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ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor

ORDINANCE NO. ORD-10-0026

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING RESOLUTION NO. WD-1270, A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS OF THE CITY ESTABLISHING THE RATES AND CHARGES TO BE CHARGED FOR WATER AND SEWER SERVICE AND DECLARING THE URGENCY THEREOF, AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AT 12:01 A.M. ON OCTOBER 1, 2010

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

Section 1. That Resolution No. WD-1270 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 CITY COUNCIL BY ORDINANCE," adopted by said Board on June 24, 2010, and the rates fixed in the Resolution to be charged for water and sewer service be and the same are hereby approved subject to a public hearing to be held on September 2, 2010 to consider any public protest of the proposed increases to the City's water and sewer rates for Fiscal Year 2011.

Section 2. This is an emergency measure and is urgently required for the reason that in order to carry on the affairs, functions and business of Long Beach Water Department during the fiscal year which begins on October 1, 2010, it is necessary to authorize the rates and charges for water and sewer service and that this ordinance be passed as an emergency measure, to take effect at 12:01 a.m. on October 1, 2010.

Section 3. If any section, subsection, subdivision, sentence, sum,

percentage, clause or phrase of this ordinance is for any reason held to be unconstitutional, invalid or void, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and every section, subsection, subdivision, sentence, sum, percentage, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, sums, percentages, clauses or phrases thereof is declared unconstitutional, invalid or void.

Section 4. This ordinance is an emergency ordinance duly adopted by the City Council by a vote of five of its members and shall take effect immediately. The City Clerk shall certify to a separate roll call and vote on the question of the emergency of this ordinance and to its passage by the vote of five members of the City Council of the City of Long Beach, and cause the same to be posted in three conspicuous places in the City of Long Beach, and it shall thereupon take effect and shall be operative on and after 12:01 a.m. on October 1, 2010.

I hereby certify that on a separate roll call and vote which was taken by the City Council of the City of Long Beach upon the questions of the emergency of this ordinance at its meeting of September 14, 2010, the ordinance was declared to be an emergency by the following vote:

| | Ayes: | Councilmembers: | Gaicia, belong, o bonneil, schipske, |
|--|---------|-----------------|--------------------------------------|
| | | | Andrews, Johnson, Gabelich, Neal. |
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| | Noes: | Councilmembers: | None. |
| | 11000. | Councilion | |
| | Absent: | Councilmembers: | Lowenthal. |
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I further certify that thereafter, at the same meeting, upon a roll call and vote on adoption of the ordinance, it was adopted by the City Council of the City of Long

OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

RESOLUTION NO. WD-1270

A RESOLUTION OF THE BOARD OF WATER COMMISSIONERS AMENDING RESOLUTION NO. WD-1257 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 on September 2, 2010.

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. On October 1, 2010, the service charge shall be in accordance with the following table:

| Size of Service | Daily Service Charge |
|-----------------|----------------------|
| 5/8 or 3/4 inch | \$0.418 |
| 1 inch | \$0.630 |
| 1-1/2 inch | \$1.175 |
| 2 inch | \$1.742 |
| 3 inch | \$3.608 |
| 4 inch | \$5.708 |

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| Size of Sen | <u>/ice</u> | | Daily Service Charge |
|---|-------------|------------------------|--------------------------------------|
| 6 inch | | | \$10.519 |
| 8 inch | | | \$16.511 |
| 10 inch | • | | \$27.041 |
| 12 inch | | | \$33.048 |
| 16 inch | • | | \$54.696 |
| В. | On O | ctober 1, 2010, the qu | uantitative charge for all water |
| delivered shall be as follows, based on monthly meter readings: | | | |
| | 1. | For single family res | sidential 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 5 Billing Units (or fraction thereof) | \$1.220 |
|----------|---|---------|
| Tier II | Next 10 Billing Units (or fraction thereof) | \$2.439 |
| Tier III | Over 15 Billing Units (or fraction thereof) | \$3.659 |

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

| Tier IB | First 5 Billing Units (or fraction thereof) | \$2.196 |
|----------|---|---------|
| Tier II | Next 10 Billing Units (or fraction thereof) | \$2.439 |
| Tier III | Over 15 Billing Units (or fraction thereof) | \$3.659 |

3. For duplex 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 2.5 Billing Units (or fraction thereof per dwelling unit) | \$1.220 | |
|---|---|---------|---|--------------------|--|
| | Tier II | | Next 10.5 Billing Units (or fraction thereof per dwelling unit) | \$2.439 | |
| | Tier III | | Over 13 Billing Units (or fraction thereof per dwelling unit) | \$3.659 | |
| | | 4. | For duplex residential customers of po | table water who | |
| • | have not bee | n grant | ted an exemption from the City's Utility | Users Tax: | |
| | Tier IB | • | First 2.5 Billing Units (or fraction thereof per dwelling unit) | \$2.196 | |
| | Tier II | | Next 10.5 Billing Units (or fraction thereof per dwelling unit) | \$2.439 | |
| | Tier III | | Over 13 Billing Units (or fraction thereof per dwelling unit) | \$3.659 | |
| | | 5. | For 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 2.5 Billing Units (or fraction thereof per dwelling unit) | \$1.220 | |
| | Tier II | | Next 6.5 Billing Units (or fraction thereof per dwelling unit) | \$2.439 | |
| | Tier III | | Over 9 Billing Units (or fraction thereof per dwelling unit) | \$3.659 | |
| | | 6. | For multi-family residential customers | s of potable water | |
| | who have no | ot beer | n granted an exemption from the City's | Utility Users Tax: | |
| | | | | | |

| Tier IB | First 2.5 Billing Units (or fraction thereof per dwelling unit) | \$2.196 |
|----------|---|---------|
| Tier II | Next 6.5 Billing Units (or fraction thereof per dwelling unit) | \$2.439 |
| Tier III | Over 9 Billing Units (or fraction thereof per dwelling unit) | \$3.659 |

- 7. For commercial customers of potable water, \$2.439 per billing unit, or fraction thereof.
- 8. For industrial customers of potable water, \$2.439 per billing unit, or fraction thereof.
- 9. For irrigation customers of potable water, \$2.439 per billing unit, or fraction thereof.
- 10. For City of Long Beach Departments using potable water, \$2.439 per billing unit, or fraction thereof.
- 11. For reclaimed water users whose use is "peaking" as defined herein, \$1.708 per billing unit, or fraction thereof.
- 12. For reclaimed water users whose use is "non-peaking" as defined herein, \$1.220 per billing unit, or fraction thereof.
- 13. For reclaimed water users whose use is "interruptible" as defined herein, \$1.220 per billing unit or fraction thereof.
- 14. These quantitative charges shall be subject to adjustment as provided in Subsection C of this Section.
 - 15. There shall be no charge for water used through fire hydrants for extinguishing fires.
- C. The quantitative charges for Tier IB were adjusted on October1, 1999 to reflect the action of the Board approving incremental increases toTier IB.

Section 3. A. Unmetered water service may be rendered to unoccupied or occupied property where it is not practical to meter the water, and on October 1, 2010, the rate for unmetered water service shall be:

| Size of Service | <u>Daily Rate</u> |
|-----------------|-------------------|
| 5/8 or 3/4 inch | \$2.039 |
| 1 inch | \$3.450 |
| 1-1/2 inch | \$8.498 |
| 2 inch | \$13.369 |

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 WD-1266 the Board of Water Commissioners established a Water Conservation and Water Supply Shortage Plan (the Plan). As stipulated in the Plan, the Board may declare that a Stage 1, Stage 2 or Stage 3 Water Supply Shortage exists, in its sole discretion. Upon such declaration, the Board may increase water rates, other than Tier 1 or life-line rates and reclaimed water rates, by an amount necessary, as determined by the Board but not to exceed the following percentages:

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

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

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

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

Section 6. A. On October 1, 2010, the service charge for private fire protection service shall be in accordance with the following table:

| Size of Service | Daily Rate |
|-----------------|------------|
| 2 inch | \$0.872 |
| 3 inch | \$1.491 |
| 4 inch | \$2.203 |
| 6 inch | \$3.754 |
| 8 inch | \$5.503 |
| 10 inch | \$7.444 |
| 12 inch | \$9.383 |
| 16 inch | \$13.758 |

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. His 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:

| 20 | Size of Service | Daily Sewer Rate |
|----|-----------------|------------------|
| 21 | 5/8 or 3/4 inch | \$0.238 |
| 22 | 1 inch | \$0.377 |
| 23 | 1-1/2 inch | \$0.687 |
| 24 | 2 inch | \$0.996 |
| 25 | 3 inch | \$2.061 |
| 26 | 4 inch | \$3.265 |
| 27 | 6 inch | \$6.014 |
| 28 | 8 inch | \$9.448 |
| | | |

| Size of Service | Daily Sewer Rate |
|-----------------|------------------|
| 10 inch | \$15.456 |
| 12 inch | \$18.893 |
| 16 inch | \$30.916 |

- C. The volumetric sewer rate shall be \$0.330 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.
- 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 winter billing periods used will be determined by the meter reading schedule for the account. The actual winter usage is divided by the number of winter days to obtain an average volume. The average volume will be the base volume on which the volumetric sewer rate is charged for the next twelve month period beginning with May's billing periods. Each year, the average volume will be recalculated for the succeeding twelve-month period. Exceptions to the above calculation methodology will use the average volume for the water service size in which the customer falls as the average volume or a calculation using available usage information for the account. For those residential customers with no previous history of use during the winter billing periods, the average volume for the water service size in which the customer falls will be used.

E. For all users of the sewer system that do not receive a water bill from the City but where the user's sewer lateral connects to a main line

maintained by the Water Department, or where 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. The daily sewer rate shall be as provided in Subsection 8(B) of this Resolution. For these customers, the volumetric sewer rate shall be based on the average volume for the customer's water service size.

- F. The City shall collect from all developments and all developments shall be required to pay a capacity charge of Eighty Eight Dollars and Fifty-Two Cents (\$88.52) per equivalent fixture unit at the time application for sewer service is made, but in no event later than the time that the City issues a sewer permit for connection to the City sewerage system, as set forth in the Long Beach Municipal Code and the "Rules, Regulations and Charges Governing Potable Water, Reclaimed Water, Sewer Service and the Emergency Water Conservation Plan" of the Water Department.
- G. Upon receipt of an application for sewer service, the City's Department of Planning and Building (through the Plan Checker for Plumbing) shall calculate the amount of the capacity charge by: 1) determining if this resolution applies to the development; and 2) if this resolution does not apply, indicating same on the application for sewer service and the reason this resolution does not apply, and processing the application in accordance with ordinances, resolutions, and regulations; or 3) if this resolution does apply, determining the number of equivalent fixture units in the development and multiplying that number by the capacity charge per equivalent fixture unit.
- H. The sewer capacity charge shall be subject to annual adjustment, effective October 1 of each year, to reflect the increase of the Construction Cost Index ("CCI") for Los Angeles as published in the "Engineering News-Record". The increase shall be calculated each

September by dividing the CCI published in August of the current calendar year by the CCI published in August of the preceding calendar year; that figure multiplied by the sewer capacity charge in effect in October shall be the new sewer capacity charge. No adjustment shall be made to reflect a decrease in the CCI.

- I. Funds derived from capacity charges shall be placed in the Sewer Fund and shall be used only for the operation, construction, reconstruction, acquisition, or maintenance of the City sewerage system.
- J. Anyone who has paid a capacity charge may apply for a full or partial refund if within one year after payment: 1) the applicant has not been permitted to connect to the City sewerage system; or 2) the development on which the capacity charge was calculated has been modified pursuant to applicable City ordinances, resolutions, or regulations, resulting from a reduction in the number of equivalent fixture units. Refund applications shall be made on forms provided by the City and shall contain a declaration under oath of those facts, along with relevant documentary evidence, which qualify the applicant for the refund. In no event shall a refund exceed ninety percent (90%) of the amount of the capacity charge actually paid.
- K. Anyone subject to a capacity charge who constructs, deposits money into escrow with the City for the construction of, participates in an assessment district for the construction of, or otherwise contributes money or improvements to the City for the operation, construction, reconstruction, acquisition, or maintenance of the City sewerage system shall be eligible for a credit for such contribution against the capacity charge otherwise due. The amount of the credit shall be the value of the contribution as determined by the City provided, however, that the credit shall not exceed ninety percent (90%) of the amount of the capacity charge. Applications for said credit shall be made on forms provided by the City and shall be submitted at

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or before the time of application for sewer service. The application shall contain a declaration under oath of those facts, along with relevant documentary evidence, which qualify the applicant for the credit.

- L. The capacity charge and requirements pertaining thereto shall not affect in any way the permissible use of property, density of development, design and improvement standards, public improvement requirements, or any other aspect of the development of land or construction of buildings which may be imposed by the City pursuant to the Long Beach Municipal Code, Subdivision Regulations, or other state or local laws, ordinances or regulations which shall be in effect with respect to all developments.
- The capacity charge is a charge on development that reflects M. a development's proportionate share of the present depreciated value of the existing City sewerage system. As such the capacity charge is additional to and not in substitution of the following: 1) on-site sewer facility requirements imposed by the City pursuant to the Long Beach Municipal Code, Subdivision Regulations, and other state or local laws, ordinances or regulations; 2) sewer permit fees; 3) connection charges; 4) sewer rates; and 5) other fees, rates, and charges including but not limited to sewer standby or immediate availability charges and capital facilities charges for services or facilities other than as a proportionate share of the present depreciated value of the existing City sewer system. In no event shall an applicant for sewer service by obligated to pay fees, rates, or charges in excess of those calculated pursuant to applicable City ordinances, which shall not individually or collectively exceed the reasonable cost of providing sewer service to the development.

Section 9. Any term not defined herein which is defined in the Long Beach Municipal Code or in the "Rules, Regulations and Charges

Governing Potable Water, Reclaimed Water, Sewer Service, and the Emergency Water Conservation Plan" of the Water Department shall have the meaning stated therein.

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

- B. Every water customer and every sewer customer shall be liable for payment of bills for water service and sewer service. Charges for water service and sewer service shall be included in municipal utility bills.
- C. Anyone who has been granted an exemption under Chapter 3.68 of the Long Beach Municipal Code as of the date of this resolution does not need to file a separate application for exemption hereunder.

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

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

- A. "Billing unit" means one hundred (100) cubic feet of water and equals 748 gallons;
- B. "Commercial" refers to activities devoted primarily to business, property management, or a profession;

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| C. | "Industrial" refers to activities devoted primarily to |
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| manufacturin | ng or processing; |

- D. "Interruptible" refers to reclaimed water service that can be suspended at any time at the Board's discretion, without liability and dependent upon the Water Department's reclaimed water system needs for such service.
- E. "Non-peaking" means total average daily demand occurring at a continuous, constant level over a twenty-four (24) hour period;
- F. "Peaking" means total average daily demand occurring between the hours of 9:00 p.m. and 6:00 a.m.
- G. "Winter billing period" means the time period used for sewer volumetric calculation purposes, which includes bills with a bill prepared date in December, January, and/or February.

Section 13. All other resolutions of the Board of Water

Commissioners, or provisions thereof, which conflict with this resolution are
hereby rescinded. The charges, conditions, and provisions established in
this Resolution shall supersede all others previously established.

Section 14. The Secretary of the Board of Water

Commissioners shall certify to the passage of this resolution and it shall take effect by operation of law following its approval by the City Council by ordinance.

| . I he | ereby certify that the fo | oregoing resolution was adopted by the Board of |
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| Water Commission | oners of the City of Lo | ng Beach at its meeting held on June 24, 2010, by |
| the following vote | e: | |
| | | |
| Ayes: | Commissioners: | DALLMAN; CLARKE; TOWNSEND; |
| | | ALLEN; BLANCO |
| | | |
| Noes: | Commissioners: | NONE |
| Absent: | Commissioners: | NONE |
| | | |
| | | |
| | | Frank Clarker |
| | | Secretary Board of Water Commissioners |

CERTIFIED AS A TRUE AND CORRECT COPY

SECRETARY TO THE BOARD OF WATER COMMISSIONERS
CITY OF LONG BEACH, CALIFORNIA

DATE 6/24/20/0