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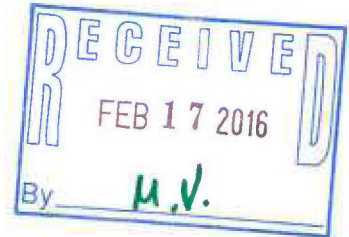
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#18

February 16, 2016

VIA HAND DELIVERY

Los Angeles City Council
200 North Spring Street
Room 395
Los Angeles, CA 90012



RE: G.H. Palmer's Opposition to LADWP's Proposed 2016-2020 Water Rate Structure and Notice of Non-Compliance With Proposition 218

Dear Honorable Mayor and Members of the City Council:

This law firm represents Geoff Palmer, a prominent Los Angeles based real estate developer that owns and operates numerous multi-dwelling apartment living complexes situated throughout the City of Los Angeles ("City"), and "Palmer/Flower Street Properties, a California Limited Partnership", an apartment living complex owned by Mr. Palmer and located at 325 W. Adams Blvd., Los Angeles, CA 90007, commonly known as the "Lorenzo" apartments (collectively, "G.H. Palmer").

Attached hereto and incorporated herein in its entirety for inclusion in the legislative record of the City's Proposition 218 proceedings scheduled for February 17, 2016, is G.H. Palmer's opposition to the City's proposed 2016-2020 Water Rate Structure, originally served on the City and LADWP on or about December 7, 2016. G.H. Palmer remains open to discuss the issues presented in its opposition with City officials and is hopeful its concerns can be addressed without the need for formal litigation.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben T. Benumof".

Benjamin T. Benumof, Ph.D., Esq.
ben@kkbs-law.com

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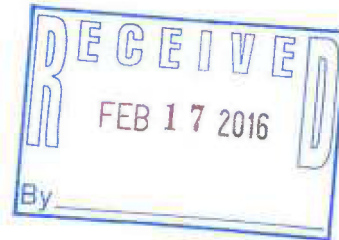
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December 7, 2015



VIA OVERNIGHT DELIVERY

LADWP Board of Commissioners
Los Angeles Department of Water and Power
Room 1555-H, 15th Floor
111 North Hope Street
Los Angeles, CA 90012

RE: G.H. Palmer's Opposition to LADWP's Proposed 2016-2020 Water Rate Structure and Notice of Non-Compliance With Proposition 218

Dear LADWP Board of Commissioners:

This law firm represents Geoff Palmer, a prominent Los Angeles based real estate developer that owns and operates numerous multi-dwelling apartment living complexes situated throughout the City of Los Angeles ("City"), and "Palmer/Flower Street Properties, a California Limited Partnership", an apartment living complex owned by Mr. Palmer and located at 325 W. Adams Blvd., Los Angeles, CA 90007, commonly known as the "Lorenzo" apartments (collectively, "G.H. Palmer"), with respect to: (a) the Los Angeles Department of Water and Power's ("LADWP") newly proposed 2016-2020 Water Rate Request and Water Rate Design as presented in LADWP's 2015 Water System Rate Action Report (namely, "Chapter 5, Water Rate Design" and "Chapter 6: Revised Proposed Rate Plan" dated November 2015), which G.H. Palmer hereby opposes because it does not comply with Article XIID, Section 6 of the California Constitution (aka "Proposition 218"); as well as (b) the enforcement of LADWP's current water rate structure, which G.H. Palmer believes is also Proposition 218 non-compliant for the reasons discussed below.

Following G.H. Palmer's review and analysis of the newly proposed water rates and attendance at the November 19, 2015 community water rate forum at LADWP headquarters, the purpose of this letter is to provide, *inter alia*, a detailed discussion of: (a) why LADWP's current water rate structure (the "2012-2015 Structure") violates the substantive provisions of Proposition 218 because, by way of background and meaningful comparison, the 2012-2015 Structure forms the fundamental economic basis for several of the overarching economic

principles, cost allocation methods, and tiered usage allowances/thresholds contained in the newly proposed water rate structure (the “2016-2020 Structure”); and (b) why the 2016-2020 Structure also fails to comply with Proposition 218’s cost-based and proportionality mandates because the proposed tiered water rates remain arbitrarily designed, disproportionate and not driven by cost, and contain illegal subsidies that benefit the City, yet burden G.H. Palmer and its tenants/residents residing in the City, as well as all other owners/customers that do not receive the subsidies, despite LADWP’s stated intent, but thinly-veiled attempt, at complying with Proposition 218 in light of the California Court of Appeal’s recent, well-publicized decision in *Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano* (2015) 235 Cal.App.4th 1493.¹ This is letter is being formally submitted to be included in the legislative record for the Proposition 218 proceedings concerning the proposed 2016-2020 Structure, which we understand will be held at LADWP headquarters on December 15, 2015.

As the Board of Commissioners may be aware, Mr. Palmer is the developer and operator of many prominent, upscale properties in the City and has been for more than two decades, having been named the City of Los Angeles’ Contractor of the Year in 2013. In addition, Mr. Palmer is the recent recipient of a United States Congressional Award in recognition of his “outstanding and invaluable service to the community” and his companies have received numerous other awards from the City and industry leading organizations for the positive impact G.H. Palmer developments have had on the City and its residents (see <http://www.ghpalmer.com/awards>).

Most recently, Mr. Palmer completed and opened the popular “Lorenzo” apartment living project in March 2013, which is a 913-unit mixed-use development that that houses many students attending the University of Southern California, and G.H. Palmer has opened approximately half its 526-unit “Da Vinci” project located at 909 West Temple Street (with completion expected next year) and its 649-Unit “Broadway Palace” project is another exciting development underway (see http://www.ghpalmer.com/under_development). All of these projects have been development successes in the Los Angeles community in that they have added, and will continue to add, much needed housing, with a refined touch of class, and Mr. Palmer is to be commended for his vision and contributions to the fabric of Los Angeles.

G.H. Palmer’s opposition/challenge to the current and proposed LADWP water rates on behalf of its tenants/residents and all other LADWP water users should be no surprise to LADWP in light of recent authoritative Proposition 218 case law and LADWP’s inherently flawed approach to correcting the deficiencies of its current rate structure and its failed attempt at developing a revised, constitutionally compliant water rate structure in line with the clear holdings of *Capistrano Taxpayers Association* and *City of Palmdale v. Palmdale Water Dist.* (2011) 198 Cal.App.4th 926. G.H. Palmer, as an owner/operator of many large Los Angeles apartment complexes and a substantial “multi-dwelling residential” customer of LADWP and the

¹ LADWP’s Water System Rate Action Report, Appendix A and Chapter 5, provides a comparison of the current and newly proposed water rate structures. Appendix A states: “The Department’s final proposed rate design [for the 2016-2020 Structure], as presented in Chapter 5, Water Rate Design, is based on a revised approach developed in light of this [i.e., the *Capistrano*] court decision. While there are differences between the two rate designs, the resulting rates from the new approach are fairly similar to those rates that would have been developed with the prior methodology.” G.H. Palmer will explain herein why both rate structures violate Proposition 218.

City, has a strong interest in ensuring that the rates it and its tenants/residents are charged are transparent, valid and do not exceed the cost of service required to provide water service to G.H. Palmer's properties, as required under California law.

As discussed below, there are several reasons why LADWP's current and newly proposed water rates violate Proposition 218 and place a disproportionate and illegal burden on multi-dwelling unit customers such as G.H. Palmer and its tenants/residents. Fundamentally, this is not because G.H. Palmer properties (and other property owners similarly situated) are proportionately responsible for a higher cost of water service, but rather because LADWP's current and newly proposed rates uniformly rely on LADWP recovering its costs *entirely* through *variable* rate charges despite the fact that LADWP admits its water utility has a "*largely fixed cost*" of operating the water distribution system."²

This is a clear violation of Article XIID, Section 6(b)(3) -- the proportionality requirement of Proposition 218 -- because both the 2012-2015 Structure and the proposed 2016-2020 Structure arbitrarily overcharge parcels with high water use (without any corresponding higher cost of service) and subsidize those with low use. In addition, LADWP's tiered rates are not based on differences in the costs of serving the different tiers and/or different customer categories (including even customers within a given class), but rather overcharge all users who consume relatively large volumes of water billed at the higher tiered rates. Furthermore, LADWP's practice of building a Low Income Subsidy Adjustment into its water and sewer rates, as well as other subsidies that offer the City of Los Angeles and certain groups a special price break on their water rates, is violative of Section 6(b)(3).

1. Proposition 218's Proportionality and Cost-of Service Requirements Are Liberally Construed In Favor Of True Water Service Costs.

a. Proposition 218, An Outgrowth of Proposition 13, Must Be Liberally Construed and Reverses the Presumption of Validity/Deference.

Building on the foundation laid earlier by Proposition 13 in 1978, Proposition 218 is a further limitation on government's ability to impose taxes. (*Paland v. Brooktrails Township Community Services Dist. Bd. of Directors* (2009) 179 Cal.App.4th 1358, 1365.) Growing weary of "special taxes" under the guise of "assessments" without a two-thirds electorate vote, California voters adopted Proposition 218 curtailing assessments and non-transparent/arbitrary fees and charges in these key ways (*Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority* (2008) 44 Cal.4th 431, 446; *City of Palmdale v. Palmdale Water District* 198 Cal.App.4th 926, 931; *Howard Jarvis Taxpayers Assn. v. City of Roseville* (2002) 97 Cal.App.4th 637, 640):

- ❖ (b)(3) "[r]evenues derived from the fee or charge shall not exceed the funds required to provide the property-related services" and "the amount of the fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of service attributable to the parcel" (Art. XIID, § 6, subds. (b)(1), (b)(3);

² LADWP, "Water System Rate Proposal FY 12/13 and FY 13/14", June 5, 2012, p.2

- ❖ (b)(4) "no fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question," with "[f]ees or charges based on potential or future use of a service [not being, or as the statute says, 'are not'] permitted" (Art. XIID, § 6(b)(4)); and
- ❖ (b)(5) shifted traditional presumptions that had favored assessment validity, making local agencies bear the burden "to demonstrate that the property or properties in question receive a special benefit over and above the benefits conferred on the public at large and that the amount of any contested assessment is proportional to, and no greater than, the benefits conferred on the property or properties in question" (Art. XIID, § 6, subd. (b)(5)).

In addition, Proposition 218 has crucial procedural requirements, including the germane requirement that the agency must conduct a public hearing that is "preceded by written notice to affected owners setting forth, among other things, a 'calculat[ion]' of '[t]he amount of the fee or charge proposed to be imposed upon each parcel'" (*Griffith v. Pajaro Valley Water Management Agency* (2013) 220 Cal.App.4th 586, 594.) Likewise, California Constitution, Article XIID, section 6(a)(1) further requires that the advance notice to the public about water fees and charges must contain "the basis upon which the amount of the proposed fee or charge was calculated," because, otherwise, no member of the public would be able to appear and frame a meaningful objection to the calculation data unless that data is vetted in the public arena.

Importantly, a constitutional amendment like Proposition 218 "shall be liberally construed to effectuate its purposes of limiting the local government revenue and enhancing taxpayer consent." (*Silicon Valley*, supra, 44 Cal.4th at p. 448; *Morgan v. Imperial Irrigation District* (2014) 223 Cal.App.4th 892, review denied.) "Hidden taxation" is what Proposition 218 is really all about, and as explained below, LADWP's current and proposed water rates do not pass muster because the economic principles on which they are based are fundamentally at odds with the cost-based and proportionality requirements of Proposition 218. Once again, given that LADWP does not allocate fixed costs proportionately, the water rate structure arbitrarily overcharge parcels with high water use and subsidizes those with low use.

b. *City of Palmdale and Capistrano Taxpayer's Association Provide The Measuring Stick For Why LADWP's Current and Proposed Water Rates Do Not Pass Muster.*

As articulated by Justice Bedsworth, writing for the unanimous Court in *Capistrano Taxpayers Association*, the proper Proposition 218 analysis "begin[s]...with the text of the Constitution." (*Capistrano* at p. 1505). Indeed, "[t]he appropriate way of examining the text of Proposition 218 has already been spelled out by the Supreme Court in *Silicon Valley Taxpayers' Assn., Inc. v. Santa Clara County Open Space Authority* (2008) 44 Cal.4th 431, 448." More specifically:

"We ""must enforce the provisions of our Constitution and "may not lightly disregard or blink at ... a clear constitutional mandate."" [Citation.] In so doing,

we are obligated to construe constitutional amendments in a manner that effectuates the voters' purpose in adopting the law. [Citation.] [¶] Proposition 218 specifically states that "[t]he provisions of this act shall be *liberally construed to effectuate its purposes of limiting local government revenue and enhancing taxpayer consent.*" (Ballot Pamp., [Gen. Elec. (Nov. 5, 1996)] text of Prop. 218, § 5, p. 109; see Historical Notes, [2A West's Ann. Const. (2008 supp.) foll. Cal. Const., art. XIII C.] at p. 85.) Also, as discussed above, the ballot materials explained to the voters that Proposition 218 was designed to: constrain local governments' ability to impose assessments; place extensive requirements on local governments charging assessments; shift the burden of demonstrating assessments' legality to local government; *make it easier for taxpayers to win lawsuits; and limit the methods by which local governments exact revenue from taxpayers without their consent.*" (Silicon Valley, *supra*, 44 Cal.4th at p. 448, italics added.)

As the *Capistrano* Court made clear, "[i]f the phrase 'proportional cost of the service attributable to the parcel' (italics added) is to mean anything, it has to be that article XIII D, section 6, subdivision (b)(3) assumes that there really is an ascertainable cost of service that can be attributed to a specific — hence that little word 'the' — parcel. Otherwise, the cost of the service language would be meaningless. Why use the phrase 'cost of the service to the parcel' if a local agency does not actually have to ascertain a cost of service to that particular parcel?" (*Capistrano* at pp. 1505-1506).

Likewise, the Court added "[t]he presence of subdivision (b)(1) of section 6, article XIII D, just a few lines above subdivision (b)(3), confirms our conclusion. Constitutional provisions, particularly when enacted in the same measure, should be construed together and read as a whole. (*Bighorn*, *supra*, 39 Cal.4th at p. 228.) The 'proportional cost of the service' language from subdivision (b)(3) is part of a general subdivision (b), and there is an additional reference to costs in subdivision (b)(1). Subdivision (b)(1) provides that the total revenue from fees 'shall not exceed the funds required to provide *the property* related service.'" (Italics added.) (*Id.*)

As explained below, because LADWP's current and proposed rate structures (a) rely on recovering all costs through variable usage rates; (b) contain arbitrary and widely disparate formulas for determining usage allotments (tiers) *between and amongst* customer classes; and (c) include express subsidies for the City and select subscribing customers, both the 2012-2015 and 2016-2020 Structures violate Article XIID, Section 6, subdivision (b)(3). Put simply, to comply with subdivision (b)(3), LADWP must "**correlate its tiered prices with the actual cost of providing water at tiered levels.**" (*Id.* at 1506.) It must also "**justify the inequality 'in the cost of providing water' to its various classes of customers at each tiered level.**" (*Id.* at 1506-1507 citing *Palmdale* at p. 937.) However, this LADWP cannot do without (first) proportionately allocating fixed costs across all parcels and (second) developing cost-based formulas for determining usage allotments at *real* price points that reflect the *true* cost of service for supplying water at higher tiered prices (i.e., the level of water usage that because of variable source of supply costs or other identified variable costs triggers or "kicks in" movement from a lower price tier to a higher price tier). (*Id.* at 1506-1507.)

As the *Capistrano* court recognized, *Palmdale* is instructive as to the illegality of discriminating against certain users in favor of others and the usage of arbitrary tiers. In *Palmdale*, the water district adopted a new, five-tiered rate structure, which progressively increased rates (for the top four tiers) for three basic categories of customers: residences, businesses, and irrigation projects. The tiered budgets for irrigation users, however were more stringent than for residential and commercial customers. (*Palmdale* at p. 930.) The way the tiers operated, all three classes of customers got a tier 1 budget, but irrigation customers had less leeway to increase usage without progressing to another tier. Thus, for example, the tier 2 rates for residential customers did not kick in until 125 percent of the budget, but tier 2 rates for irrigation customers kicked in at 110 percent of the budget. This, the court found violated Proposition 218.

As discussed below, LADWP's current and proposed rates mirror the non-compliant *Palmdale* rates in that, for example, tier 1 water budgets (i.e., usage allotments) and rates vary discriminately between and amongst the various customer classes. However, as emphasized by the *Capistrano* court, "**Subdivision (b)(3) require[s] that [water agencies] figure out the true cost of water, not simply draw lines based on water budgets.**" (*Capistrano* at p. 1511.)

What's more, as recently emphasized by the Court in *Green Valley Landowners Association v. City of Vallejo* (First Appellate District, Division One, Case No. A142808, certified for publication on October 16, 2015), in citing *Griffith* (2013) 220 Cal.App.4th 586, another notable recent decision in this area, Proposition 218 "prohibits a rate structure as alleged in Plaintiff's complaint that requires one group of customers to essentially subsidize another." As discussed below, that is precisely the effect of LADWP's current and newly proposed rate structures.

2. LADWP's 2012-2015 Water Rate Structure Is Proposition 218 Non-Compliant

As noted above, the 2012-2015 Structure forms the fundamental economic basis for several of the overarching economic principles, cost allocation methods, and tiered usage allowances contained in the newly proposed 2016-2020 Structure.

Therefore, a summary of key Proposition 218 fallacies surrounding the 2012-2015 Structure is provided below and is instructive because, as discussed in the following section, these same flaws are carried over into the 2016-2020 Structure:

❖ Schedule A applies to Single Dwelling Unit Residential Customers. Under Schedule A, rates are both seasonal and tiered. Importantly, there is no fixed monthly charge – all revenues are raised by volumetric rates (\$ per Hundred Cubic Feet, or HCF) alone, even though the utility admittedly has a "largely fixed cost of operating the water distribution system." (LADWP, "Water System Rate Proposal FY 12/13 and FY 13/14", June 5, 2012, p.2.) For example, according the LADWP's 2014 Water Cost of Service Study, July 2015, Figure 16 ("LADWP General Ledger Data), fixed customer related costs of \$77.7 million amount to 11.3 percent of total costs of \$687.6 million, and administrative and general costs of \$69.3 million amount to another 10.1 percent of total costs. Under Proposition 218, these fixed costs should be allocated proportionately across all parcels. The current rate table shows rates changing every 3

months, with the highest rates during the summer months of July, August, and September. The Tier 1 allowance for customers is based on five lot size categories, three temperature zones, and household size. Tier 2 rates are higher than Tier 1 rates, with the premium ranging from about 11 percent to about 28 percent. There is no cost justification for the tiered rates and therefore the tiered rates do not satisfy the requirements of Article 13D.

❖ Schedule B applies to Multi-Dwelling Unit Residential Customers – two or more dwelling units served by one meter. As with Schedule A, rates are both seasonal and tiered and there is no fixed monthly charge – all revenues are raised by volumetric (per HCF) rates alone, even though the utility has a “largely fixed cost of operating the water distribution system.” The current rate table shows rates changing every 3 months, with the highest rates during the summer months of July, August, and September. During the High Season months, the Tier 1 allowance during normal years for each meter is 125% of the average consumption for the preceding December through March, or 28 HCF each month, whichever is greater. There is no cost justification for the tiered rates and therefore the tiered rates do not satisfy the requirements of Article 13D.

- In addition, as discussed in further detail below, there is also no Proposition 218 justification for treating Single Dwelling Unit Residential and Multi-Dwelling Unit Residential differently in terms of the formulas used for usage allotment and thresholds that “kick in” progressively higher tiered rates.

❖ Schedule C applies to Commercial, Industrial & Governmental Customers and Temporary Construction. As with Schedules A and B, rates are both seasonal and tiered. The current rate table shows rates changing every 3 months, with the highest rates during the summer months of July, August, and September. In normal years, all usage is at Tier 1 rates during Low Season, and during 15 percent shortage years, Tier 2 rates apply to all usage. Importantly, *there is no fixed monthly charge – all revenues are raised by volumetric (per HCF) rates alone*, even though the utility has a “largely fixed cost of operating the water distribution system”, which is in conflict with Article 13D.

❖ General Provisions M and N are facially in conflict with Article XIID. These provisions charge qualified subscribers Tier 1 rates on 95 percent of their use with no corresponding cost basis. Under Proposition 218, they are illegal subsidies that benefit certain users at the expense of all other users.

❖ Schedule D is for Recycled Water Service. Because recycled water is “water service” under *Bighorn, Silicon Valley and Capistrano*, Schedule D is subject to Proposition 218. The schedule D commodity rates are set by contract, however, subject to the approval of the Board of Water and Power Commissioners, with no published rate sheets or any indication that the recycled water contracts reflect cost of service. As such, Schedule D, which remains a contractually administered program per the Water Rate Design (Chapter 5) for the newly proposed 2016-2020 Structure likely violates Article XIID.

❖ Schedule F is for Publicly Sponsored Irrigation, Recreational, Agricultural, Horticultural, and Floricultural Uses, and Youth Sports. No Rate Schedule is provided. This

Schedule is available only to qualified users, who must submit a written application. Several classes of eligible users are defined, including “irrigation in medians in public streets that have complied with best management practices for medians.” Therefore, with Schedule F, the City appears to have given itself (and many others in the non-profit sector) a price break. The benefit to the City is similar to a naked transfer from the Water Fund to the General Fund, a practice that has been found to be a violation of Proposition 218 in several instances. Absent a showing that this is justified by lower costs of meeting these needs, the rates in Schedule F are unconstitutional under Proposition 218; rather than cost-based, they are clearly based on the City’s public policy favoring certain users over others.

❖ Subsidies to Low Income Households: Water Lifeline Consumers receive a subsidy of up to \$20 every two months on their water bill. Water Low Income Discount Program Customers receive a subsidy of up to \$10 every two months plus \$2 per person for households of over three persons, up to a total of \$20 per bill. Electric Low Income and Lifeline customers who are not billed for water service receive the Water Low Income subsidy on their electric bills in addition to their electric subsidies. In addition, there is a low-income subsidy incorporated in the rates for sewer service. These subsidies are *per se* Proposition 218 non-compliant because “[t]he low-income subsidy adjustment [to the rates paid by all users] recovers the cost of credits provided to all lifeline and low-income customers.” (LADWP, Schedule A “Residential”; “Water System Rate Proposal FY 12/13 and FY 13/14”, 2012, Figure 15.)

❖ Defining Customer Categories Without Regard to Usage Characteristics: A fundamental flaw of the 2012-2015 Structure is that LADWP does not ascertain that users are similar before grouping them together in a customer category. This is carried over to the 2016-2020 Structure and is discussed in further detail below. In addition, there is no stated cost justification for the differences in rates among Schedules A, B and C, and there appears to be no basis in costs for the separate customer classification according to Schedule F.

3. Having Many of the Same Fundamental Flaws as the 2012-2015 Water Rate Structure, LADWP’s 2016-2020 Water Rate Structure Is Also Proposition 218 Non-Compliant.

Much like the 2012-2015 Structure, a fundamental problem with LADWP’s proposed 2016-2020 Structure is that it is geared to recover costs for Schedule A, B, and C customers *entirely through variable rates*, despite the fact that the water utility’s costs remain largely fixed. In addition, the formulas used to determine the price tier thresholds for Schedules A, B, and C are not cost-based or even remotely uniform, but rather arbitrary and disparate *between and amongst* customer categories.

For example, as illustrated in Figure 41 of Chapter 5 and the accompanying text of LADWP’s July 2015 Water System Rate Action Report, Chapter 5 (“Water Rate Design”) for the 2016-2020 Structure, there are two tiers for the Multi-Dwelling Residential category with no fixed charges allocated proportionately amongst the parcels. Thus, measured by common sense economic principles, Tier 2 users are forced to pay a disproportionate share of fixed costs at a higher rate simply because they use water in excess of an arbitrarily defined Tier 1 limit that varies for each and every Multi-Dwelling Residential customer.

Indeed, the Multi-Dwelling Residential formula used to determine “when” Tier 2 “kicks in” is tied not to a higher cost of service, but rather to an arbitrarily determined usage percentage over a customer’s highest usage during the wet season. More specifically, section 5.6.1 (Chapter 5) states that the following thresholds shall be imposed, none of which is tied to the cost of serving users in Tier 2. Under the following formulas, all Multi-Dwelling Residential users have a different Tier 1 allowance depending on use above the base period, which has no cost justification, and which is progressively decreased each year³:

- ❖ Initially, set the base period (FY 2014-15) allotment for the high season (summer) usage at the highest of 100% of actual prior winter (December – March) usage or 100% of the current recorded tier 1 allotment upon the effective date of the new ordinance.
- ❖ For FY 2015-16, reduce usage to the highest of 93% of the base period (FY 2014-15) usage or 93% of the current recorded tier 1 allotment upon the effective date of the new ordinance.
- ❖ For FY 2016-17, reduce usage to the highest of 88% of the base period (FY 2014-15) usage or 88% of the current recorded tier 1 allotment upon the effective date of the new ordinance.
- ❖ Establish a 24 HCF per month minimum allotment in line with the current shortage year minimum allotment level.

Furthermore, there is no cost-based justification for the annual reduction in the Tier 1 usage allotment, which makes the illegal subsidization greater with each new year, and the establishment of a 24 HCF minimum allotment is facially inconsistent with Proposition 218; indeed, under the minimum allotment provision, a user receives the lower Tier 1 rate even if they are wasteful, and independent of the number of people dwelling on the parcel. Clearly, these artificial thresholds unfairly and detrimentally burden Multi-Dwelling customers such as G.H. Palmer that have one water meter (e.g., Lorenzo property), and hundreds of residents residing on the property.

Importantly, LADWP’s failure to proportionately allocated fixed costs across all parcels is contrary to industry standard as defined in the American Water Works Association’s M-1 Manual (Principles of Water Rates, Fees and Charges, 6th Edition, 2012), a leading and often cited authority on the development of water rates. More specifically, the M-1 Manual has the following to say about the importance of fairly allocating fixed costs:

“Fixed costs are those capital and operating costs that remain relatively unchanged over a given operating period, such as a year. Fixed costs include virtually all capital costs such as debt service, or depreciation expense, as well

³ In contrast, for Schedule C customers, which includes the City, commercial, and industrial customers, the formula used to determine the Tier 1/Tier 2 threshold has no yearly decrease. Rather, the high season allotment is set at the highest of either 105% of actual preceding winter (December – March) usage or 105% of current recorded tier 1 allotment upon the effective date of the ordinance. (Chapter 5, Section 5.7.1.) What is the Proposition 218, cost-based justification for doing so? Answer: there isn’t one.

as costs of operating and maintaining system facilities.” (M-1 Manual at p. 73.)

“A cost-of-service approach to setting water rates results in the distribution of costs to each customer or customer class based on the costs that each causes. A dual set of fees—fixed and variable—is an extension of this cost causation theory. For example, a utility incurs some costs associated with serving customers irrespective of the amount or rate of water they use. These types of costs are referred to as *customer-related costs* and typically are costs that would be recovered through a fixed charge. These costs are usually recovered on a per-customer basis or some other nonconsumptive basis.” (M-1 Manual at pp. 137-138.)

“The terms *billing charge* and *customer charge* are often used interchangeably. This charge typically recovers costs such as meter reading, billing costs, and other costs that the utility incurs equally per customer or per account. **This type of fixed charge can be the same for all customers or it can vary by customer class if certain customer classes have more complicated billing or customer service requirements. These costs are not a function of the amount of consumption a customer uses.** An example of a service or customer charge is \$6.00 per bill.” (M-1 Manual at p. 138, emphasis added.)

“Another viewpoint is that recovering fixed costs through volumetric charges sends inaccurate price signals to customers because it incorrectly implies that fixed costs are being avoided by customers’ reductions in usage.” (M-1 Manual at p. 140.)

Moreover, while LADWP is correct that Proposition 218 allows grouping similar users together for the same water rate and that charging the users according to usage is a reasonable way to apportion the cost of service (page 20 of Chapter 5), there is no indication or analysis that LADWP’s grouping of the City’s Multi-Dwelling Residential customers is “similar” such that the group is a true class. In fact, there is substantial evidence to the contrary that indicates that the Multi-Dwelling Residential category is in fact very heterogeneous. Indeed, while LADWP claims on the one hand that costs are tied to “usage”, Figure 42 (Chapter 5) shows that LADWP is grouping all multi-dwelling users together despite the fact that some use as much as 1000+ HCF/month, whereas others use as little as 5-15 HCF/month. Under Proposition 218 and *Morgan and Griffith*, this is not allowed. For the purposes of grouping “similar” users together, the users must in fact be similar in terms of the cost of service to the “similarly” grouped parcels, which is Proposition 218’s measuring stick as articulated by the *Capistrano* Court. However, a simple comparison of the Multi-Dwelling Residential rates with the Single-Dwelling Residential rates shows that the groups are charged different rates for the same consumption of water, despite no cost justification for the disparate treatment. Rather, the disparate treatment is derived from the use of arbitrary usage formulas and tier thresholds.

More specifically, whereas on the one hand Multi-Dwelling Residential customers, which again are widely disparate in terms of water use (in fact, water usage in this group varies by more than *two orders of magnitude, i.e., in excess of a factor of 100*), jump into the Tier 2 threshold based on a random percentage above highest use in the wet season, on the other hand Single-Dwelling Residential users, which is an equally arbitrary (i.e., non cost-based) customer category, are charged according to 4 tiers (as opposed to 2 for Multi-Dwelling) that impose arbitrary water allotments and tiered pricing according to the size of the parcel and the temperature zone in which the parcel is situated. (Chapter 5, Figures 32 and 35). In short, hotter areas with bigger parcels get more water at a lower price than cooler areas with small parcels. In short, it makes no sense under Proposition 218.

The result? The 2016-2020 Structure consists of two residential categories that apply two different formulas for usage allotment and price differential despite no cost basis for doing so.⁴ The result is that Single-Dwelling Residential customers with relative higher water use pay less on some of their units than a Multi-Family Residential customer with the same or less water use. This begs the question: If water usage is the main cost driving factor, then how can LADWP (a) group widely disparate water users in the same class and (b) then treat the same levels of water usage (i.e., volume of water consumed) differently between different customer categories with no other driving factors? Again, it makes no sense under Proposition 218.

Indeed, Figure 12 in Chapter 4 of the new rate study shows LADWP's cost causation factors. Notably, for almost all cost components (e.g., transmission) the purported driver is "Consumption Volume by Customer Class." However, the rate study does not explain why customer class matters. Will a Single-Dwelling Residential customer with 8 residents have a different effect on costs than a Multi-Dwelling Residential customer with 8 residents? Will a Multi-Dwelling Residential with 900 apartments cost the same to serve per HCF as a Multi-Dwelling Residential with 4 apartments? Put simply, there is no effort in the 2016-2020 Structure (and corresponding rate study) to justify the disparate treatment of individual parcels. In fact, LADWP's own underlying water usage data suggests that parcels within a category are very different in terms of use, and parcels in different categories may be very similar in terms of use, and use is what drives costs.

Furthermore, LADWP must concede that higher rates in the summer already capture the additional costs associated with peak demand; i.e., the need for larger reservoirs and larger pipes is driven by the need to meet summer demand. If that is the case, why is a further classification of customers based on the ratio of peak demand to average demand necessary? Parcels that contribute disproportionately to demand during the peak season already pay more per HCF than others over the course of a year because peak season rates are higher, and a larger proportion of their usage is at the higher rate. To then charge them more a second time (through higher tier 2 rates) in the summer is subjecting them to a "double whammy." That is, the higher peak season

⁴ Chapter 6, Figure 29 (p. 26), shows the new rates for Multi-Dwelling Residential. For the 2 tiers, the rates are \$5.15 and \$7.87, respectively. Figure 26 (p. 24) shows the corresponding rates for Single-Dwelling Residential. For the 4 tiers, the rates are \$5.15, \$5.37, \$6.20, and \$6.20. Note how much more the Multi-Dwelling Residential Tier 2 rate is compared to the Single-Dwelling Residential Tier 4 rate without any corresponding justification. Thus, the rate design appears to be based on purely political considerations.

costs appear to be used by LADWP to justify two separate rate elements that “jack up” rates - high summer Tier 1 rates and high summer Tier 2 rates.

Likewise, as with the 2012-2015 Structure, the 2016-2020 Structure expressly includes a Low Income Subsidy Adjustment (Chapter 5, Figure 39) that violates Subdivision (b)(3) and affects all water users that do not receive the subsidy. Under Proposition 218, subsidization of water rates for certain user groups at the expense of others is not allowed.

Lastly, the Schedule F rates for the 2016-2020 Structure (“Publicly-Sponsored Irrigation; Recreational; Agricultural, Horticultural, and Floricultural uses; Community Gardens and Youth Sports”), which heavily favor the City over virtually all other users, remain facially Proposition 218 non-compliant. Indeed, Sections 5.10 and 5.10.1 (Chapter 5) make it unequivocally clear that the City is the benefactor of rates far below the cost of service and that it will take a “phased rate change for Schedule F to move towards the cost of service”. (See Section 5.10.1) As stated in section 5.10: “As noted in Section 5.2.2 above, the cost of service study results indicate that Publicly-Sponsored Irrigation; Recreational; Agricultural, Horticultural, and Floricultural uses; Community Gardens and Youth Sports (Schedule F) revenue is *significantly under cost*, and this situation will be gradually addressed over time.” Section 5.210 goes on to state that current revenue is \$11.4M and required revenue in FY 2019-20 (based on cost of service) is \$44.38M. Thus, under the 2016-2020 Structure, Schedule F results in what is essentially an illegal \$33 million equity transfer from the water utility to the City’s general fund, again affecting all water users that do not receive the subsidy.

4. Conclusion.

The discussion above sets forth the multiple bases for why G.H. Palmer believes LADWP’s current and newly proposed rate structures are non-compliant with Proposition 218. G.H. Palmer welcomes open discussion of these important public interest matters; if LADWP and the City would like to discuss the foregoing, or if LADWP/City is interested in meeting with representatives of G.H. Palmer in an attempting to address these important issues, please notify the undersigned.

Sincerely,

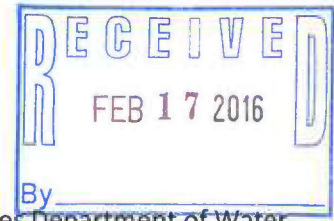


Benjamin T. Benumof, Ph.D., Esq.
ben@kkbs-law.com

Cc: City of Los Angeles City Council

February 17, 2016

Los Angeles Department of Water & Power
200 North Spring Street, Room ~~305~~ 340
Los Angeles, CA 90012



Ref: Notice of Proposed Water Rate Restructure and Increases for the Los Angeles Department of Water and Power and Associated Public Hearing, December 2015

LADWP WATER RATE ORDINANCE (I PROTEST)

HOW CAN TENANTS IN A RENT CONTROL PROPERTY EVEN IMAGINE CONSERVING WATER WHEN YOU WANT US TO GIVE FREE WATER TO THEM. ANYTHING THAT IS FREE IS ALWAYS TAKEN FOR GRANTED. YOU WANT US TO GIVE THEM FREE WATER, THEY SHOULD PAY FOR SEWER SERVICE CHARGE THEN THEY WILL REDUCE COSUMPTION. WHAT ABOUT LAWS ABOUT GUESTS THAT STAY FOR 15, 20, 29 DAYS AND IN BETWEEN MOVE OUT IN ORDER NOT TO EXCEED THE ALLOWABLE 30 DAYS THEN COME BACK. THEY KNOW THE LAW AND THEY HAVE BEEN PLAYING AROUND IT. MEANTIME WATER CONSUMPTION GOES UP AND WE CANNOT DO ANYTHING ABOUT IT.

Honorable City Council:

Being aware of our water crisis I hereby protest the futility of a water rate increase in helping to reduce its consumption. As a landlord in our fair city of the Angels I have ample experience in knowing that water rates do not affect its consumption. Since we are not allowed to charge the tenants for water they indulge in the freedom of it. And under Rent Control we are limited in the amount we can increase the rent. Even if we could raise the rent to compensate for the increase in the water rate, the water still would be free to the tenants and accordingly no motivation to reduce its consumption. On the contrary.

Respectfully submitted,

Carmencita T. Masur

Carmencita T. Masur (this is the address where all bills or statements are delivered)
970 Indiana Avenue
Venice, CA 90291

Carmencita T. Masur
4320 INGLEWOOD BLVD. LOS ANGELES, CA 90066 - 579 136 1000 ACCT.#
parcel # 4233 018 009 15 000

Carmencita T. Masur
11841 Avon Way, LOS ANGELES, CA 90066 - 479 136 1000 ACCT.#
parcel #4233 023 030 15 000

2-16-16



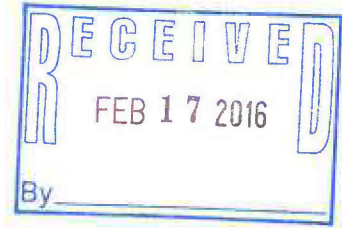
Dear Council member

I Julius D. Burton owner
of the property located at
7100 Crenshaw Bl LA Calif 90043,
~~I protest the increase of payment~~
for my water. Notice is giving to
the LA council hearing scheduled
for Feb 16, 2016.

Your Truly

owner Julius D Burton

Patrick Sherman
7500 Devista Dr
Los Angeles, CA 90046



Owner of: 7500 Devista Dr., Los Angeles, CA 90046 (multi-family, 2-units, owner occupied)

CITY CLERK
200N. Spring Street
Room 395
Los Angeles, CA 90012

2-17-2016

RE: LAWP WATER RATE ORDINANCE

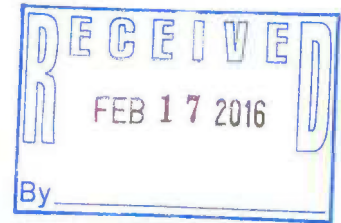
I PROTEST THE LAWP PROPOSED RATE CHANGE.

AS OWNER OF A MULTI-FAMILY APARTMENT BUILDING, UNDER THE RENT CONTROL RULES OF LOS ANGELES, I HAVE NO CONTROL OVER THE QUANTITY OF WATER/SEWAGE USED BY MY TENNANTS. SINCE I PAY THE WATER, NOT THEM, THEY HAVE NO INCENTIVE TO CONSERVE WATER. THE WATER/SEWER BILL IS CURRENTLY THE MOST EXPENSIVE PART OF MY OVERHEAD. THIS INCREASE WOULD CREATE A FINANCIAL HARDSHIP FOR ME.

Best,

Patrick Sherman

Patrick Sherman
7500 Devista Dr
Los Angeles, CA 90046



Owner of: 1330 Quintero St., Los Angeles, CA 90029 (multi-family, 4-units)

CITY CLERK
200N. Spring Street
Room 395
Los Angeles, CA 90012

2-17-2016

RE: LAWP WATER RATE ORDINANCE

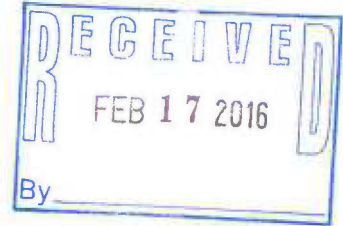
I PROTEST THE LAWP PROPOSED RATE CHANGE.

AS OWNER OF A MULTI-FAMILY APARTMENT BUILDING, UNDER THE RENT CONTROL RULES OF LOS ANGELES, I HAVE NO CONTROL OVER THE QUANTITY OF WATER/SEWAGE USED BY MY TENNANTS. SINCE I PAY THE WATER, NOT THEM, THEY HAVE NO INCENTIVE TO CONSERVE WATER. THE WATER/SEWER BILL IS CURRENTLY THE MOST EXPENSIVE PART OF MY OVERHEAD. THIS INCREASE WOULD CREATE A FINANCIAL HARDSHIP FOR ME.

Best,

Patrick Sherman

Patrick Sherman
7500 Devista Dr
Los Angeles, CA 90046



Owner of: 2815 Hillcrest Dr., Los Angeles, CA 90016 (multi-family, 4-units)

CITY CLERK
200N. Spring Street
Room 395
Los Angeles, CA 90012

2-17-2016

RE: LAWP WATER RATE ORDINANCE

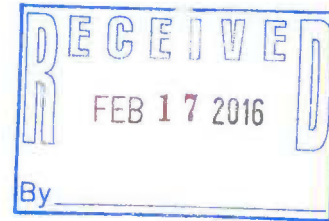
I PROTEST THE LAWP PROPOSED RATE CHANGE.

AS OWNER OF A MULTI-FAMILY APARTMENT BUILDING, UNDER THE RENT CONTROL RULES OF LOS ANGELES, I HAVE NO CONTROL OVER THE QUANTITY OF WATER/SEWAGE USED BY MY TENNANTS. SINCE I PAY THE WATER, NOT THEM, THEY HAVE NO INCENTIVE TO CONSERVE WATER. THE WATER/SEWER BILL IS CURRENTLY THE MOST EXPENSIVE PART OF MY OVERHEAD. THIS INCREASE WOULD CREATE A FINANCIAL HARDSHIP FOR ME.

Best,

Patrick Sherman

Patrick Sherman
7500 Devista Dr
Los Angeles, CA 90046



Owner of: 4239 Lexington Ave, Los Angeles, CA 90029 (multi-family, 4-units)

CITY CLERK
200N. Spring Street
Room 395
Los Angeles, CA 90012

2-17-2016

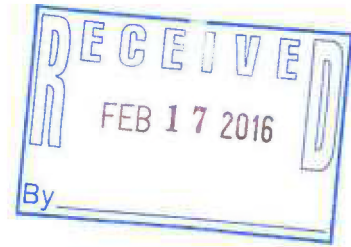
RE: LAWP WATER RATE ORDINANCE

I PROTEST THE LAWP PROPOSED RATE CHANGE. AS OWNER OF A MULTI-FAMILY APARTMENT BUILDING, UNDER THE RENT CONTROL RULES OF LOS ANGELES, I HAVE NO CONTROL OVER THE QUANTITY OF WATER USED BY MY TENNANTS. SINCE I PAY THE WATER, NOT THEM, THEY HAVE NO INCENTIVE TO CONSERVE WATER. THE WATER/SEWER BILL IS CURRENTLY THE MOST EXPENSIVE PART OF MY OVERHEAD. THIS INCREASE WOULD CREATE A FINANCIAL HARDSHIP FOR ME.

Best,

Patrick Sherman

Patrick Sherman
7500 Devista Dr
Los Angeles, CA 90046



Owner of: 4648 La Mirada Dr., Los Angeles, CA 90029 (multi-family, 10-units)

CITY CLERK
200N. Spring Street
Room 395
Los Angeles, CA 90012

2-17-2016

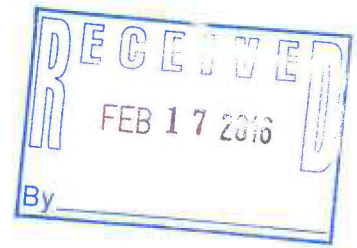
RE: LAWP WATER RATE ORDINANCE

I PROTEST THE LAWP PROPOSED RATE CHANGE.

AS OWNER OF A MULTI-FAMILY APARTMENT BUILDING, UNDER THE RENT CONTROL RULES OF LOS ANGELES, I HAVE NO CONTROL OVER THE QUANTITY OF WATER/SEWAGE USED BY MY TENNANTS. SINCE I PAY THE WATER, NOT THEM, THEY HAVE NO INCENTIVE TO CONSERVE WATER. THE WATER/SEWER BILL IS CURRENTLY THE MOST EXPENSIVE PART OF MY OVERHEAD. THIS INCREASE WOULD CREATE A FINANCIAL HARDSHIP FOR ME.

Best,

Patrick Sherman



Patrick Sherman
7500 Devista Dr
Los Angeles, CA 90046

Owner of: 2441 Fairmount St., Los Angeles, CA 90033 (multi-family, 4-units)

CITY CLERK
200N. Spring Street
Room 395
Los Angeles, CA 90012

2-17-2016

RE: LAWP WATER RATE ORDINANCE

I PROTEST THE LAWP PROPOSED RATE CHANGE.

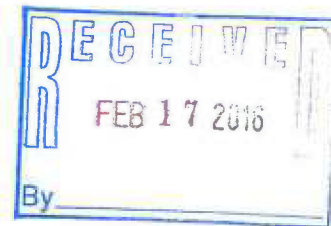
AS OWNER OF A MULTI-FAMILY APARTMENT BUILDING, UNDER THE RENT CONTROL RULES OF LOS ANGELES, I HAVE NO CONTROL OVER THE QUANTITY OF WATER/SEWAGE USED BY MY TENNANTS. SINCE I PAY THE WATER, NOT THEM, THEY HAVE NO INCENTIVE TO CONSERVE WATER. THE WATER/SEWER BILL IS CURRENTLY THE MOST EXPENSIVE PART OF MY OVERHEAD. THIS INCREASE WOULD CREATE A FINANCIAL HARDSHIP FOR ME.

Best,

Patrick Sherman

#18

Irma Contreras
7351 Fountain Avenue
West Hollywood, CA 90046



February 16, 2016

Los Angeles Department of Water & Power

Re: Notice of Proposed Water Rate Restructured and Increase

At this moment I cannot agree with the proposal that was sent from your department on December 2015. There needs to be transparency on how the funds are being allocated:

- We have not received Actual vs Budget financial statements (Summary) of DWP.
- The increase is not cents but dollars. The rate is multiply by how much HCP is used, e.g. $\$3.53 \times 161(\text{HCP}) = \568.33 , $\$3.55 \times 161(\text{HCP}) = \571.55 , increase of $\$3.22$, not .02 cents as it is proposed.
- If there is infrastructure in the proposed increased it should be segregated and be restricted for its purpose.

I plan to attend the hearing on February 17, 2016.

Very truly yours,

Irma Contreras
Owner

www.ladwp.com

CUSTOMER SERVICE - 7:00 am - 6:00 pm
1-800-499-8840

Paying Your Bill

AUTOMATIC PAYMENT
Automatically pay from your checking or savings by logging in at www.ladwp.com/combillpay

ONLINE
Pay from your checking or savings any time by logging in at www.ladwp.com/myaccount

BY PHONE
Pay from your checking or savings any time by calling 1-800-DIAL-DWP and selecting "Make a Payment."

BY MAIL
Place your payment stub and your check or money order in the envelope provided with the bill.

IN PERSON
Pay at any Customer Service Center. Locations are listed on the back of your payment stub and at www.ladwp.com/servicecenters

BALDEV K DEVGAN, 10020 VENICE BLVD, CULVER CITY, CA 90232

Account Summary

Previous Account Balance	\$ 1,268.42
Payment Received 1/13/16	-1,268.42
Corrections (see details on page 3)	-\$1,268.42
New Charges	+ 4,892.70

Thank you

Total Amount Due \$ 3,624.28

Summary of New Charges

Details on following pages.

Los Angeles Department of Water and Power Charges

Water Charges 12/4/15 - 2/4/16 547 HCF	\$2,576.62
Total LADWP Charges	\$ 2,576.62

LADWP provides billing services for the Bureau of Sanitation. All money collected for the services listed in the City of Los Angeles Bureau of Sanitation Charges section is forwarded to them.

City of Los Angeles Bureau of Sanitation Charges

Sewer Charges 12/4/15 - 2/4/16	\$2,316.08
Total Sanitation Charges	\$ 2,316.08

Total New Charges \$ 4,892.70

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. IF PAYING IN PERSON, BRING ENTIRE BILL TO CUSTOMER SERVICE CENTER.

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT, MAKING SURE THE RETURN ADDRESS SHOWS IN THE ENVELOPE WINDOW.

Los Angeles Department of Water & Power

For paperless billing, go to www.ladwp.com/myaccount

5538 1 AV 0.391 Los Angeles, CA 90030-0808

ELECTRONIC SERVICE REQUESTED

THIS IS YOUR BILL

5538 1 AV 0.391 05538 / 4421

BALDEV K DEVGAN
11735 W WASHINGTON BLVD
LOS ANGELES CA 90066-5917

ACCOUNT NUMBER
104 725 1000

DATE DUE Feb 24, 2016

AMOUNT DUE \$ 3,624.28

Please enter amount enclosed

\$

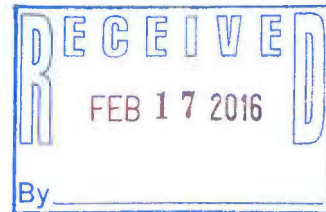
Write account number on check or money order and make payable to LADWP.

104725100000000000003624286

David Devgan, Manager
Clar Ven Shopping Center
11735 W. Washington Blvd., # 301
Los Angeles, CA 90066-5917

Tel. 310-390-9829

February 11, 2016
Attention:
City Clerk
200 North Spring St., Room#395
Los Angeles, CA 90012



Dear Sir / LA City Council Members,

Re: LA-DWP Waterrate Ordinance PROTEST: 2/17/2016

LA/ DWP A/C # 104 725 1000

10020 Venice Blvd, Culver City, CA 90232

Owner : Baldev K. Devgan / Devgan Enterprises

I / We , STRONGLY PROTEST & OBJECT ANY RATE INCREASE IN WATER/ SEWER CHARGES ,on behalf of all the owners and Tenants of above Shopping Center at 10020 Venice Blvd. As per LAW/ DWP Rate Ordinance .

Your utterly confusing mailer was designed to favor LADWP " Fat Cats",and executives to benefit Unions and Pension Plans of management. All the arguments are fake and contrived.

I have been a good customer since 1991, and I know DWP services are poor and atrocious. Your Water Meter-Readers are ill-educated and lazy and do "estimate" readings as shown in my enclosed bill from @\$1,268.42 (December) to \$ 4,892.70 (January). I spent 45 minutes this morning(Alecia-x-41747/ 800-4998840). You should fire couple of these so called supervisors including Evelyn, who was boss of Alecia.

These Chinese-made water meters are bad products like the " baby-milk formula" and " Dry-walls" that Chinese Govt. made and exported to USA . Please help resolve my above issues.

DO NOT INCREASE WATER- RATES.

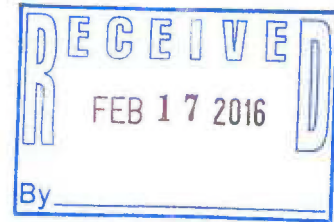
I would love to come and address you in person on 2/17/2016

Sincerely,


Baldev Devgan, Manager/ Owner

Baldev K. Devgan, Apartment Manager
11735 W. Washington Blvd., # 301
Los Angeles, CA 90066-5917

Tel. 310-390-9829



February 11, 2016
Attention:
City Clerk
200 North Spring St., Room#395
Los Angeles, CA 90012

Dear Sir / LA City Council Members,

Re: LA-DWP Waterrate Ordinance PROTEST: 2/17/2016

LA/ DWP A/C # 759 935 9153

11737 W. Washington Blvd, Los Angeles, CA 90066(Culver City)

Owner : Baldev K. Devgan / Devgan Enterprises

I / We , STRONGLY PROTEST & OBJECT ANY RATE INCREASE IN WATER/ SEWER
CHARGES ,on behalf of all the owners and Tenants of above Shopping Center at 10020 Venice Blvd.
As per LAW/ DWP Rate Ordinance .

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I have been a good customer since 1991, and I know DWP sevicees are poor aand atrocious.

DO NOT INCREASE WATER- RATES.

I would love to come and address you in person on 2/17/2016

Sincerely,


Baldev Devgan, Manager/ Owner

Baldev K. Devgan, Apartment Manager
11735 W. Washington Blvd., # 301
Los Angeles, CA 90066-5917

Tel. 310-390-9829



February 11, 2016
Attention:
City Clerk
200 North Spring St., Room#395
Los Angeles, CA 90012

Dear Sir / LA City Council Members,

Re: LA-DWP Waterrate Ordinance PROTEST: 2/17/2016

LA/ DWP A/C # 480 793 4825

11737 W. Washington Blvd, Los Angeles, CA 90066(Culver City)

Owner : Baldev K. Devgan / Devgan Enterprises


I / We , STRONGLY PROTEST & OBJECT ANY RATE INCREASE IN WATER/ SEWER
CHARGES ,on behalf of all the owners and Tenants of above Shopping Center at 10020 Venice Blvd.
As per LAW/ DWP Rate Ordinance .

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DO NOT INCREASE WATER- RATES.

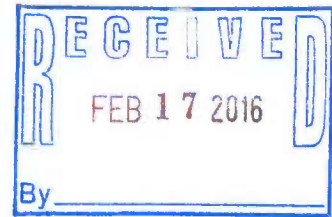
I would love to come and address you in person on 2/17/2016

Sincerely,


Baldev Devgan, Manager/ Owner

Baldev K. Devgan, M.D.
Board Certified Otolaryngologist
11735 W. Washington Blvd., # 101
Los Angeles, CA 90066-5917

Tel. 310-390-9829
Fax 310-391-1290



February 11, 2016
Attention:
City Clerk
200 North Spring St., Room#395
Los Angeles, CA 90012

Dear Sir / LA City Council Members,

Re: LA-DWP Waterrate Ordinance PROTEST: 2/17/2016

LA/ DWP A/C # 004 725 1000

11735 W. Washington Blvd, Los Angeles, CA 90066(Culver City)

Owner : Baldev K. Devgan / Devgan Enterprises


I / We , STRONGLY PROTEST & OBJECT ANY RATE INCREASE IN WATER/ SEWER
CHARGES ,on behalf of all the owners and Tenants of above Shopping Center at 10020 Venice Blvd.
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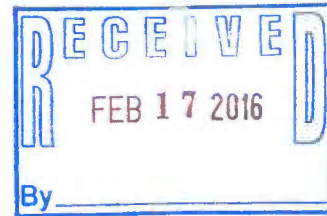
I would love to come and address you in person on 2/17/2016

Sincerely,


Baldev Devgan, Manager/ Owner

Baldev K. Devgan, Apartment Manager
11735 W. Washington Blvd., # 301
Los Angeles, CA 90066-5917

Tel. 310-390-9829



February 11, 2016

Attention:

City Clerk

200 North Spring St., Room#395

Los Angeles, CA 90012

Dear Sir / LA City Council Members,

Re: LA-DWP Waterrate Ordinance PROTEST: 2/17/2016

LA/ DWP A/C # 893 725 1000

11729 W. Washington Blvd, Los Angeles, CA 90066(Culver City)

Owner : Baldev K. Devgan / Devgan Enterprises

I / We , STRONGLY PROTEST & OBJECT ANY RATE INCREASE IN WATER/ SEWER CHARGES ,on behalf of all the owners and Tenants of above Shopping Center at 10020 Venice Blvd. As per LAW/ DWP Rate Ordinance .

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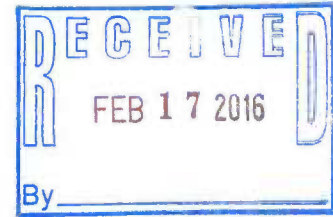


Sincerely,

Baldev Devgan, Manager/ Owner

Baldev K. Devgan, Apartment Manager
11735 W. Washington Blvd., # 301
Los Angeles, CA 90066-5917

Tel. 310-390-9829



February 11, 2016
Attention:
City Clerk
200 North Spring St., Room#395
Los Angeles, CA 90012

Dear Sir / LA City Council Members,

Re: LA-DWP Waterrate Ordinance PROTEST: 2/17/2016

LA/ DWP A/C # 993 725 1000

11741 W. Washington Blvd, Los Angeles, CA 90066(Culver City)

Owner : Baldev K. Devgan / Devgan Enterprises

I / We , STRONGLY PROTEST & OBJECT ANY RATE INCREASE IN WATER/ SEWER
CHARGES ,on behalf of all the owners and Tenants of above Shopping Center at 10020 Venice Blvd.
As per LAW/ DWP Rate Ordinance .

Your utterly confusing mailer was designed to favor LADWP " Fat Cats",and executives to benefit
Unions and Pension Plans of management.Al the arguments are fake and contrived.

I have been a good customer since 1991, and I know DWP sevicees are poor aand atrocious.
DO NOT INCREASE WATER- RATES.

I would love to come and address you in person on 2/17/2016

Sincerely,


Baldev Devgan, Manager/ Owner

Public Record Ruth Sarnoff

BOARD OF
BUILDING AND SAFETY
COMMISSIONERS

VAN AMBATELOS
PRESIDENT

E. FELICIA BRANNON
VICE PRESIDENT

JOSELYN GEAGA-ROSENTHAL
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CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

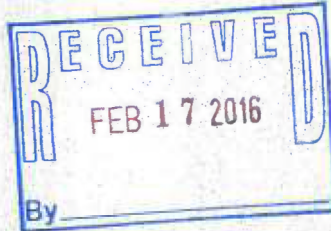
DEPARTMENT OF
BUILDING AND SAFETY
201 NORTH FIGUEROA STREET
LOS ANGELES, CA 90012

RAYMOND S. CHAN, C.E., S.E.
GENERAL MANAGER

FRANK BUSH
EXECUTIVE OFFICER

September 22, 2015

Honorable Council of the
City of Los Angeles
Room 395, City Hall



Council District: #13

Many
uses
at
same

JOB ADDRESS: 5300 WEST SUNSET BLVD., LOS ANGELES, CA
ASSESSORS PARCEL NO. (APN): 5544-033-047

On April 15, 2014, pursuant to the authority granted by Section 91.103 of the Los Angeles Municipal Code, the Department of Building and Safety (the "Department") investigated and identified code violations at: **5300 West Sunset Blvd., Los Angeles, California** (the "Property"). A copy of the title report which includes a full legal description of the property is attached as Exhibit A.

Pursuant to Section 98.0421, the property owner was issued an order on April 15, 2014, to pay a code violation inspection fee after violations were identified and verified upon inspection. The code violation inspection fees imposed by the Department are as follows:

Description	Amount
Code Violation Investigation fee	336.00
System Development Surcharge	20.16
System Development Surcharge late fee	50.40
Late Charge/Collection fee (250%)	846.00
Title Report fee	42.00
Grand Total	\$ 1,288.56

Pursuant to the authority granted by Section 7.35.3 of the Los Angeles Administrative Code, it is proposed a lien for a total sum of **\$1,288.56** recorded against the property. It is requested that the Honorable City Council of the City of Los Angeles (the "City Council") designate the time and place protest can be heard concerning this matter, as set forth in Sections 7.35.3 and 7.35.5 of the Los Angeles Administrative Code.

It is further requested that the City Council instruct the Department to deposit to Dept. 08, Fund 48R, Balance Sheet Account 2200, any payment received against this lien in the amount of **\$1,288.56** on the referenced property. A copy of the title report which includes a full legal description of the property is attached as Exhibit A. A list of all the names and addresses of owners and all interested parties entitled to notice is included (Exhibit B). Also attached is a report which includes the current fair market value of the property including all encumbrances of record on the property as of the date of the report (Exhibit C).

DEPARTMENT OF BUILDING AND SAFETY

Steve Ongele
Chief, Resource Management Bureau

Lien confirmed by
City Council on:

ATTEST: HOLLY L. WOLCOTT, CITY CLERK

BY: _____
DEPUTY

RECEIVED
FEB 17 2016
By _____

It is the highest no - the more of a case for BWP
weary men (1975) for let more for - duty

Carol Brink
9714 Stonehurst
2 V. 00 9135-2

please not water
note is in a out as
(also the cost is as)

My bill this Feb is 1862 kWh (30kWh) + 30 kWh water
22,440 gal / 30 day

Protect any + all measures for BWP
destruction, (see extra in yo)

We move to above + cause hardship for BWP + disabled

No primary question is let for real

an immediate + emergency situation

to cut back + maintain their large

person, + benefits + help - when the

BWP has wasted on (my young 5 yrs

at the home) our BWP always allows

above + lost + requires the idea needed

There was a trust of our first necessary
natural resources - our right.

After my wife also lost + in court pay
take + keep BWP allowed + allowed and

So a no \$ difficulty, and other (as many
BWP BWP) on that BWP losing my home

because in this case on BWP (the only
way I was left to keep my water space)

My BWP to consider the BWP could not pay BWP
You are creating a BWP, for BWP on

an other + BWP, this would allow
people not BWP, this, was BWP for BWP

see that you BWP + many BWP in BWP
packed illegal other

On BWP + BWP after they go of BWP
should be kept as needed in BWP

pay back
BWP for
+ BWP for

#18

11 (See Sec Admin 2016)
Quote The consumer price index has not
risen since last cost adj (apx 10 dollars a yr)
benefit for 2016 stay the same

also Charging water allowance for desert
plants & desert that we spent 55 yrs
blood sweat & tears to buy, plant,
garden, tree trimmers, W & P to keep green
I did not get a grass rebate for
8K sq ft of water (so I cut water like desert
I already let everything die
lost 8 trees, bushes
Charged for yard & back yard by myself to
rocks again
All the money we paid & well loved
1/3 of my property value in landscape
& when I sell my home is all I have to
leave my house on - even my 50 year old trees
I have watered - made water table all dying
by Rick Hansen Dan Back

Sharon
Carol Baird
818 352 2312

Shadow Hills
ex Century 21 Realtor

84 Bond
Historian
Hansen Dam South