



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE: **WW-1**

May 12, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

67 MAY 12, 2009


SACHIA A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AMENDMENT TO PART 5 OF THE
RULES AND REGULATIONS FOR THE LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 36, VAL VERDE
REGARDING THE PHASED WATER CONSERVATION PLAN
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to approve an amendment to Part 5 of the Rules and Regulations for the Los Angeles County Waterworks District No. 36, Val Verde, regarding the Phased Water Conservation Plan.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY
OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE:**

1. Find that the proposed amendment to Part 5 of the Rules and Regulations for the Los Angeles County Waterworks District No. 36, Val Verde, is for the purpose of meeting operating expenses during periods of water shortages declared by the Board of Supervisors; and therefore, the amendment is statutorily exempt from the California Environmental Quality Act.

2. Approve the amendment to Part 5 of the Rules and Regulations for the Los Angeles County Waterworks District No. 36, Val Verde, regarding the Phased Water Conservation Plan.
3. Adopt the Resolution approving the amendment to Part 5 of the Rules and Regulations for the Los Angeles County Waterworks District No. 36, Val Verde.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to amend Part 5 of the Rules and Regulations for the Los Angeles County Waterworks District No. 36, Val Verde (District), regarding the Phased Water Conservation Plan. The purpose of the Plan is to minimize the effects of an emergency water shortage on the District's customers. Once the amendment is approved, your Board may implement the Plan following a public hearing, when the need arises.

The amendment will clarify the method of determining the District's water allocations to their customers during times of water shortages and update the surcharges applied to customers who exceed their water allocations. The updated surcharges are necessary during times of water shortages to recover the higher cost to the District for water purchases in excess of the District's water allocations from the wholesale water agency that serve the District. The surcharges are only applicable when your Board declares a water shortage and, therefore, implements the Plan.

On July 1, 2008, your Board approved a motion by Supervisor Don Knabe to implement the recommendation submitted in a report entitled "Response to Governor Schwarzenegger's Statewide Drought Proclamation" that was prepared by the Acting Director of Public Works in collaboration with the Departments of Internal Services, Parks and Recreation, and Regional Planning. This action would implement the second portion of the report's second recommendation, updating and adopting the District's Plan.

At your Board's March 3, 2009, meeting, the amendment to the Plan's surcharges was approved for all the Los Angeles County Waterworks Districts except the District. The District was not included because notices of the public hearing to the District's customers were inadvertently not sent with the other Los Angeles County Waterworks Districts' notices. However, County Counsel has informed us that since the amendment to the Plan's surcharges decreases the existing surcharges for the District, no public hearing is required for this action. The surcharges were decreased to reflect the actual

charges being incurred by the District due to changes in the water rates assessed by water wholesalers.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Public Safety (Goal 5) and Community and Municipal Services (Goal 3) by updating the District's Plan to provide reliable water service to the District's customers during periods of water shortages.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Adoption of the Resolution (Attachment A) will revise the District's Rules and Regulations in accordance with Division 16, County Waterworks District Law, of the California Water Code. Section 55333 of the California Water Code authorizes your Board to make changes to the Rules and Regulations.

County Counsel has reviewed and approved the proposed Resolution as to form and determined that since the updated surcharges are less than the existing surcharges, Proposition 218 does not apply.

ENVIRONMENTAL DOCUMENTATION

These actions and the proposed Resolution amending the District's Rules and Regulations are to fund operating expenses during periods of water shortages and are, therefore, statutorily exempt from the California Environmental Quality Act pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a) of the California Environmental Quality Act Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These actions will update the District's Plan to provide reliable water service to the District's customers and recover the higher cost of purchased water during periods of water shortages. There will be no negative impact on current County services or projects as a result of these actions.

The Honorable Board of Supervisors
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CONCLUSION

Please return two adopted copies of this letter and one signed original of the Resolution to the Department of Public Works, Waterworks Division.

Respectfully submitted,



m GAIL FARBER
Director of Public Works

GF:AA:lr

Attachment

c: Chief Executive Office (Lari Sheehan)
County Counsel

ATTACHMENT A

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, CALIFORNIA, APPROVING THE AMENDMENT OF THE RULES AND REGULATION FOR THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE

WHEREAS, the Los Angeles County Board of Supervisors (hereinafter referred to as BOARD) is the governing body of the Los Angeles County Waterworks District No. 36, Val Verde (hereinafter referred to as DISTRICT); and

WHEREAS, Section 55333 of the California Water Code provides that the DISTRICT may adopt and enforce all rules, regulations, and ordinances, which may be necessary and proper for the administration and government of the DISTRICT; and

WHEREAS, the BOARD has adopted Rules and Regulations for the Los Angeles County Waterworks District No. 36, Val Verde (hereinafter referred to as RULES AND REGULATIONS); and

WHEREAS, existing Rules 5-D-1c, 5-E-1d, 5-F-1c, 5-G-1c, 5-H-1c, and 5-I-1c describe the method to derive the base quantity of water used as a comparison to the target quantity set by water conservation goals in the event that the BOARD invokes the Phased Water Conservation Plan detailed in Part 5 of the RULES AND REGULATIONS; and

WHEREAS, existing Rule 5-O-1a of the RULES AND REGULATIONS describes, among other things, the water conservation surcharges to be levied on customer water bills in the event that the BOARD invokes the Phased Water Conservation Plan detailed in Part 5 of the RULES AND REGULATIONS; and

WHEREAS, the DISTRICT'S water wholesalers are currently implementing new rate structures in response to the State's drought; and

WHEREAS, the DISTRICT must pass through to their customers the cost of water imposed by and emergency water purchased from the DISTRICT'S water wholesalers; and

WHEREAS, the RULES AND REGULATIONS must be changed to more accurately reflect the cost of water to the DISTRICT.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that Rules 5-D-1c, 5-E-1d, 5-F-1c, 5-G-1c, 5-H-1c, 5-I-1c, and 5-O-1a of the RULES AND REGULATIONS be amended as follows:

5-I-1c For meter sizes of one (1) inch or less, a base quantity shall be the average of the water usage for all similar sized meters during the corresponding billing period of a base period to be defined by the BOARD.

~~2. The amount of water used on the customer's premises during the corresponding billing period of a base period to be defined by the Board of Directors.~~

5-O-1a Water use up to the target quantities specified in Rules 5-D-1b, 5-D-1c, 5-E-1b, 5-E-1c, 5-F-1b, 5-F-1c, 5-G-1b, 5-G-1c, 5-H-1b, 5-H-1c, 5-I-1b, 5-I-1c, 5-J-1b, 5-J-1c, 5-K-1b, 5-K-1c, 5-L-1b, and 5-L-1c shall be billed at the established QUANTITY CHARGE or NORMAL USE CHARGE. Water use in excess of the aforementioned target quantities shall be subject to the following conservation surcharges in addition to the established QUANTITY CHARGE or NORMAL USE CHARGE:

~~1. A conservation surcharge of \$3.00 per 100 cubic feet shall be assessed for water usage in excess of the target quantity but less than the base quantity set in these Rules for the applicable billing cycle. This conservation surcharge shall be in addition to the normal established water rate.~~

~~2. A conservation surcharge of \$6.00 per 100 cubic feet shall be assessed for water usage in excess of the base quantity set in these Rules for the applicable billing cycle. This conservation surcharge shall be in addition to the normal established water rate.~~

1. For all customers within Los Angeles County Waterworks Districts and the Marina del Rey Water System, an additional conservation surcharge of 1.0 times the established QUANTITY CHARGE or NORMAL USE CHARGE will be assessed for water use in excess of the target quantity, up to 115 percent of the target quantity.

2. For all customers within Los Angeles County Waterworks Districts and the Marina del Rey Water System, an additional conservation surcharge of 2.0 times the established QUANTITY CHARGE or NORMAL USE CHARGE will be assessed for water use in excess of 115 percent of the target quantity.

The foregoing resolution was adopted on the 12th day of May, 2009, by the Board of Supervisors of the County of Los Angeles as the governing body of the Los Angeles County Waterworks District No. 36, Val Verde.



SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By Lachelle Smitherman
Deputy

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By [Signature]
Deputy