,
9 acquisition, or maintenance of the City sewage system shall be eligible for a
10 credit for such contribution against the capacity charge otherwise due. The
11 amount of the credit shall be the value of the contribution as determined by
12 the City provided, however, that the credit shall not exceed ninety percent
13 (90%) of the amount of the capacity charge. Applications for said credit shall
14 be made on forms provided by the City and shall be submitted at or before
15 the time of application for sewer service. The application shall contain a
16 declaration under oath of those facts, along with relevant documentary
17 evidence, which qualify the applicant for the credit.

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

25 M. The capacity charge is a charge on development that reflects a
26 development's proportionate share of the present depreciated value of the
27 existing City sewage system. As such the capacity charge is additional to
28 and not in substitution of the following: 1) on-site sewer facility requirements

1 imposed by the City pursuant to the Long Beach Municipal Code, Subdivision
2 Regulations, and other state or local laws, ordinances or regulations; 2)
3 sewer permit fees; 3) connection charges; 4) sewer rates; and 5) other fees,
4 rates, and charges including but not limited to sewer standby or immediate
5 availability charges and capital facilities charges for services or facilities other
6 than as a proportionate share of the present depreciated value of the existing
7 City sewer system. In no event shall an applicant for sewer service be
8 obligated to pay fees, rates, or charges in excess of those calculated
9 pursuant to applicable City ordinances, which shall not individually or
10 collectively exceed the reasonable cost of providing sewer service to the
11 development.

12 Section 9. Any term not defined herein which is defined in the Long Beach
13 Municipal Code or in the "Rules, Regulations and Charges Governing Potable Water,
14 Reclaimed Water, Sewer Service, and the Emergency Water Conservation Plan" of the
15 Water Department shall have the meaning stated therein.

16 Section 10.

17 A. Regular bills for water service and sewer service shall be
18 issued at intervals of approximately one month (commonly called "monthly")
19 except in those cases where the General Manager or the Board of Water
20 Commissioners shall prescribe another billing interval. Insofar as practical,
21 meters shall be read at regular intervals for the preparation of regular bills,
22 and meters shall be read as required for the preparation of opening, closing,
23 and special bills.

24 B. Every water customer and every sewer customer shall be liable
25 for payment of bills for water service and sewer service. Charges for water
26 service and sewer service shall be included in municipal utility bills.

27 C. Anyone who has been granted an exemption under Chapter
28 3.68 of the Long Beach Municipal Code as of the date of this resolution does

1 not need to file a separate application for exemption hereunder.

2 Section 11. Whenever the correctness of any bill for water or sewer service
3 is questioned by a customer, the procedures established in the "Rules, Regulations and
4 Charges Governing Potable Water, Reclaimed Water, Sewer Service, and the Emergency
5 Water Conservation Plan" of the Water Department shall be followed.

6 Section 12. The following words shall have the meanings defined as
7 follows:

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

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

12 C. "Industrial" refers to activities devoted primarily to
13 manufacturing or processing;

14 D. "Interruptible" refers to reclaimed water service that can be
15 suspended at any time at the Board's discretion, without liability and
16 dependent upon the Water Department's reclaimed water system needs for
17 such service.

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

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

22 G. "Winter billing period" means the time period used for sewer
23 volumetric calculation purposes, which includes bills with a bill prepared date
24 in December, January, February, or March.

25 Section 13. All other resolutions of the Board of Water Commissioners, or
26 provisions thereof, which conflict with this resolution are hereby rescinded. The charges,
27 conditions, and provisions established in this Resolution shall supersede all others
28 previously established.

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I hereby certify that the foregoing resolution was adopted by the Board of Water Commissioners of the City of Long Beach at its meeting held on June 18, 2020, by the following vote:

Absent: Commissioners: _____

RFA: bg A20-03698 (06-09-2020)
Rates