Weekly Management Report
August 15, 2014

1. **Memo** – Ballot Signature Procedures, August 12, 2014 – City Clerk

2. **Memo** – Selection of Mayor, August 11, 2014 – City Attorney

3. **Memo** – Personal Use of City Vehicles – Management Services Department

4. **Synopsis** – Alameda North Neighborhood Protection Plan Community Meeting of July 31, 2014 - Community Development Department

5. **Memo** – 2014 Water Bond Update – Burbank Water & Power

6. **Synopsis** – Burbank Water & Power Board Meeting of August 7, 2014 – Burbank Water & Power

7. **Report** – June 2014 Operating Results – Burbank Water & Power

8. **Synopsis** – Burbank Hospitality Association Meeting of August 13, 2014 – Community Development Department

9. **Synopsis** – Planning Board Actions of August 11, 2014 – Community Development Department

10. **Synopsis** – Park, Recreation & Community Services Board Meeting of August 14, 2014 – Park, Recreation & Community Services Department

11. **Minutes** – Burbank Police Commission Meeting of July 16, 2014 – Burbank Police Department

12. **Notes** - City Notes, August 15, 2014 – Public Information Office

Scott

CITY OF BURBANK
OFFICE OF CITY CLERK

MEMORANDUM

DATE: August 12, 2014

TO: Honorable Mayor and Council Members

FROM: Zizette Mullins, City Clerk

SUBJECT: Ballot Signature Procedures

At the July 22, 2014, Council meeting, a member of the public spoke regarding the procedure for obtaining signatures on ballots that arrive in the Clerk's office either without a signature or one that cannot be verified. Council requested information in regards to the procedure.

Since the first All Mail Ballot election in 2005, it has always been the policy to obtain verifiable signatures on ALL ballots returned for the election. There are several ways in which election staff, who are sworn to uphold all election laws and conduct the election in an equitable and ethical manner, try to obtain verifiable signatures on ALL received ballots.

Letters and several phone calls, asking voters to come in and sign their envelopes, are done prior to staff ever attempting to go to their homes. For those who could not physically come into City Hall, ballots are delivered to them to ensure that their vote could be counted. For security purposes, ballots are never in the possession of one person. Two staff members are assigned to make these visits for the ballot safety, as well as their own. Attempts are made to reach the voter up until election day to obtain the proper signature.

This process is not only for All Mail Ballot elections, it is also done in Polling Place elections as there are always mailed ballots for registered voters. There are voters who cannot leave their home and therefore their ballot would be picked up from them as is required.

I would like to point out some of the benefits of this practice. It helps to ensure that every person who chooses to vote has her/his vote counted. It provides customer

service to those who cannot leave their home for various reasons, some of which fall under ADA laws, and therefore does not disenfranchise them. It helps to increase the ballot returns, ensuring that a greater population of Burbankians' voices are heard.

I believe it should be made very clear to ALL, that when the incumbent City Clerk is on the ballot, that individual is not allowed to handle the ballots in any manner and does not go to voters homes to obtain signatures. They are also not allowed to accept ballots and bring them into the office from voters when they are out campaigning. They are treated with the same rules and regulations that all candidates must abide by and withdraw from the election processes. This is the reason they have the authority to designate staff to conduct the elections for them.

I invite anyone who wishes to observe our election process to please do so. This has always been available to the Council, all candidates, media and members of the public, as it is a completely transparent process. I hope this information is helpful to you, please feel free to contact me if you have any further questions regarding this memo.

Thank you.

Zizette Mullins,
City Clerk

c: City Manager
City Attorney

City Attorney's Office
City of Burbank

Amy Albano, City Attorney

Memorandum

Date: August 11, 2014

To: The Honorable Mayor and Council Members

From: Amy Albano, City Attorney

Subject: Selection of Mayor

The purpose of this memorandum is to explain the existing procedures for selection of mayor and options to change that procedure.

As a Charter City the Council has authority over all municipal affairs, unless the Charter explicitly limits the City authority over a specified subject. Selection of a mayor is a municipal affair. The Charter provides the following as to selection of mayor:

> "The Council shall meet at 10:00 a.m. on the first day of May following their election...The new members shall then be inducted into office, whereupon the Council, as thus newly constituted, shall choose one of their member to serve as Mayor. The Mayor shall have the same voting power as any other member of the Council. The Council shall also choose one of their member to serve as Vice Mayor, who shall act as Mayor pro tempore in case of the absence, sickness or other disability of the Mayor. The officials so chosen shall hold their respective offices subject to the pleasure of the Council..." Charter of City of Burbank, §400.

Since the Charter is silent on how the mayor should be selected, other than Council members choose one of themselves, the Council is free to adopt further procedures by resolution or ordinance. The only limitation is that only Councilmembers may select the mayor.

In early 2011, Santa Monica researched the issue of how similar cities selected the mayor. Of the 83 cities surveyed 55 have the council appoint the mayor and of those, 41 had no formal process, as is the case in Burbank. 14 cities (both

charter and general law) appointed the mayor by council with a specified process, including but not limited to: rotation; seniority coordinated by election schedule; vice mayor moving automatically into mayor's seat; order based on election date and number of votes received; 1-year mayor terms for each of the five council members so each serves as mayor within a 5-year period; and, based on the highest number of votes received.

If the City Council wishes to adopt some type of process for a rotation among members to be considered for mayor, the Council may do so. And the most expeditious vehicle is to adopt the process by resolution.

C: Mark Scott, City Manager
Zizette Mullins, City Clerk
Justin Hess, Assistant City Manager

CITY OF BURBANK

MANAGEMENT SERVICES DEPARTMENT

MEMORANDUM

DATE: August 15, 2014

TO: Mark Scott, City Manager

FROM: Betsy Dolan, Management Services Director Betsy Dolan

SUBJECT: **PERSONAL USE OF CITY VEHICLES**
CITY MANAGER TRACKING LIST ITEM #1614

During the July 15, 2014 City Council Meeting, staff was asked to provide a memo regarding personal use of City vehicles. Specifically, staff was asked 1) by what criteria are certain employees allowed to take City vehicles home; 2) can City vehicles be used for personal use; and 3) are City vehicles covered by City insurance when used for personal use?

Administrative Procedure (AP) I-13B (Use of City Vehicles) sets forth regulations governing the use of City vehicles, including criteria by which employees are allowed to take City vehicles home. Generally, employees take City vehicles home when the nature of their work necessitates that they respond from home. The specific criteria in AP I-13B are as follows:

1. Executive Management – The City Manager may approve Executives to take home a City vehicle. Currently, the Police and Fire Chiefs are the only Executives who take home a City vehicle (they also fall under the third criterion below).

2. Employees whose duties necessitate the frequent use of a specific City vehicle before or after standard work hours.

3. Employees, usually at the supervisory level, whose responsibilities involve emergency service and who are regularly on call and called out frequently, or whose regular duties necessitate frequent use of a City vehicle for meetings away from their regular work place before or after the applicable standard work hours.

4. Duties designated specifically by the City Manager as special or extenuating circumstances.

Currently, there are 40 employees who are assigned City vehicles to take home, all of who fall into one or more of the criteria above.

The AP also allows that occasionally an employee not regularly assigned to take home a City vehicle may need to do so due to special circumstances. The Department Executive has the authority to approve such requests, if justifiable, for up to a week, and the City Manager may approve requests exceeding a week.

Generally, City vehicles may not be used for personal use. However, AP I-13B allows employees who take a vehicle home to make incidental stops on the way to or from work. Additionally, employees who utilize City vehicles throughout the day in the course of their employment are legally entitled to short break periods and a lunch period. These employees may go directly from the field to a lunch location in their City vehicle, and employees who live in Burbank may also take their lunch break at home. This allows these employees to more efficiently return to work in the field immediately following their lunch or break. Also, a few Civic Center area vehicles are allowed to remain in the Metrolink parking lot overnight because the employees who use them daily as part of their jobs are train commuters. This has the added benefit of ensuring a few of the Civic Center vehicles are on the other side of the I5, in addition to the vehicles at Burbank Water and Power (BWP) and Public Works (PW) Field Services, in case of an emergency in which the I5 becomes impassable.

Additionally, the City implemented a Burbank Commuter Program to support efforts by the South Coast Air Quality Management District (AQMD) to reduce pollution from mobile sources. The program is designed to encourage employees to reduce car trips to and from their employment by utilizing car/vanpools, cycling, walking, Metrolink, and buses. As part of this program, the City provides two Employee Rideshare Vehicles for employees in the Civic Center area to use during working hours for local personal trips, i.e. to run errands during lunch time, attend local doctor appointments, etc. The vehicles are provided so that employees are not discouraged from ridesharing because they have personal business to attend to during lunch or other break times. Employees at BWP or PW Field Services may use City pool cars for this purpose, as well.

The Burbank Commuter Program also has a Guaranteed Ride Home Program that may utilize the Employee Rideshare Vehicles or other City pool cars. In the event that an employee who rideshares has an emergency or is required to participate in unplanned work activities that prevent them from using their shared ride home, the employee can receive a voucher from the City for a taxi ride or a rental car to return home. Often, use of the Employee Rideshare Vehicles or a pool car is less expensive than a taxi or a rental car, and employees are allowed in these situations to take a City car home. Pursuant to the City's agreement with AQMD, the Guaranteed Ride Home Program is a required part of the Burbank Commuter Program.

The City is self-insured for General Liability claims up to $1M, and would cover employees who use City vehicles for incidental personal use as permitted in AP I-13B and as part of the Burbank Commuter Program. The City is a member of a risk sharing pool called the Authority for California Cities Excess Liability (ACCEL) for claims over $1M. ACCEL would cover claims over $1M associated with employees' permitted incidental personal use of City vehicles. Any personal use of a City vehicle beyond the incidental use permitted as described above is prohibited and may subject employees to discipline.

Please let me know if you need any additional information.

city of burbank
community development department

memorandum

DATE: August 11, 2014

TO: Mark Scott, City Manager

FROM: Joy R. Forbes, Community Development Director

SUBJECT: **Alameda North Neighborhood Protection Plan Community Meeting – July 31, 2014**

- The Community Meeting was held at the Buena Vista Library with 57 people in attendance. The purpose of the meeting was to review the Alameda North Neighborhood Protection Plan (NPP), which is a plan of traffic calming improvements approved by Council in 2005 for the area bounded by Olive Avenue and Alameda Avenue on the south, Hollywood Way on the west, Oak Street on the north, and Buena Vista Street on the east.

- The meeting consisted of a brief 15-20 minute staff presentation followed by an extensive question, answer, and comment period between staff and meeting attendees.

- Staff presented an overview of the current NPP and the staggered phasing of improvements that was approved by Council in 2005. Staff reviewed the Phase 1 improvements already constructed and the Phase 2 improvements planned for, but not installed.

- Staff explained the reasons for the delay between the installation of Phase 1 improvements and the current review of the NPP, including a delay caused by detour traffic associated with the SR-134 ramp construction between 2007 and 2011. Staff explained that over the next six to nine months, a consultant would help evaluate the NPP by collecting traffic data, reviewing effectiveness of existing improvements, and holding additional meetings to review the study findings and solicit ideas for additional improvements.

- As part of the discussion, staff received a brief "presentation" from one area resident, Brad Davis, who is advocating for a plan to install cul-de-sacs on Cordova, Avon, Lima, and California Streets at Alameda Avenue to restrict traffic. Many meeting attendees were in favor of this suggestion, although others expressed concerns over this proposal. In response to a question from a resident, staff outlined some brief pros and cons of cul-de-sacs.

Burbank Water and Power

MEMORANDUM

DATE: August 14, 2014

TO: Mark Scott, City Manager

FROM: Ron Davis, General Manager, BWP

SUBJECT: 2014 Water Bond Update

We are providing this update on the Water Bond as the City Council has requested to stay apprised of the developments.

In January 2014, at the start of the Legislative Session, there were approximately a dozen water bond proposals introduced. In the remaining few weeks of the Legislative Session, the Governor and Democratic lawmakers have crafted a new water bond compromise, which looks likely to pass this week and just in time to be placed on the November 2014 ballot.

Language for a $7.54 billion draft bond measure (SB 866 and AB 1417) includes major funding categories as seen in previous bond proposals. Please see attached the one page outline for the specific funding categories.

There are a couple of sticking points in the compromise that has been reached. The water bond package provides $2.7 billion toward water storage -- less than the $3 B in the 2009 bond and less than what Republicans were hoping. Funds going toward the delta have been closely scrutinized by environmental and Delta interests groups, who have been concerned that such money could pave the way for the governor's controversial Bay Delta Conservation Plan (BDCP). The water bond package is described as "tunnel neutral."

Burbank Water and Power has been working with our trade associations and our water supplier to pass a bond that adheres to our broad water policy principles. The new bond proposal and the potential funding categories appear to help advance the co-equal goals of Delta restoration and water reliability. The Metropolitan Water District of Southern California has sent a letter of support for the water bond package (see attached).

Earlier this week, lawmakers also renumbered some ballot propositions to put the legislative-passed measures -- the rainy day fund and a potential new water bond -- at the top of the ballot. The Legislature also passed a bill to delay the printing of voter guide materials by two days, in hopes a new bond compromise will come together by close of business Wednesday.

c: Burbank Water and Power Board

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Sacramento Legislative Office

August 13, 2014

Assembly Speaker Toni Atkins
California State Assembly
State Capitol, Room 219
Sacramento, CA 95814

Senate President pro Tempore Darrell Steinberg
California State Senate
State Capitol, Room 205
Sacramento, CA 95814

Re: AB 1471 (Atkins/Rendon) and SB 866 (Steinberg/Wolk)
2014 Water Bond– **SUPPORT**

Dear Speaker Atkins and President pro Tempore Steinberg:

On behalf of The Metropolitan Water District of Southern California, I wish to convey the district's support for AB 1471 and SB 866. The bond proposal aligns with water bond priorities adopted by Metropolitan's board in March 2013.

AB 1471 and SB 866 reflect a workable framework that recognizes the fiscal limitations of California at a time when significant water investments are acutely needed. The funding for local supply assistance closely matches the needs within the Metropolitan service area, while investments in statewide system reliability will provide both environmental and supply benefits for years to come. The bond provides a means to co-fund multi-benefit projects to enhance regional self-sufficiency statewide.

AB 1471 and SB 866 will advance water infrastructure investments consistent with the California Water Action Plan. A comprehensive strategy is essential to guide California water policy and ensure that we weather today's drought and meet the state's many water needs. This drought dramatically demonstrates the importance of smart planning and a collaborative approach to addressing challenging water needs throughout the state.

After months of public hearings and meetings with stakeholders, we commend the package of actions and support moving the legislation forward. If you have any questions or wish to discuss Metropolitan's position further, please do not hesitate to contact me at (916) 650-2642.

Sincerely,

Kathleen Cole

Kathleen Cole
Legislative Representative

Water Quality, Supply, and Infrastructure Improvement Act of 2014- $7.54B

Regional Water Reliability--$810M

- Integrated regional water management $510M
- Stormwater capture $200M
- Water Conservation $100M

Safe Drinking Water – $520M

- Provide clean, safe and reliable drinking water to all Californians. With minimum to leverage federal funds for safe drinking water and clean water programs and for disadvantaged communities.
- Small Community Wastewater Program $260M
- Drinking Water Public Infrastructure $260M

Water Recycling- $725M

- Statewide water recycling projects and activities.

Groundwater Sustainability – $900M

- Prevent and reduce groundwater contaminants $800M
- Provide sustainable groundwater management planning and implementation $100M

Watershed Protection, Watershed Ecosystem Restoration, State Settlements - $1.495B

- Conservancies $327.5M
- Wildlife Conservation Board $200M (restoration of flows)
- Department of Fish and Wildlife $285M (out of delta, no mitigation on BDCP)
- Department of Fish and Wildlife $87.5M (in delta with constraints)
- State settlements and obligations including CVPIA $475M
- Rivers and creeks $120M

Storage- $2.7B

- Continuous appropriation for water storage projects.

Statewide Flood Management – $395M

- Statewide flood management projects and activities $100M
- For delta levee subvention programs and delta flood protection projects $295M

General Provisions

- Funding eligibility requires urban or agricultural water management plans and compliance with 2009 Water Conservation Act.
- Bay Delta Conservation Plan neutral.
- Protects existing water rights and reaffirms area of origin protections.
- Assumes repurposing of $105M from Prop. 84, $95M from Prop. 50, $81M from Prop. 13, $25.5M from Prop 204, $13.5M from Prop 44, $5M from Prop 82, $100M from Prop 1E and $7.120B of new bond debt.

AMENDED IN ASSEMBLY AUGUST 13, 2014

AMENDED IN ASSEMBLY AUGUST 11, 2014

AMENDED IN ASSEMBLY JUNE 12, 2014

SENATE BILL No. 866

Introduced by ~~Committee on Budget and Fiscal Review~~ *Senators Wolk ~~and~~, Steinberg, and Pavley*
(Principal coauthor: Assembly Members Atkins, Gomez, and Rendon)

January 9, 2014

~~An act to amend Sections 12722 and 12728 of, and to add Section 12559 to, the Health and Safety Code, relating to fireworks, and declaring the urgency thereof, to take effect immediately.~~ *An act to add Sections 5096.968* and ~~*Section*~~ *75089 to the Public Resources Code, to add Sections 12879.18, 13467, 78691.5, 79222, and 79591~~Section 79591~~ to, and to repeal and add Division 26.7 (commencing with Section 79700) of, the Water Code, and to repeal Section 2 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, relating to a water quality, supply, and infrastructure improvement program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.*

legislative counsel's digest

SB 866, as amended, ~~Committee on Budget and Fiscal Review~~ *Wolk.* ~~Fireworks: tax on distribution.~~ *Water Quality, Supply, and Infrastructure Improvement Act of 2014.*

(1) Existing law, the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, if approved by the voters, would authorize the issuance of bonds in the amount of $11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Existing law provides for the submission of the

bond act to the voters at the November 4, 2014, statewide general election.

This bill would repeal these provisions.

(2) Under existing law, various measures have been approved by the voters to provide funds for water supply and protection facilities and programs. Existing law, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative measure approved by the voters as Proposition 84 at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of $5,388,000,000 for the purposes of safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements. Existing law, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an initiative measure approved by the voters as Proposition 50 at the November 5, 2002, statewide general election, authorizes, for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of $3,440,000,000.

This bill would enact the Water Quality, Supply, and Infrastructure Improvement Act of 2014, which, if approved by the voters, would authorize the issuance of bonds in the amount of $~~6,995,000,000~~7,120,000,000 pursuant to the State General Obligation Bond Law to finance a water quality, supply, and infrastructure improvement program. This bill, upon voter approval, would reallocate $105,000,000 of specified funds authorized for the purposes of Proposition 84 and $95,000,000 of specified funds authorized for the purposes of Proposition 50 for the purposes of a water quality, supply, and infrastructure improvement program.

This bill would provide for the submission of these provisions to the voters at the November 4, 2014, statewide general election.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

~~Existing law authorizes the annual retail sale of safe and sane fireworks from June 28 to July 6, inclusive, pursuant to a license issued by the State Fire Marshal, unless otherwise prohibited or regulated by law or ordinance. Existing law authorizes various entities, including the State Fire Marshal, to seize certain prohibited fireworks. Existing law requires an authority that seizes fireworks to notify the State Fire Marshal of the seizure and to provide specified information. Existing law requires the State Fire Marshal to dispose of the seized fireworks~~

~~and requires dangerous fireworks to be disposed of according to specified procedures. Existing law establishes the State Fire Marshal Fireworks Enforcement and Disposal Fund (fund) in the State Treasury. Existing law requires moneys in the fund to be used by the State Fire Marshal for various purposes, including for the education of public safety agencies in the proper handling and management of dangerous fireworks and to further assist in public safety and education efforts within the general public as well as public safety agencies on the proper and responsible use of safe and sane fireworks. Existing law makes a violation of the law and regulations relating to fireworks a crime.~~

~~This bill would require the moneys in the fund to be used for the training of public safety agencies in the proper handling and management of dangerous fireworks and to further assist in public safety efforts within the general public as well as public safety agencies on the proper and responsible use, seizure, and storage of safe and sane fireworks. The bill would also authorize moneys in the fund to be used for the disposal of any seized fireworks and any infrastructure requirements necessary for the disposal of fireworks as well as used for the administration of the fund by the Office of the State Fire Marshal or its contracted designee.~~

~~This bill would require, commencing January 1, 2015, a distributor, as defined, to pay a tax upon distribution, as defined, of safe and sane fireworks, as provided. The bill would require the revenue from the tax to be deposited into the fund to be used for the purposes described above. The bill would authorize the State Fire Marshal to adjust the tax rate if the revenue in the fund is not estimated to cover expenses. The bill would specifically exclude a violation of these provisions from being a crime. The bill would also authorize the seizure of safe and sane fireworks distributed in this state by an unlicensed distributor for which the required tax has not been paid.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote: ⅔. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 5096.968 is added to the Public Resources Code, to read:

5096.968. Notwithstanding any other law, one hundred million dollars ($100,000,000) of the unissued bonds authorized for the purposes of this chapter are reallocated for the purposes of and shall be authorized, issued and appropriated in accordance with, Division 26.7 (commencing with Section 79700) of the Water Code. The funds available for reallocation shall be made on a pro rata basis from each bond allocation of this chapter.

1 *SECTION ~~1~~2. Section 75089 is added to the Public Resources*
2 *Code, to read:*

75089. Notwithstanding any other law, one hundred five million dollars ($105,000,000) of the funds authorized for the purposes of this division ~~and set aside for the administration and bond issuance costs~~ are reallocated for the purposes of, and shall be authorized, issued and appropriated in accordance with, Division 26.7 (commencing with Section 79700) of the Water Code. The funds available for reallocation shall be made on a pro rata basis from each bond allocation of this chapter.

SEC. 2. Section 79591 is added to the Water Code, to read:

79591. Notwithstanding any other law, ninety-five million dollars ($95,000,000) of the funds authorized for the purposes of this division ~~and set aside for the administration and bond issuance costs~~ are reallocated for the purposes of and shall be authorized, issued and appropriated in accordance with, Division 26.7 (commencing with Section 79700) of the Water Code. The funds available for reallocation shall be made on a pro rata basis from each bond allocation of this chapter.

SEC. 3. Division 26.7 (commencing with Section 79700) of the Water Code, as added by Section 1 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, is repealed.

~~*SEC. 4. Division 26.7 (commencing with Section 79700) is added to the Water Code, to read:*~~

SEC. 4. Section 13467 is added to the Water Code, to read:

13467. Notwithstanding any other law, thirteen million five hundred thousand dollars ($13,500,000) of the unissued bonds authorized for the purposes of subdivision (a) of Section 13459 are reallocated to finance the purposes , and shall be authorized, issued and appropriated in accordance with of Division 26.7 (commencing with Section 79700).

SEC. 5. Section 78691.5 is added to the Water Code, to read:

78691.5. Notwithstanding any other law nine million nine hundred thousand dollars ($9,900,000) of the unissued bonds authorized for the purposes of Sections 78550 to 78551, three million two hundred thousand dollars ($3,200,000) of the unissued bonds authorized for the purposes of Section 78671, three million five hundred thousand dollars ($3,500,000) of the unissued bonds authorized for the purposes of paragraph (3) of subdivision (a) of Section 78680, eight million, one hundred thousand ($8,100,000) of the unissued bonds authorized for the purposes of Section 78681.2, eight hundred thousand ($800,000) of the unissued bonds authorized for the purposes of Section 78530.5 are reallocated to finance the purposes, and shall be authorized, issued and appropriated in accordance with, of Division 26.7 (commencing with Section 79700).

SEC. 6. Section 79222 is added to the Water Code, to read:

79222. Notwithstanding any other law, thirty four million dollars ($34,000,000) of the unissued bonds authorized for the purposes of Section 79157, and fifty-two million ($52,000,000) of the unissued bonds authorized for the purposes of Section 79195 are reallocated to finance the purposes, and shall be authorized, issued and appropriated in accordance with, of Division 26.7 (commencing with Section 79700).

DIVISION 26.7. WATER QUALITY, SUPPLY, AND INFRASTRUCTURE IMPROVEMENT ACT OF 2014

Chapter 1. Short Title

79700. This division shall be known, and may be cited, as the Water Quality, Supply, and Infrastructure Improvement Act of 2014.

26
27 ## *Chapter 2. Findings*
28
29 *79701. The people of California find and declare all of the*
30 *following:*
31 *(a) Safeguarding California's supply of clean and safe water*
32 *for homes, businesses, and farms is an essential responsibility of*
33 *government, and critical to protecting the quality of life for all*
34 *Californians.*
35 *(b) Every Californian should have access to clean, safe, and*
36 *reliable drinking water.*
37 *(c) California has been experiencing more frequent and severe*
38 *droughts and is currently enduring the worst drought in 200 years.*
39 *These droughts are magnifying the shortcomings of our current*
40 *water infrastructure.*

(d) California's water infrastructure continues to age and deteriorate. More than 50 years ago, Californians approved the construction of the State Water Project. In recent decades, however, that infrastructure has proven inadequate to meet California's growing needs.

(e) This measure provides funding to implement the three objectives of the California Water Action Plan which are more reliable water supplies, the restoration of important species and habitat, and a more resilient and sustainably managed water infrastructure.

(f) Developing and guarding our water resources is critical for California to maintain vibrant communities, globally competitive agriculture, and healthy ecosystems.

(g) Encouraging water conservation and recycling are commonsense methods to make more efficient use of existing water supplies.

(h) Sustainable water management in California depends upon reducing and reversing overdraft and water quality impairment of groundwater basins. Investments to expand groundwater storage and reduce and reverse overdraft and water quality impairment of groundwater basins provide extraordinary public benefit and are in the public interest.

(i) Protecting lakes, rivers, and streams, cleaning up polluted groundwater supplies, and preserving water sources that supply the entire state are crucial to providing a reliable supply of water and protecting the state's natural resources.

(j) The Water Quality, Supply, and Infrastructure Improvement Act of 2014 provides a comprehensive and fiscally responsible approach for addressing the varied challenges facing California's water resources.

Chapter 3. Definitions

79702. Unless the context otherwise requires, the definitions set forth in this section govern the construction of this division, as follows:

(a) "Acquisition" means obtaining a fee interest or any other interest in real property, including, easements, leases, water, water rights, or interest in water obtained for the purposes of instream flows and development rights.

(b) "CALFED Bay-Delta Program" means the program *described in the Record of Decision dated August 28, 2000.*

(c) "Commission" means the California Water Commission.

(d) "Committee" means the Water Quality, Supply, and Infrastructure Improvement Finance Committee created by Section 79787.

(e) "Delta" means the Sacramento-San Joaquin Delta, as defined in Section 85058.

(f) "Delta conveyance facilities" means facilities that convey water directly from the Sacramento River to the State Water Project or the federal Central Valley Project pumping facilities in the south Delta.

(g) "Delta counties" means the Counties of Contra Costa, Sacramento, San Joaquin, Solano, and Yolo.

(h) "Delta plan" has the meaning set forth in Section 85059.

(i) "Director" means the Director of Water Resources.

(j) "Disadvantaged community" has the meaning set forth in subdivision (a) of Section 79505.5, as it may be amended.

(k) "Economically distressed area" means a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income, and with one or more of the following conditions as determined by the department:

(1) Financial hardship.

(2) Unemployment rate at least 2 percent higher than the statewide average.

(3) Low population density.

(l) "Fund" means the Water Quality, Supply, and Infrastructure Improvement Fund of 2014 created by Section 79715.

(m) "Instream flows" means a specific streamflow, measured in cubic feet per second, at a particular location for a defined time, and typically follows seasonal variations.

(n) "Integrated regional water management plan" has the meaning set forth in Part 2.2 (commencing with Section 10530) of Division 6, as that part may be amended.

(o) "Long-term" means for a period of not less than 20 years.

(p) "Nonprofit organization" means an organization qualified to do business in California and qualified under Section 501(c)(3) of Title 26 of the United States Code.

(q) "Proposition 1E" means the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Chapter 1.699 (commencing with Section 5096.800) of Division 5 of the Public Resources Code).

(r) "Proposition 84" means the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code).

(s) "Public agency" means a state agency or department, special district ~~district~~, joint powers authority, city, county, city and county, or other political subdivision of the state.

(t) "Rainwater" has the meaning set forth in subdivision (c) of Section 10573.

(u) "Secretary" means the Secretary of the Natural Resources Agency.

(v) "Severely disadvantaged community" has the meaning set forth in subdivision (a) of Section 116760.20 of the Health and Safety Code.

(w) "Small community water system" means a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons.

(x) "State board" means the State Water Resources Control Board.

(y) "State General Obligation Bond Law" means the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code).

(z) "State small water system" has the meaning set forth in subdivision (n) of Section 116275 of the Health and Safety Code.

(aa) "Stormwater" has the meaning set forth in subdivision (e) of Section 10573.

(ab) "Water right" means a legal entitlement authorizing water to be diverted from a specified source and put to a beneficial, nonwasteful use.

Chapter 4. General Provisions

79703. An amount that equals not more than 5 percent of the funds allocated for a grant program pursuant to this division may be used to pay the administrative costs of that program.

79704. Unless otherwise specified, up to 10 percent of funds allocated for each program funded by this division may be expended for planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program. This section shall not otherwise restrict funds ordinarily used by an agency for "preliminary plans," "working drawings," and "construction" as defined in the annual Budget Act for a capital outlay project or grant project. Water quality monitoring data shall be collected and reported to the state board in a manner that is compatible and consistent with surface water monitoring data systems or groundwater monitoring data systems administered by the state board. Watershed monitoring data shall be collected and reported to the Department of Conservation in a manner that is compatible and consistent with the statewide watershed program administered by the Department of Conservation.

79705. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development or implementation of programs or projects authorized or funded under this division other than Chapter 8 (commencing with Section 79750).

79706. (a) Prior to disbursing grants or loans pursuant to this division, each state agency that receives an appropriation from the funding made available by this division to administer a competitive grant or loan program under this division shall develop and adopt project solicitation and evaluation guidelines. The guidelines shall include monitoring and reporting requirements and may include a limitation on the dollar amount of grants or loans to be awarded. If the state agency has previously developed and adopted project solicitation and evaluation guidelines that comply with the requirements of this subdivision, it may use those guidelines.

(b) Prior to disbursing grants or loans, the state agency shall conduct three public meetings to consider public comments prior to finalizing the guidelines. The state agency shall publish the draft

solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in northern California, one meeting shall be conducted at a location in the central valley of California, and one meeting shall be conducted at a location in southern California. Upon adoption, the state agency shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature.

79707. It is the intent of the people that:

(a) The investment of public funds pursuant to this division will result in public benefits that address the most critical statewide needs and priorities for public funding.

(b) In the appropriation and expenditure of funding authorized by this division, priority will be given to projects that leverage private, federal, or local funding or produce the greatest public benefit.

(c) A funded project advances the purposes of the chapter from which the project received funding.

(d) In making decisions regarding water resources, state and local water agencies will use the best available science to inform those decisions.

(e) Special consideration will be given to projects that employ new or innovative technology or practices, including decision support tools that support the integration of multiple jurisdictions, including, but not limited to, water supply, flood control, land use, and sanitation.

(f) Evaluation of projects considered for funding pursuant to this division will include review by professionals in the fields relevant to the proposed project.

(g) To the extent practicable, a project supported by funds made available by this division will include signage informing the public that the project received funds from the Water Quality, Supply, and Infrastructure Improvement Act of 2014.

(h) Projects funded with proceeds from this division will be consistent with Division 7 (commencing with Section 13000) of this code and Section 13100 of the Government Code.

(i) Projects funded with proceeds from this division will promote state planning priorities consistent with the provisions of Section 65041.1 of the Government Code and sustainable communities strategies consistent with the provisions of subparagraph (B) of

paragraph (2) of subdivision (b) of Section 65080 of the Government Code, to the extent feasible.

(j) California's working agricultural and forested landscapes will be preserved wherever possible. To the extent feasible, watershed objectives included in this division should be achieved through use of conservation easements and voluntary landowner participation, including, but not limited to, the use of easements pursuant to Division 10.2 (commencing with Section 10200) and Division 10.4 (commencing with Section 10330) of the Public Resources Code and voluntary habitat credit exchange mechanisms.

79708. (a) The Department of Finance shall provide for an independent audit of expenditures pursuant to this division. The secretary shall publish a list of all program and project expenditures pursuant to this division not less than annually, in written form, and shall post an electronic form of the list on the Natural Resources Agency's Internet Web site.

(b) If an audit, required by statute, of any entity that receives funding authorized by this division is conducted pursuant to state law and reveals any ~~malfeasance~~ impropriety, the California State Auditor or the Controller may conduct a full audit of any or all of the activities of that entity.

(c) The state agency issuing any grant or loan with funding authorized by this division shall require adequate reporting of the expenditures of the funding from the grant or loan.

(d) Prior to soliciting projects pursuant to this division, state agencies shall submit guidelines to the secretary. The secretary shall verify that the guidelines are consistent with applicable statutes and for all the purposes enumerated in this division. The secretary shall post an electronic form of the guidelines submitted by state agencies and the subsequent verifications on the Natural Resources Agency's Internet Web site.

79709. (a) Funds expended pursuant to this division for the acquisition of a permanent dedication of water shall be in accordance with Section 1707 where the state board specifies that the water is in addition to water that is required for regulatory requirements as provided in subdivision (c) of Section 1707. The expenditure of funds provided by this division may include the initiation of the dedication as a short term or temporary urgency change, that is approved in accordance with Section 1707 and

either Chapter 6.6 (commencing with Section 1435) of, or Chapter 10.5 (commencing with Section 1725) of, Part 2 of Division 2, during the period required to prepare any environmental documentation and for approval of permanent dedication.

(b) Funds expended pursuant to this division for the acquisition of long-term transfers of water shall be transfers in accordance with Sections 1735, 1736, and 1737 if the state board, after providing notice and opportunity for a hearing, approves such a petition. Funds expended pursuant to this division shall prioritize permanent transfers.~~ and long-term transfers of water.~~ Long-term transfers shall be for a period of not less than 20 years, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

(c) Funds expended ~~as described in this section shall only be~~pursuant to this division for any acquisition of water shall be done pursuant to this section and used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations in effect at the time the funds from this division are made available for the project and funds shall not be credited to any ~~such~~ measures or obligations, except for any water transfers for the benefit of subsection (d) of Section ~~3405~~ 3406 of Title 34 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

79710. (a) Funds provided by this division shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities. Those costs shall be the responsibility of the water agencies that benefit from the design, construction, operation, mitigation, or maintenance of those facilities.

(b) To the extent feasible, in implementing subdivision (k) of Section 79731, the Sacramento-San Joaquin Delta Conservancy shall seek to achieve wildlife conservation objectives through projects on public lands or voluntary projects on private lands. Funds available to the Sacramento-San Joaquin Delta Conservancy pursuant to subdivision (k) of Section 79731 may be used, in consultation with the Department of Fish and Wildlife, for payments to landowners for the creation of measurable habitat improvements or other improvements to the condition of endangered or threatened species. The Sacramento-San Joaquin Delta Conservancy may develop and implement a competitive

program for habitat enhancements that maximizes voluntary landowner participation in projects that provide measurable and long-lasting habitat or species improvements in the Delta. These funds shall not be used to subsidize or decrease the mitigation obligations of any party.

(c) In implementing subdivision (k) of Section 79731, the Sacramento-San Joaquin Delta Conservancy shall coordinate, ~~cooperate,~~ and consult with the city or county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired and with the Delta Protection Commission. Acquisitions by the Sacramento-San Joaquin Delta Conservancy pursuant to subdivision (k) of Section 79731 shall be from willing sellers only.

79711. (a) This division does not diminish, impair, or otherwise affect in any manner whatsoever any area of origin, watershed of origin, county of origin, or any other water rights protections, including, but not limited to, rights to water appropriated prior to December 19, 1914, provided under the law. This division does not limit or affect the application of Article 1.7 (commencing with Section 1215) of Chapter 1 of Part 2 of Division 2, Sections 10505, 10505.5, 11128, 11460, 11461, 11462, and 11463, and Sections 12200 to 12220, inclusive.

(b) For the purposes of this division, an area that utilizes water that has been diverted and conveyed from the Sacramento River hydrologic region, for use outside the Sacramento River hydrologic region or the Delta, shall not be deemed to be immediately adjacent thereto or capable of being conveniently supplied with water therefrom by virtue or on account of the diversion and conveyance of that water through facilities that may be constructed for that purpose after January 1, 2014.

(c) Nothing in this division supersedes, limits, or otherwise modifies the applicability of Chapter 10 (commencing with Section 1700) of Part 2 of Division 2, including petitions related to any new conveyance constructed or operated in accordance with Chapter 2 (commencing with Section 85320) of Part 4 of Division 35.

(d) Unless otherwise expressly provided, nothing in this division supersedes, reduces, or otherwise affects existing legal protections, both procedural and substantive, relating to the state board's regulation of diversion and use of water, including, but not limited

to, water right priorities, the protection provided to municipal interests by Sections 106 and 106.5, and changes in water rights. Nothing in this division expands or otherwise alters the state board's existing authority to regulate the diversion and use of water or the courts' existing concurrent jurisdiction over California water rights.

(e) Nothing in this division shall be construed to affect the California Wild and Scenic Rivers Act (Chapter 1.4 (commencing with Section 5093.50) of Division 5 of the Public Resources Code) or the federal Wild and Scenic Rivers Act (16 U.S.C. Sec. 1271 et seq.) and funds authorized pursuant to this division shall not be available for any project that could have an adverse effect on the values upon which a wild and scenic river or any other river is afforded protections pursuant to the California Wild and Scenic Rivers Act or the federal Wild and Scenic Rivers Act.

(f) Nothing in this division supersedes, limits, or otherwise modifies the Sacramento-San Joaquin Delta Reform Act of 2009 (Division 35 (commencing with Section 85000)) or any other applicable law, including, but not limited to, Division 22.3 (commencing with Section 32300) of the Public Resources Code.

(g) Funds provided by this division shall not be used to acquire land via eminent domain.

(h) Notwithstanding any other law, any agency acquiring land pursuant to this division may use the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 (commencing with Section 37000) of the Public Resources Code).

79712. (a) Eligible applicants under this division are public agencies, nonprofit organizations, public utilities, federally recognized Indian tribes, state Indian tribes listed on the Native American Heritage Commission's California Tribal Consultation List, and mutual water companies.

(b) (1) To be eligible for funding under this division, a project proposed by a public utility that is regulated by the Public Utilities Commission or a mutual water company shall have a clear and definite public purpose and shall benefit the customers of the water system and not the investors.

(2) To be eligible for funding under this division, an urban water supplier shall adopt and submit an urban water management plan in accordance with the Urban Water Management Planning Act (Part 2.6 (commencing with Section 10610) of Division 6).

(3) To be eligible for funding under this division, an agricultural water supplier shall adopt and submit an agricultural water management plan in accordance with the Agricultural Water Management Planning Act (Part 2.8 (commencing with Section 10800) of Division 6).

(4) In accordance with Section 10608.56, an agricultural water supplier or an urban water supplier is ineligible for funding under this division unless it complies with the requirements of Part 2.55 (commencing with Section 10608) of Division 6.

79713. The Legislature may enact legislation necessary to implement programs funded by this division, except as otherwise provided in Section 79760.

79714. (a) Unless otherwise specified, any state agency that has the statutory authority to implement one or more of the purposes specified in this bond may be eligible for appropriations from the funding made available by this division.

(b) Funding made available by this division shall not be appropriated by the Legislature to a specific project.

(c) Projects funded pursuant to this division may use the services of the California Conservation Corps or certified community conservation corps, as defined in Section 14507.5 of the Public Resources Code.

79715. The proceeds of bonds issued and sold pursuant to this division shall be deposited in the Water Quality, Supply, and Infrastructure Improvement Fund of 2014, which is hereby created in the State Treasury.

79716. Each state agency that receives an appropriation of funding made available by this division shall be responsible for establishing metrics of success and reporting the status of projects and all uses of the funding on the state's bond accountability Internet Web site, as provided by statute.

Chapter 5. Clean, Safe and Reliable Drinking Water

79720. The sum of five hundred twenty million dollars ($~~500~~520,000,000) shall be available, upon appropriation by the Legislature from the fund, for expenditures, grants, and loans for projects that improve water quality or help provide clean, safe, and reliable drinking water to all Californians.

79721. The projects eligible for funding pursuant to this chapter *shall help improve water quality for a beneficial use. The purposes of this chapter are to:*

(a) Reduce contaminants in drinking water supplies regardless of the source of the water or the contamination.

(b) Assess and prioritize the risk of contamination to drinking water supplies.

(c) Address the critical and immediate needs of disadvantaged, rural, or small communities that suffer from contaminated drinking water supplies, including, but not limited to, projects that address a public health emergency.

(d) Leverage other private, federal, state, and local drinking water quality and wastewater treatment funds.

(e) Reduce contaminants in discharges to, and improve the quality of, waters of the state.

(f) Prevent further contamination of drinking water supplies.

(g) Provide disadvantaged communities with public drinking water infrastructure that provides clean, safe, and reliable drinking water supplies that the community can sustain over the long term.

(h) Ensure access to clean, safe, reliable, and affordable drinking water for California's communities.

(i) Meet primary and secondary safe drinking water standards or remove contaminants identified by the state or federal government for development of a primary or secondary drinking water standard.

79722. The contaminants that may be addressed with funding pursuant to this chapter may include, but shall not be limited to, nitrates, perchlorate, MTBE (methyl tertiary butyl ether), arsenic, selenium, hexavalent chromium, mercury, PCE (perchloroethylene), TCE (trichloroethylene), DCE (dichloroethene), DCA (dichloroethane), 1,2,3-TCP (trichloropropane), carbon tetrachloride, 1,4-dioxane, 1,4-dioxacyclohexane, nitrosodimethylamine, bromide, iron, manganese, and uranium.

79723. Of the funds authorized by Section 79720, two hundred ~~fifty~~ sixty million dollars ($~~250~~260,000,000) shall be available for deposit in the State Water Pollution Control Revolving Fund Small Community Grant Fund created pursuant to Section 13477.6 for grants for wastewater treatment projects. Priority shall be given to projects that serve disadvantaged communities and severely

disadvantaged communities, and to projects that address public health hazards. Projects may include, but not be limited to, projects that identify, plan, design, and implement regional mechanisms to consolidate wastewater systems or provide affordable treatment technologies.

79724. (a) (1) Of the funds authorized by Section 79720, two hundred ~~fifty~~ sixty million dollars ($~~250~~260,000,000) shall be available for grants and loans for public water system infrastructure improvements and related actions to meet safe drinking water standards, ensure affordable drinking water, or both. Priority shall be given to projects that provide treatment for contamination or access to an alternate drinking water source or sources for small community water systems or state small water systems in disadvantaged communities whose drinking water source is impaired by chemical and nitrate contaminants and other health hazards identified by the state board. Eligible recipients serve disadvantaged communities and are public water systems or public agencies. The state board may make grants for the purpose of financing feasibility studies and to meet the eligibility requirements for a construction grant. Eligible expenses may include initial operation and maintenance costs for systems serving disadvantaged communities. Priority shall be given to projects that provide shared solutions for multiple communities, at least one of which is a disadvantaged community that lacks safe, affordable drinking water and is served by a small community water system, state small water system, or a private well. Construction grants shall be limited to five million dollars ($5,000,000) per project, except that the state board may set a limit of not more than twenty million dollars ($20,000,000) for projects that provide regional benefits or are shared among multiple entities, at least one of which shall be a small disadvantaged community. Not more than 25 percent of a grant may be awarded in advance of actual expenditures.

(2) For the purposes of this subdivision, "initial operation and maintenance costs" means those initial, eligible, and reimbursable costs under a construction funding agreement that are incurred up to, and including, initial startup testing of the constructed project in order to deem the project complete. Initial operation and maintenance costs are eligible to receive funding pursuant to this section for a period not to exceed two years.

(b) The administering entity may expend up to twenty-five million dollars ($25,000,000) of the funds allocated in subdivision (a) for technical assistance to eligible communities.

(c) The state board shall deposit up to two million five hundred thousand dollars ($2,500,000) of the funds available pursuant to this section into the Drinking Water Capital Reserve Fund, which is hereby created in the State Treasury. Moneys in the Drinking Water Capital Reserve Fund shall be available, upon appropriation by the Legislature, and shall be administered by the state board for the purpose of serving as matching funds for disadvantaged communities. The state board shall develop criteria to implement this subdivision.

79725. (a) For the purposes of awarding funding under this chapter, a local cost share of not less than 50 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for projects that directly benefit a disadvantaged community or an economically distressed area.

(b) At least 10 percent of the funds available pursuant to this chapter shall be allocated for projects serving severely disadvantaged communities.

(c) Up to ~~20~~ 15 percent of the funds available pursuant to this chapter may be allocated for technical assistance to disadvantaged communities. The agency administering this funding shall operate a multidisciplinary technical assistance program for small and disadvantaged communities.

(d) Funding for planning activities, including technical assistance, to benefit disadvantaged communities may exceed ~~20~~15 percent of the funds allocated, subject to the determination of the need for additional planning funding by the state agency administering the funding.

Chapter 6. Protecting Rivers, Lakes, Streams, Coastal Waters, and Watersheds

79730. The sum of one billion four hundred ~~seventy~~ ninety-five million dollars ($1,~~470~~495,000,000) shall be available, upon appropriation by the Legislature from the fund, in accordance with this chapter, for competitive grants for multibenefit ecosystem and watershed protection and restoration projects in accordance with statewide priorities.

79731. Of the funds authorized by Section 79730, the sum of *three hundred ~~two~~ twenty-seven million five hundred thousand dollars ($~~302~~327,500,000) shall be allocated for multibenefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state in accordance with the following schedule:*

(a) Baldwin Hills Conservancy, ten million dollars ($10,000,000).

(b) California Tahoe Conservancy, fifteen million dollars ($15,000,000).

(c) Coachella Valley Mountains Conservancy, ten million dollars ($10,000,000).

(d) Ocean Protection Council, thirty million dollars ($30,000,000).

(e) San Diego River Conservancy, seventeen million dollars ($17,000,000).

(f) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, ~~twenty-five~~thirty million dollars ($~~25~~30,000,000).

(g) San Joaquin River Conservancy, ten million dollars ($10,000,000).

(h) Santa Monica Mountains Conservancy, thirty million dollars ($30,000,000).

(i) Sierra Nevada Conservancy, twenty-five million dollars ($25,000,000).

(j) State Coastal Conservancy, ~~eighty~~ one hundred million five hundred thousand dollars ($~~80~~100,500,000). Eligible watersheds for the funds allocated pursuant to this subdivision include but are not limited to those that are in the San Francisco Bay Conservancy region, the Santa Ana River watershed, the Tijuana River watershed, the Otay River watershed, the Catalina Island, and the central coast region.

(k) Sacramento-San Joaquin Delta Conservancy, fifty million dollars ($50,000,000).

79732. (a) In protecting and restoring California rivers, lakes, streams, and watersheds, the purposes of this chapter are to:

(1) Protect and increase the economic benefits arising from healthy watersheds, fishery resources, and instream flow.

(2) Implement watershed adaptation projects in order to reduce the impacts of climate change on California's communities and ecosystems.

(3) Restore river parkways throughout the state, including, but not limited to, projects pursuant to the California River Parkways Act of 2004 (Chapter 3.8 (commencing with Section 5750) of Division 5 of the Public Resources Code), in the Urban Streams

Restoration Program established pursuant to Section 7048, and urban river greenways.

(4) Protect and restore aquatic, wetland, and migratory bird ecosystems, including fish and wildlife corridors and the acquisition of water rights for instream flow.

(5) Fulfill the obligations of the State of California in complying with the terms of multiparty settlement agreements related to water resources.

(6) Remove barriers to fish passage.

(7) Collaborate with federal agencies in the protection of fish native to California and wetlands in the central valley of California.

(8) Implement fuel treatment projects to reduce wildfire risks, protect watersheds tributary to water storage facilities, and promote watershed health.

(9) Protect and restore rural and urban watershed health to improve watershed storage capacity, forest health, protection of life and property, stormwater resource management, and greenhouse gas reduction.

(10) Protect and restore coastal watersheds, including, but not limited to, bays, marine estuaries, and nearshore ecosystems.

(11) Reduce pollution or contamination of rivers, lakes, streams, or coastal waters, prevent and remediate mercury contamination from legacy mines, and protect or restore natural system functions that contribute to water supply, water quality, or flood management.

(12) Assist in the recovery of endangered, threatened, or migratory species by improving watershed health, instream flows, fish passage, coastal or inland wetland restoration, or other means, such as natural community conservation plan and habitat conservation plan implementation.

(13) Assist in water-related agricultural sustainability projects.

(b) Funds provided by this chapter shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations.

79733. Of the funds made available by Section 79730, the sum of two hundred million dollars ($200,000,000) shall be administered by the Wildlife Conservation Board for projects that result in enhanced stream flows.

79734. For restoration and ecosystem protection projects under this chapter, the services of the California Conservation Corps or a local conservation corps certified by the California Conservation Corps shall be used whenever feasible.

79735. (a) Of the funds authorized by Section 79730, one hundred million dollars ($100,000,000), upon appropriation by the legislature, shall be available for projects to protect and enhance an urban creek, as defined in subdivision (e) of Section 7048, and its tributaries, pursuant to ~~Chapter 3.8 (commencing with Section 5750) of Division 5 of,~~ Division 22.8 (commencing with Section 32600) of, and Division 23 (commencing with Section 33000) of, the Public Resources Code and Section 79508.

(b) (1) Of the funds authorized by Section 79730, twenty million dollars ($20,000,000) shall be made available to the secretary for a competitive program to fund multibenefit watershed and urban rivers enhancement projects in urban watersheds that increase regional and local water self-sufficiency and that meet at least two of the following objectives:

(A) Promote groundwater recharge and water reuse.

(B) Reduce energy consumption.

(C) Use soils, plants, and natural processes to treat runoff.

(D) Create or restore native habitat.

(E) Increase regional and local resiliency and adaptability to climate change.

(2) The program under this subdivision shall be implemented by state conservancies, the Wildlife Conservation Board, the state board, or other entities whose jurisdiction includes urban watersheds, as designated by the secretary. Projects funded under the program shall be a part of a plan developed jointly by the conservancies, the Wildlife Conservation Board, the state board, or other designated entities in consultation with the secretary.

(c) At least 25 percent of the funds available pursuant to this section shall be allocated for projects that benefit disadvantaged communities.

(d) Up to 10 percent of the funds available pursuant to this section may be allocated for project planning.

79736. ~~Of the funds authorized by Section 79730, four hundred seventy-five million dollars ($475,000,000) shall be available to the Natural Resources Agency to support projects that fulfill the~~

~~obligations of the State of California in complying with the terms of the following:~~
~~(a) The February 18, 2010, Klamath Hydroelectric Settlement Agreement or the Klamath Basin Restoration Agreement.~~
~~(b) Chapters 611, 612, and 613 of the Statutes of 2003, which were enacted to facilitate the execution and implementation of the Quantification Settlement Agreement, including restoration of the Salton Sea.~~
~~(c) The San Joaquin River Restoration Settlement Act (Part 1 of Subtitle A of Title 10 of Public Law 111-11).~~
~~(d) Tahoe Regional Planning Compact (Title 7.4 (commencing with Section 66800) of the Government Code).~~
~~(e) Subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575), including the construction, retrofitting, and maintenance of water supply infrastructure and the acquisition and conveyance of water supply from willing sellers, with a preference for water transfers of 20 years or longer, purchases of water rights, or other agreements that result in long-term enhancement of habitat conditions.~~
(a) Subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).
(b) Interstate compacts set forth in Section 66801 of the Government Code pursuant to Title 7.42 (commencing with Section 66905) of the Government Code.
(c) Intrastate or multiparty water quantification settlement agreement provisions, including ecosystem restoration projects as set forth in Chapters 611, 612, 613 and 614 of the Statutes of 2003.
(d) The settlement agreement referenced in section 2080.2 of the Fish and Game Code.
(e) Any intrastate or multiparty settlement agreement related to water acted upon or before December 31, 2013. Priority shall be given to projects that meet one or more of the following criteria:
(1) The project is of statewide significance.
(2) The project restores natural aquatic or riparian functions, or wetlands habitat for birds and aquatic species.
(3) The project protects or promotes the restoration of endangered or threatened species.
(4) The project enhances the reliability of water supplies on a regional or interregional basis.
(5) The project provides significant regional or statewide economic benefits.

79737. (a) Of the funds authorized by Section 79730, two hundred eighty-five million dollars ($285,000,000) shall be available to the Department of Fish and Wildlife for watershed restoration projects statewide in accordance with this chapter.

(b) For the purposes of this section, watershed restoration includes activities to fund coastal wetland habitat, improve forest health, restore mountain meadows, modernize stream crossings, culverts, and bridges, reconnect historical flood plains, install or improve fish screens, provide fish passages, restore river channels, restore or enhance riparian, aquatic, and terrestrial habitat, improve ecological functions, acquire from willing sellers conservation easements for riparian buffer strips, improve local watershed management, and remove sediment or trash.

(c) For any funds available pursuant to this section that are used to provide grants under the Fisheries Restoration Grant Program, a priority shall be given to coastal waters.

(d) In allocating funds for projects pursuant to this section, the

37 *Department of Fish and Wildlife shall only make funds available*
38 *for water quality, river, and watershed protection and restoration*
39 *projects of statewide importance outside of the Delta.*

(e) Funds provided by this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

(f) Funds provided by this section shall only be used for projects that will provide fisheries or ecosystem benefits or improvements that are greater than required applicable environmental mitigation measures or compliance obligations, except for any water transfers for the benefit of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Title 34 of Public Law 102-575).

79738. (a) Of the funds authorized by Section 79730, eighty-seven million five hundred thousand dollars ($87,500,000) shall be available to the Department of Fish and Wildlife for water quality, ecosystem restoration, and fish protection facilities that benefit the Delta, including, but not limited to, the following:

(1) Projects to improve water quality or that contribute to the improvement of water quality in the Delta, including projects in Delta counties that provide multiple public benefits and improve drinking and agricultural water quality or water supplies.

(2) Habitat restoration, conservation, and enhancement projects to improve the condition of special status, at risk, endangered, or threatened species in the Delta and the Delta counties, including projects to eradicate invasive species, and projects that support the beneficial reuse of dredged material for habitat restoration and levee improvements.

(3) Scientific studies and assessments that support the Delta Science Program, as described in Section 85280, or projects under this section.

(b) (1) In implementing this section, the department shall coordinate and consult with the Delta city or Delta county in which a grant is proposed to be expended or an interest in real property is proposed to be acquired.

~~*(2) To the extent feasible, the department shall use local partners.*~~

(c) Acquisitions pursuant to this section shall be from willing sellers only.

(d) In implementing this section state agencies shall prioritize wildlife conservation objectives through projects on public lands or voluntary projects on private lands, to the extent feasible.

(e) Funds available pursuant to this section shall not be used to acquire land via eminent domain.

(f) Funds available pursuant to this section shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities.

Chapter 7. Regional Water Security, Climate, and Drought Preparedness

79740. The sum of ~~seven~~ eight hundred ~~eighty~~ ten million dollars ($~~780~~810,000,000) shall be available, upon appropriation by the Legislature from the fund, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan consistent with Part 2.2 (commencing with Section 10530) of Division 6 and respond to climate change and contribute to regional water security as provided in this chapter.

79741. In order to improve regional water self-reliance security and adapt to the effects on water supply arising out of climate change, the purposes of this chapter are to:

(a) Help water infrastructure systems adapt to climate change, including, but not limited to, sea level rise.

(b) Provide incentives for water agencies throughout each watershed to collaborate in managing the region's water resources and setting regional priorities for water infrastructure.

(c) Improve regional water self-reliance consistent with Section 85021.

79742. (a) In selecting among proposed projects in a watershed, the scope of the adopted integrated regional water management plan may be considered by the administering state agency, with priority going to projects in plans that cover a greater portion of the watershed. If a plan covers substantially all of the watershed, the plan's project priorities shall be given deference if the project and plan otherwise meet the requirements of this division and the Integrated Regional Water Management Planning Act (Part 2.2 (commencing with Section 10530) of Division 6).

(b) A local agency that does not prepare, adopt, and submit its groundwater plan in accordance with groundwater planning requirements established under Division 6 (commencing with Section 10000) is ineligible to apply for funds made available pursuant to this chapter until the plan is prepared and submitted in accordance with the requirements of that part. The groundwater

management plan requirement shall not apply to a water replenishment district formed pursuant to Division 18 (commencing with Section 60000) or to a local agency that serves or has authority to manage an adjudicated groundwater basin.

(c) For the purposes of awarding funding under this chapter, a cost share from nonstate sources of not less than 50 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for projects that directly benefit a disadvantaged community or an economically distressed area.

(d) Not less than 10 percent of the funds authorized by this chapter shall be allocated to projects that directly benefit disadvantaged communities.

(e) For the purposes of awarding funding under this chapter, the applicant shall demonstrate that the integrated regional water management plan the applicant's project implements contributes to addressing the risks in the region to water supply and water infrastructure arising from climate change.

(f) Projects that achieve multiple benefits shall receive special consideration.

79743. Subject to the determination of regional priorities in the regional water management group, eligible projects may include, but are not limited to, projects that promote any of the following:

(a) Water reuse and recycling for nonpotable reuse and direct and indirect potable reuse.

(b) Water-use efficiency and water conservation.

(c) Local and regional surface and underground water storage, including groundwater aquifer cleanup or recharge projects.

(d) Regional water conveyance facilities that improve integration of separate water systems.

(e) Watershed protection, restoration, and management projects, including projects that reduce the risk of wildfire or improve water supply reliability.

(f) Stormwater resource management, including, but not limited to, the following:

(1) Projects to reduce, manage, treat, or capture rainwater or stormwater.

(2) Projects that provide multiple benefits such as water quality, water supply, flood control, or open space.

(3) Decision support tools that evaluate the benefits and costs of multibenefit stormwater projects.

(4) Projects to implement a stormwater resource plan developed in accordance with Part 2.3 (commencing with Section 10560) of Division 6.

(g) Conjunctive use of surface and groundwater storage facilities.

(h) Water desalination projects.

(i) Decision support tools to model regional water management strategies to account for climate change and other changes in regional demand and supply projections.

(j) Improvement of water quality, including drinking water treatment and distribution, groundwater and aquifer remediation, matching water quality to water use, wastewater treatment, water pollution prevention, and management of urban and agricultural runoff.

79744. (a) Of the funds authorized by Section 79740, ~~four~~five hundred ~~eighty~~ ten million dollars ($~~480~~510,000,000) shall be allocated to the hydrologic regions as identified in the California Water Plan in accordance with this section. For the South Coast hydrologic region, the department shall establish three funding areas that reflect the watersheds of San Diego County and southern Orange County (designated as the San Diego subregion), the Santa Ana River watershed ~~and southern Orange County~~ (designated as the Santa Ana subregion), and the Los Angeles and Ventura County watersheds (designated as the Los Angeles subregion), and shall allocate funds to those areas in accordance with this subdivision. The North and South Lahontan hydrologic regions shall be treated as one area for the purpose of allocating funds. For purposes of this subdivision, the Sacramento River hydrologic region does not include the Delta. For purposes of this subdivision, the Mountain Counties Overlay is not eligible for funds from the Sacramento River hydrologic region or the San Joaquin River hydrologic region. Multiple integrated regional water management plans may be recognized in each of the areas allocated funding.

(b) Funds made available by this chapter shall be allocated as follows:

(1) Twenty-~~one~~six million five hundred thousand dollars ($~~21~~26,500,000) for the North Coast hydrologic region.

(2) Sixty-five million dollars ($65,000,000) for the San Francisco Bay hydrologic region.

(3) ~~Twenty-eight~~Forty-three million dollars ($~~28~~43,000,000) for the Central Coast hydrologic region.

(4) Ninety-eight million dollars ($98,000,000) for the Los Angeles subregion.

(5) Sixty-three million dollars ($63,000,000) for the Santa Ana subregion.

(6) ~~Forty~~Fifty-two million five hundred thousand dollars ($~~42~~52,500,000) for the San Diego subregion.

(7) Thirty-seven million dollars ($37,000,000) for the Sacramento River hydrologic region.

(8) Thirty-one million dollars ($31,000,000) for the San Joaquin River hydrologic region.

(9) Thirty-four million dollars ($34,000,000) for the Tulare/Kern hydrologic region.

(10) Twenty-four million five hundred thousand dollars ($24,500,000) for the North/South Lahontan hydrologic region.

(11) Twenty-two million five hundred thousand dollars ($22,500,000) for the Colorado River Basin hydrologic region.

(12) Thirteen million dollars ($13,000,000) for the Mountain Counties Overlay.

79745. The Department of Water Resources shall expend, either directly or for noncompetitive grants, no less than 10 percent of the funds from the regional allocations specified in Section 79744 for the purposes of ensuring involvement of disadvantaged communities, economically distressed areas, or underrepresented communities within regions.

79746. (a) Of the funds authorized by Section 79740, the sum of one hundred million dollars ($100,000,000) may be used for direct expenditures, and for grants and loans, for the following water conservation and water-use efficiency plans, projects, and programs:

(1) Urban water conservation plans, projects, and programs, including regional projects and programs, implemented to achieve urban water use targets developed pursuant to Section 10608.20. Priority for funding shall be given to programs that do any of the following:

(A) Assist water suppliers and regions to implement conservation programs and measures that are not locally cost effective.

(B) Support water suppliers and regional efforts to implement programs targeted to enhance water-use efficiency for commercial, industrial, and institutional water users.

(C) Assist water suppliers and regions with programs and measures targeted toward realizing the conservation benefits of implementation of the provisions of the state landscape model ordinance.

(2) Agricultural water management plans or agricultural water use efficiency projects and programs developed pursuant to Part 2.8 (commencing with Section 10800) of Division 6.

(b) Section 1011 applies to all conservation measures that an agricultural water supplier or an urban water supplier implements with funding under this chapter. This subdivision does not limit the application of Section 1011 to any other measures or projects implemented by a water supplier. Notwithstanding Section 79748, the projects funded pursuant to this section are not required to be in an adopted integrated regional water management plan or to comply with that program.

79747. (a) Of the funds authorized by Section 79740, two hundred million dollars ($200,000,000) shall be available for grants for multibenefit stormwater management projects.

(b) Eligible projects may include, but shall not be limited to, green infrastructure, rainwater and stormwater capture projects, and stormwater treatment facilities.

(c) Development of plans for stormwater projects shall address the entire watershed and incorporate the perspectives of communities adjacent to the affected waterways, especially disadvantaged communities.

79748. In order to receive funding authorized by this chapter to address groundwater quality or supply in an aquifer, the applicant shall demonstrate that a public agency has authority to manage the water resources in that aquifer. A groundwater management plan adopted and submitted in accordance with groundwater management planning requirements established under Division 6 (commencing with Section 10000) shall be deemed sufficient to satisfy the requirements of this section.

Chapter 8. Statewide Water System Operational Improvement and Drought Preparedness

79750. (a) Notwithstanding Section 162, the commission may make the determinations, findings, and recommendations required of it by this chapter independent of the views of the director. All final actions by the commission in implementing this chapter shall be taken by a majority of the members of the commission at a public meeting noticed and held pursuant to the ~~Bailey-Keene~~ Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(b) Notwithstanding Section 13340 of the Government Code, the sum of two billion ~~five~~ seven hundred million dollars ($2,~~500~~700,000,000) is hereby continuously appropriated from the fund, without regard to fiscal years, to the commission for public benefits associated with water storage projects that improve the operation of the state water system, are cost effective, and provide a net improvement in ecosystem and water quality conditions, in accordance with this chapter. Funds authorized for, or made available to, the commission pursuant to this chapter shall be available and expended only for the purposes provided in this chapter, and shall not be subject to appropriation or transfer by the Legislature or the Governor for any other purpose.

(c) Projects shall be selected by the commission through a competitive public process that ranks potential projects based on the expected return for public investment as measured by the magnitude of the public benefits provided, pursuant to criteria established under this chapter.

(d) Any project constructed with funds provided by this chapter shall be subject to Section 11590.

79751. Projects for which the public benefits are eligible for funding under this chapter consist of only the following:

(a) Surface storage projects identified in the CALFED Bay-Delta Program Record of Decision, dated August 28, 2000, except for projects prohibited by Chapter 1.4 (commencing with Section 5093.50) of Division 5 of the Public Resources Code.

(b) Groundwater storage projects and groundwater contamination prevention or remediation projects that provide water storage benefits.

(c) Conjunctive use and reservoir reoperation projects.

(d) Local and regional surface storage projects that improve the operation of water systems in the state and provide public benefits.

79752. A project shall not be funded pursuant to this chapter unless it provides measurable improvements to the Delta ecosystem or to the tributaries to the Delta.

79753. (a) Funds allocated pursuant to this chapter may be expended solely for the following public benefits associated with water storage projects:

(1) Ecosystem improvements, including changing the timing of water diversions, improvement in flow conditions, temperature, or other benefits that contribute to restoration of aquatic ecosystems and native fish and wildlife, including those ecosystems and fish and wildlife in the Delta.

(2) Water quality improvements in the Delta, or in other river systems, that provide significant public trust resources, or that clean up and restore groundwater resources.

(3) Flood control benefits, including, but not limited to, increases in flood reservation space in existing reservoirs by exchange for existing or increased water storage capacity in response to the effects of changing hydrology and decreasing snow pack on California's water and flood management system.

(4) Emergency response, including, but not limited to, securing emergency water supplies and flows for dilution and salinity repulsion following a natural disaster or act of terrorism.

(5) Recreational purposes, including, but not limited to, those recreational pursuits generally associated with the outdoors.

(b) Funds shall not be expended pursuant to this chapter for the costs of environmental mitigation measures or compliance obligations except for those associated with providing the public benefits as described in this section.

79754. In consultation with the Department of Fish and Wildlife, the state board, and the Department of Water Resources, the commission shall develop and adopt, by regulation, methods for quantification and management of public benefits described in Section 79753 by December 15, 2016. The regulations shall include the priorities and relative environmental value of ecosystem benefits as provided by the Department of Fish and Wildlife and

the priorities and relative environmental value of water quality benefits as provided by the state board.

79755. (a) Except as provided in subdivision (c), no funds allocated pursuant to this chapter may be allocated for a project before December 15, 2016, and until the commission approves the project based on the commission's determination that all of the following have occurred:

(1) The commission has adopted the regulations specified in Section 79754 and specifically quantified and made public the cost of the public benefits associated with the project.

(2) The project applicant has entered into a contract with each party that will derive benefits, other than public benefits, as defined in Section 79753, from the project that ensures the party will pay its share of the total costs of the project. The benefits available to a party shall be consistent with that party's share of total project costs.

(3) The project applicant has entered into a contract with each public agency identified in Section 79754 that administers the public benefits, after that agency makes a finding that the public benefits of the project for which that agency is responsible meet all the requirements of this chapter, to ensure that the public contribution of funds pursuant to this chapter achieves the public benefits identified for the project.

(4) The commission has held a public hearing for the purposes of providing an opportunity for the public to review and comment on the information required to be prepared pursuant to this subdivision.

(5) All of the following additional conditions are met:

(A) Feasibility studies have been completed.

(B) The commission has found and determined that the project is feasible, is consistent with all applicable laws and regulations, and will advance the long-term objectives of restoring ecological health and improving water management for beneficial uses of the Delta.

(C) All environmental documentation associated with the project has been completed, and all other federal, state, and local approvals, certifications, and agreements required to be completed have been obtained.

(b) The commission shall submit to the Legislature its findings for each of the criteria identified in subdivision (a) for a project funded pursuant to this chapter.

(c) Notwithstanding subdivision (a), funds may be made available under this chapter for the completion of environmental documentation and permitting of a project.

79756. (a) The public benefit cost share of a project funded pursuant to this chapter, other than a project described in subdivision (c) of Section 79751, shall not exceed 50 percent of the total costs of any project funded under this chapter.

(b) No project may be funded unless it provides ecosystem improvements as described in paragraph (1) of subdivision (a) of Section 79753 that are at least 50 percent of total public benefits of the project funded under this chapter.

79757. (a) A project is not eligible for funding under this chapter unless, by January 1, 2022, all of the following conditions are met:

(1) All feasibility studies are complete and draft environmental documentation is available for public review.

(2) The commission makes a finding that the project is feasible, and will advance the long-term objectives of restoring ecological health and improving water management for beneficial uses of the Delta.

(3) The director receives commitments for not less than 75 percent of the nonpublic benefit cost share of the project.

(b) If compliance with subdivision (a) is delayed by litigation or failure to promulgate regulations, the date in subdivision (a) shall be extended by the commission for a time period that is equal to the time period of the delay, and funding under this chapter that has been dedicated to the project shall be encumbered until the time at which the litigation is completed or the regulations have been promulgated.

79758. Surface storage projects funded pursuant to this chapter and described in subdivision (a) of Section 79751 may be made a unit of the Central Valley Project as provided in Section 11290 and may be financed, acquired, constructed, operated, and maintained pursuant to Part 3 (commencing with Section 11100) of Division 6.

79759. (a) The funds allocated for the design, acquisition, and construction of surface storage projects identified in the CALFED

Bay-Delta Record of Decision, dated August 28, 2000, pursuant to this chapter may be provided for those purposes to local joint powers authorities formed by irrigation districts and other local water districts and local governments within the applicable hydrologic region to design, acquire, and construct those projects.

(b) The joint powers authorities described in subdivision (a) may include in their membership governmental partners that are not located within their respective hydrologic regions in financing the surface storage projects, including, as appropriate, cost share participation or equity participation. Notwithstanding Section 6525 of the Government Code, the joint powers agencies described in subdivision (a) shall not include in their membership any for-profit corporation or any mutual water company whose shareholders and members include a for-profit corporation or any other private entity. The department shall be an ex officio member of each joint powers authority subject to this section, but the department shall not control the governance, management, or operation of the surface water storage projects.

(c) A joint powers authority subject to this section shall own, govern, manage, and operate a surface water storage project, subject to the requirement that the ownership, governance, management, and operation of the surface water storage project shall advance the purposes set forth in this chapter.

79760. (a) In approving the Water Quality, Supply, and Infrastructure Improvement Act of 2014, the people were informed and hereby declare that the provisions of this chapter are necessary, integral, and essential to meeting the single object or work of the Water Quality, Supply, and Infrastructure Improvement Act of 2014. As such, any amendment of the provisions of this chapter by the Legislature without voter approval would frustrate the scheme and design that induced voter approval of this act. The people therefore find and declare that any amendment of the provisions of this chapter by the Legislature shall require an affirmative vote of two-thirds of the membership in each house of the Legislature and voter approval.

(b) This section shall not govern or be used as authority for determining whether the amendment of any other provision of this act not contained in this chapter would constitute a substantial change in the scheme and design of this act requiring voter approval.

Chapter 9. Water Recycling

79765. The sum of seven hundred twenty-five million dollars ($~~700~~725,000,000) shall be available, upon appropriation by the Legislature from the fund, for grants or loans for water recycling and advanced treatment technology projects, including all of the following:

(a) Water recycling projects, including, but not limited to, treatment, storage, conveyance, and distribution facilities for potable and nonpotable recycling projects.

(b) Contaminant and salt removal projects, including, but not limited to, groundwater and seawater desalination and associated treatment, storage, conveyance, and distribution facilities.

(c) Dedicated distribution infrastructure to serve residential, commercial, agricultural, and industrial end-user retrofit projects to allow use of recycled water.

(d) Pilot projects for new potable reuse and other salt and contaminant removal technology.

~~*(e) Groundwater recharge infrastructure pursuant to this chapter and Chapter 10 (commencing with Section 79770).*~~ *(e) Multibenefit recycled water projects that improve water quality.*

(f) Technical assistance and grant writing assistance for disadvantaged communities.

~~*(g) Water supply reliability improvement for critical urban water supplies in designated superfund areas with groundwater contamination listed on the National Priorities List established pursuant to Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9605(a)(8)(B)).*~~

79766. At least a 50-percent local cost share shall be required for projects funded pursuant to this chapter. That cost share may be suspended or reduced for disadvantaged communities and economically distressed areas.

79767. Projects funded pursuant to this chapter shall be selected on a competitive basis, considering all of the following criteria:

(a) Water supply reliability improvement.

(b) Water quality and ecosystem benefits related to decreased reliance on diversions from the Delta or instream flows.

(c) Public health benefits from improved drinking water quality or supply.

(d) Cost-effectiveness.

(e) Energy efficiency and greenhouse gas emission impacts.

(f) Reasonable geographic allocation to eligible projects throughout the state, including both northern and southern California and coastal and inland regions.

79768. For purposes of this chapter, competitive programs shall be implemented consistent with water recycling programs administered pursuant to Sections 79140 and 79141 or consistent with desalination programs administered pursuant to Sections 79545 and 79547.2.

Chapter 10. Groundwater Sustainability

79770. Prevention and cleanup of groundwater contamination are critical components of successful groundwater management. Groundwater quality becomes especially important as water providers do the following:

(a) Evaluate investments in groundwater recharge with surface water, stormwater, recycled water, and other conjunctive use projects that augment local groundwater supplies to improve regional water self-reliance.

(b) Adapt to changing hydrologic conditions brought on by climate change.

(c) Consider developing groundwater basins to provide much needed local storage options to accommodate hydrologic and regulatory variability in the state's water delivery system.

(d) Evaluate investments in groundwater recovery projects.

79771. (a) The sum of ~~eight~~ nine hundred ~~fifty~~ million dollars ($~~850~~900,000,000) shall be available, upon appropriation by the Legislature from the fund, for expenditures on, and competitive grants, and loans for, projects to prevent or clean up the contamination of groundwater that serves or has served as a source of drinking water. Funds appropriated pursuant to this section shall be available to the state board for projects necessary to protect public health by preventing or reducing the contamination of groundwater that serves or has served as a major source of drinking water for a community.

(b) Projects shall be prioritized based upon the following criteria:

(1) The threat posed by groundwater contamination to the affected community's overall drinking water supplies, including an urgent need for treatment of alternative supplies or increased water imports if groundwater is not available due to contamination.

(2) The potential for groundwater contamination to spread and impair drinking water supply and water storage for nearby population areas.

(3) The potential of the project, if fully implemented, to enhance local water supply reliability.

(4) The potential of the project to maximize opportunities to recharge vulnerable, high-use groundwater basins and optimize groundwater supplies.

(5) The project addresses contamination at a site for which the courts or the appropriate regulatory authority has not yet identified responsible parties, or where the identified responsible parties are unwilling or unable to pay for the total cost of cleanup, including water supply reliability improvement for critical urban water supplies in designated superfund areas with groundwater contamination listed on the National Priorities List established pursuant to Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9605(a)(8)(B)).

~~*(c) The Legislature, by statute, shall establish both of the following:*~~

~~*(1) A requirement that the grantee repay grant funds in the event of cost recovery from the parties responsible for the groundwater contamination.*~~

~~*(2) A requirement that the grantee make reasonable efforts to attempt to recover the costs of cleanup from the parties responsible for the contamination, except that a grantee shall not be required to seek cost recovery related to the costs of response actions apportioned to responsible parties who are insolvent or cannot be identified or located or when a requirement to seek cost recovery would impose a financial hardship on the grantee.*~~

(c) Funding authorized by this chapter shall not be used to pay any share of the costs of remediation recovered from parties responsible for the contamination of a groundwater storage aquifer, but may be used to pay costs that cannot be recovered from responsible parties. Parties that receive funding for remediating groundwater storage aquifers shall exercise reasonable efforts to recover the costs of groundwater cleanup from the parties responsible for the contamination. Funds recovered from responsible parties may only be used to fund treatment and remediation activities.

79772. Of the funds authorized by Section 79771, ~~seventy-five~~eighty million dollars ($~~75~~80,000,000) shall be available for grants for treatment and remediation activities that prevent or reduce the contamination of groundwater that serves as a source of drinking water. ~~Nothing in this section precludes the funding of projects pursuant to Section 79771.~~

35 *79773. The contaminants that may be addressed with funding*
36 *pursuant to this chapter may include, but shall not be limited to,*
37 *nitrates, perchlorate, MTBE (methyl tertiary butyl ether), arsenic,*
38 *selenium, hexavalent chromium, mercury, PCE*
39 *(perchloroethylene), TCE (trichloroethylene), DCE*
40 *(dichloroethene), DCA (dichloroethane), 1,2,3-TCP*

(trichloropropane), carbon tetrachloride, 1,4-dioxane, 1,4-dioxacyclohexane, nitrosodimethylamine, bromide, iron, manganese, and uranium.

79774. (a) A project that receives funding pursuant to this chapter shall be selected by a competitive grant or loan process with added consideration for those projects that leverage private, federal, or local funding.

(b) For the purposes of awarding funding under this chapter, a local cost share of not less than 50 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for projects that directly benefit a disadvantaged community or an economically distressed area.

(c) An agency administering grants or loans for the purposes of this chapter shall assess the capacity of a community to pay for the operation and maintenance of the facility to be funded.

(d) At least 10 percent of the funds available pursuant to this chapter shall be allocated for projects serving severely disadvantaged communities.

(e) Funding authorized by this chapter shall include funding for technical assistance to disadvantaged communities. The agency administering this funding shall operate a multidisciplinary technical assistance program for small and disadvantaged communities.

79775. Of the funds authorized by Section 79771, one hundred million dollars ($100,000,000) shall be made available for competitive grants for projects that develop and implement groundwater plans and projects in accordance with groundwater planning requirements established under Division 6 (commencing with Section 10000).

Chapter 11. Flood Management

79780. The sum of three hundred ninety-five million dollars ($395,000,000) shall be available, upon appropriation by the Legislature from the fund, to the Department of Water Resources and the Central Valley Flood Protection Board for the purpose of statewide flood management projects and activities. ~~Priority shall be given~~ Funds shall be allocated to multibenefit projects that achieve public safety and include fish and wildlife habitat enhancement ~~and recreation~~. The

Department of Water Resources shall make its best effort ~~to first utilize prior bond~~ coordinate this funding with proceeds from Propositions 84 and 1E.

79781. Of the funds authorized by Section 79780, two hundred ninety-five million dollars ($295,000,000) shall be available to reduce the risk of levee failure and flood in the Delta for any of the following:

(a) Local assistance under the Delta levee maintenance subventions program pursuant to Part 9 (commencing with Section 12980) of Division 6, as that part may be amended.

(b) Special flood protection projects pursuant to Chapter 2 (commencing with Section 12310) of Part 4.8 of Division 6, as that chapter may be amended.

(c) Levee improvement projects that increase the resiliency of levees within the Delta to withstand earthquake, flooding, or sea level rise.

(d) Emergency response and repair projects.

Chapter 12. Fiscal Provisions

79785. (a) Bonds in the total amount of ~~six~~ seven billion ~~nine hundred~~ one hundred twenty ~~ninety-five~~ million dollars ($~~6,995~~7,120,000,000), or so much thereof as is necessary, not including the amount of any refunding bonds issued in accordance with Section 79797 may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this division and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) The Treasurer shall sell the bonds authorized by the committee pursuant to this section. The bonds shall be sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 16731 of the Government Code.

79786. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government

Code), and all of the provisions of that law ~~*apply to the bonds and to this division and are hereby incorporated in this division as though set forth in full in this division, except Section 16727 of the Government Code shall not apply to the extent that it is inconsistent*~~ *as that law may be amended, apply to the bonds and to this division, except subdivisions (a) and (b) of Section 16727 of the Government Code to the extent that those subdivisions conflict with any other provision of this division.*

79787. (a) Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) of the bonds authorized by this division, the Water Quality, Supply, and Infrastructure Improvement Finance Committee is hereby created. For purposes of this division, the Water Quality, Supply, and Infrastructure Improvement Finance Committee is the "committee" as that term is used in the State General Obligation Bond Law.

(b) The committee consists of the Director of Finance, the Treasurer, and the Controller. Notwithstanding any other provision of law, any member may designate a representative to act as that member in his or her place for all purposes, as though the member were personally present.

(c) The Treasurer shall serve as chairperson of the committee.

(d) A majority of the committee may act for the committee.

79788. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized by this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

79789. For purposes of the State General Obligation Bond Law, "board," as defined in Section 16722 of the Government Code, means the secretary.

79790. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

79791. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the

State Treasury, for the purposes of this division, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.

(b) The sum that is necessary to carry out the provisions of Section 79794, appropriated without regard to fiscal years.

79792. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account in accordance with Section 16312 of the Government Code for the purpose of carrying out this division less any amount withdrawn pursuant to Section 79794. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this division. The board shall execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated in accordance with this division.

79793. Notwithstanding any other provision of this division, or of the State General Obligation Bond Law, if the Treasurer sells bonds that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions or is otherwise entitled to any federal tax advantage, the Treasurer may maintain separate accounts for the bond proceeds invested and for the investment earnings on those proceeds, and may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds, as may be required or desirable under federal law in order to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

79794. For the purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this division less any amount borrowed pursuant to Section 79792. Any amounts withdrawn shall be deposited in the fund. Any moneys made available under this section shall be returned to the General Fund,

with interest at the rate earned by the moneys in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this division.

79795. All moneys deposited in the fund that are derived from premium and accrued interest on bonds sold pursuant to this division shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest, except that amounts derived from premium may be reserved and used to pay the cost of bond issuance prior to any transfer to the General Fund.

79796. Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds, including premium, if any. To the extent the cost of bond issuance is not paid from premiums received from the sale of bonds, these costs shall be shared proportionately by each program funded through this division by the applicable bond sale.

79797. The bonds issued and sold pursuant to this division may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds under this division shall include approval of the issuance of any bonds issued to refund any bonds originally issued under this division or any previously issued refunding bonds.

79798. The proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, and the disbursement of these proceeds is not subject to the limitations imposed by that article.

SEC. 5. Section 2 of Chapter 3 of the Seventh Extraordinary Session of the Statutes of 2009, as amended by Section 1 of Chapter 74 of the Statutes of 2012, is repealed.

SEC. 6. (a) Notwithstanding the requirements of Sections 9040, 9043, 9044, 9061, and 9082 of the Elections Code, or any other law, the Secretary of State shall submit Sections 1, 2, and 4 of this act to the voters at the November 4, 2014, statewide general election.

(b) The Secretary of State shall include in the ballot pamphlets mailed pursuant to Section 9094 of the Elections Code the information specified in Section 9084 of the Elections Code

regarding the bond act contained in Sections 1, 2, and 4 of this act. If that inclusion is not possible, the Secretary of State shall publish a supplemental ballot pamphlet regarding this act to be mailed with the ballot pamphlet. If the supplemental ballot pamphlet cannot be mailed with the ballot pamphlet, the supplemental ballot pamphlet shall be mailed separately.

(c) Notwithstanding Section 9054 of the Elections Code or any other law, the translations of the ballot title and the condensed statement of the ballot title required pursuant to Section 9054 may be made available for public examination at a later date than the start of the public examination period for the ballot pamphlet, provided that the translations of the ballot title and the condensed statement of the ballot title must remain available for public examination for eight days.

(d) Notwithstanding Section 13282 of the Elections Code or any other law, the public shall be permitted to examine the condensed statement of the ballot title for not more than eight days. Any voter may seek a writ of mandate for the purpose of requiring the condensed statement of the ballot title, or portion thereof, to be amended or deleted only within that eight-day period.

SEC. 7. Notwithstanding Sections 13115 and 13117 of the Elections Code, Sections 1, 2, and 4 of this act shall be placed as the first ballot measure on the November 4, 2014, general election ballot and shall be designated as Proposition 1.

SEC. 8. Sections 1, 2, and 4 of this act shall take effect upon approval by the voters of the Water Quality, Supply, and Infrastructure Improvement Act of 2014, as set forth in Section 4 of this act, including changes to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, as set forth in Section 1 of this act, and the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, as set forth in Section 2 of this act.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to fund a water quality, supply, and infrastructure improvement program at the earliest possible date, it is necessary that this act take effect immediately.

~~SECTION 1. Section 12559 is added to the Health and Safety Code, to read:~~

~~12559. (a) Commencing January 1, 2015, a distributor shall pay a tax upon his or her distribution of safe and sane fireworks at the rate of ten cents ($0.10) per pound of the total weight of the fireworks, including any packaging, unless adjusted by the State Fire Marshal pursuant to subdivision (c).~~

~~(b) (1) Funds received by the State Fire Marshal or its designee pursuant to this section shall be deposited into the State Fire Marshal Fireworks Enforcement and Disposal Fund established pursuant to Section 12728.~~

~~(2) Funds received pursuant to this section shall only be used, upon appropriation by the Legislature, for the purposes listed in Section 12728.~~

~~(c) The State Fire Marshal may adjust the rate specified in subdivision (a), not to exceed twenty cents ($0.20) per pound, at a public meeting to be held in January of each year in order to provide sufficient revenues to pay for the estimated expenses described in Section 12728.~~

~~(d) The State Fire Marshal may contract with another public agency to administer this section.~~

~~(e) The State Fire Marshal is authorized to adopt emergency regulations necessary to implement this section during the 2014–15 fiscal year in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of emergency regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, and safety, or general welfare.~~

~~(f) The State Fire Marshal may, by regulation, establish the period for reporting of information, returns, billings, and payment of taxes due pursuant to this section.~~

~~(g) A violation of this section, or any regulation adopted pursuant to this section, does not constitute a crime for purposes of Section 12700.~~

~~(h) For purposes of this section, the following terms have the following meanings:~~

~~(1) (A) "Distribution" means either or both of the following:~~

~~(i) The sale of previously untaxed safe and sane fireworks in this state.~~

~~(ii) The use or consumption of previously untaxed safe and sane fireworks in this state. For purposes of this clause, "use or consumption" includes the exercise of a right or power over safe and sane fireworks incident to the ownership of those fireworks, other than the sale of the safe and sane fireworks or the keeping or retention of those fireworks by a licensee pursuant to Section 12571, 12572, or 12573.~~

~~(B) For purposes of this paragraph, "previously untaxed safe and sane fireworks" means fireworks that have not yet been distributed in a manner as to result in a tax liability under this section.~~

~~(2) "Distributor" means either of the following:~~

~~(A) A person who holds a license issued by the State Fire Marshal pursuant to Section 12571, 12572, or 12573.~~

~~(B) A person who does not hold a license described in subparagraph (A) and who, after the effective date of this section, distributes, as that term is described in paragraph (1), safe and sane fireworks in this state.~~

~~SEC. 2. Section 12722 of the Health and Safety Code is amended to read:~~

~~12722. The following fireworks may be seized pursuant to Section 12721:~~

~~(a) Those fireworks that are sold, offered for sale, possessed, stored, used, or transported within this state prior to having been examined, classified, and registered by the State Fire Marshal, except those specific items designated as samples pending examination, classification, and registration by the State Fire Marshal where the licensee provides documentary evidence that such action by the State Fire Marshal is pending.~~

~~(b) All imported fireworks possessed without benefit of the filing of notices as required by this part.~~

~~(c) Safe and sane fireworks stored in violation of the conditions required by the permit as provided in this part.~~

~~(d) Safe and sane fireworks sold or offered for sale at retail that do not bear the State Fire Marshal label of registration and firing instructions.~~

~~(e) Safe and sane fireworks sold or offered for sale at retail that are in unsealed packages or containers that do not bear the State Fire Marshal label of registration and firing instructions.~~

~~(f) Safe and sane fireworks sold or offered for sale at retail before 12 noon on the 28th day of June or after 12 noon on the sixth day of July of each year.~~

~~(g) Each safe and sane fireworks item sold or offered for sale at retail that does not have its fuse or other igniting device protected by a cap approved by the State Fire Marshal, or groups of fireworks with exposed fuses that are not enclosed in sealed packages that bear the State Fire Marshal label of registration. The State Fire Marshal shall approve the caps as he or she determines provide reasonable protection from unintentional ignition of the fireworks.~~

~~(h) Dangerous fireworks, including fireworks kits, used, possessed, stored, manufactured, or transported by a person who does not possess a valid permit authorizing an activity listed in this part.~~

~~(i) Fireworks stored or sold in a public garage or public oil station, or on a premises where gasoline or other class I flammable liquids are stored or dispensed.~~

~~(j) Fireworks still possessed by a person who has just thrown ignited fireworks at a person or group of persons.~~

~~(k) Model rocket engines or model rockets with engines possessed by a person who does not hold a valid permit.~~

~~(*l*) An emergency signaling device sold, offered for sale, or used that does not bear the State Fire Marshal label of registration as required by this part.~~

~~(m) Fireworks or pyrotechnic device offered for sale by a person violating this part.~~

~~(n) Safe and sane fireworks distributed in this state by an unlicensed distributor and for which the tax required pursuant to Section 12559 has not been paid.~~

~~SEC. 3. Section 12728 of the Health and Safety Code is amended to read:~~

~~12728. (a) The State Fire Marshal Fireworks Enforcement and Disposal Fund is hereby established in the State Treasury.~~

~~(b) All of the moneys collected pursuant to Section 12706 shall be deposited in the fund and shall be available, upon appropriation by the Legislature, to the State Fire Marshal for the exclusive use in statewide programs for the enforcement, prosecution related to, disposal, and management of seized dangerous fireworks, and for the training of public safety agencies in the proper handling and management of dangerous fireworks.~~

~~(c) All of the moneys collected pursuant to Section 12727 shall be deposited in the fund and shall be available, upon appropriation by the Legislature, to the State Fire Marshal for the exclusive use in statewide programs for all of the following:~~

~~(1) To further assist in statewide programs for the enforcement, prosecution related to, disposal, and management of seized dangerous fireworks.~~

~~(2) The training of public safety agencies in the proper handling and management of dangerous fireworks as well as safety issues involving all fireworks and explosives.~~

~~(3) Assist the State Fire Marshal in identifying and evaluating methods to capture more detailed data relating to fires, damages, and injuries caused by both dangerous and safe and sane fireworks,~~

~~and to assist with funding the eventual development and implementation of those methods.~~

~~(4) To further assist in public safety efforts within the general public as well as public safety agencies on the proper and responsible use, seizure, and storage of safe and sane fireworks.~~

~~(5) Disposal of any seized fireworks and any infrastructure requirements necessary for the disposal of fireworks.~~

~~(6) Administration of the fund by the Office of the State Fire Marshal or its contracted designee.~~

~~SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:~~

~~In order for regulatory changes to be adopted to address the public safety and environmental damage caused by illegal fireworks in the state at the earliest possible time, it is necessary that this act take effect immediately.~~

O

MEMORANDUM

DATE: August 11, 2014

TO: Mark Scott, City Manager

FROM: Ron Davis, General Manager, BWP

SUBJECT: SYNOPSIS OF BWP BOARD MEETING

Following is a synopsis of the August 7, 2014 BWP Board meeting:

CHEMTREAT AMENDMENT
Staff asked for Board approval of a First Amendment to the Professional Services Agreement with ChemTreat, Inc. for an additional $45,475 needed to cover invoices for the remainder of the Fiscal Year 2013-14. ChemTreat provides materials and services to operate Lake One, Olive I and II, and Magnolia Power Plant boiler, cooling, and wastewater treatment systems and equipment. The Board approved the recommendation as submitted.

RECOMMENDATION TO AWARD CONTRACT FOR STREETLIGHT UNDERGROUND CONDUIT SYSTEM AND RELATED SUBSTRUCTURE IMPROVEMENTS CITYWIDE – BID SCHEDULE 1390 TO KDC INC. DBA DYNAELECTRIC.
Staff asked for Board approval of the recommended contract with KDC Inc. dba Dynalectric for the installation of various size conduit systems, streetlight pullboxes, streetlight standard foundations, service cabinets, and fiber optics communications vaults which will support several projects. The Board approved the recommendation as submitted.

BWP OPERATIONS AND FINANCIAL REPORTS
Mr. Liu presented BWP's financial update for June. Mr. Mace spoke on the change of operations and maintenance at the Burbank Operable Unit from APTwater, LLC to TerranearPMC, LLC as of July 31, 2014.

EMERGENCY WATER CONSERVATION MEASURE
Mr. Flores reported on the State of California adopted emergency regulations. Council approved a Stage II water use ordinance which took affect August 1, 2014 by direction of the State. BWP's goal for the ordinance enforcement is to educate, educate, educate.

LEGISLATIVE UPDATE
Ms. McGinley updated the Board on government affairs and legislative deadlines.

IRP UPDATE
Mr. Fletcher reported that the necessary IRP policies are coming together. He noted the following:

- The public seems to be supportive of renewable energy and is also supportive of continuing beyond 33% if cost effective.
- The public has negative reactions to subsidies.
- There is a possibility of losing all or a portion of large customer load. Large customers are looking at more cost effective power.

CITY OF BURBANK
BURBANK WATER AND POWER
STAFF REPORT

DATE: August 7, 2014
TO: BWP Board
FROM: Ron Davis, General Manager, BWP
SUBJECT: June 2014 Operating Results

Water Results of Operations
For the month of June, Potable Water Revenues were $83,000 better than budgeted and Recycled Water Revenues were $90,000 lower than budgeted. June Potable Water Revenues were impacted by higher landscaping demand related to dry warm weather while Recycled Water Revenues continue to be impacted by delays in connecting customers to the Recycled System. The unfavorable June Water Supply Expense variance of $93k was driven by purchasing more water from MWD than planned. More water was purchased from MWD than planned because of higher than planned potable demand and the need to perform repairs on water infrastructure that limited access to BOU production. The June Gross Margin was $100,000 lower than budgeted. June Operating Expenses include adjustments related to a payment to the City of $217,000 for Water's share of funding increases in Workers Compensation Reserves, and catch-up depreciation of $41,000 on closed software capital projects. Estimated Income before Aid in Construction was $168,000, which was $369,000 lower than budgeted.

Fiscal-year-to-date (FYTD) June Potable Water Revenues were $1,780,000 better than budgeted and Recycled Water Revenues were $493,000 lower than budgeted. FYTD Potable Water Revenues have been driven by dry weather and the lifting of the 3 day watering restriction. FYTD Recycled Water Revenues have been impacted by delays in connecting new customers to the Recycled System. The FYTD Gross Margin was $672,000 better than budgeted. Estimated Operating Expenses were $1,318,000 higher than budgeted and driven by catch-up depreciation on donated assets that had offsetting Aid-In-Construction income. Estimated Income before Aid in Construction was a loss of $14,000, which was $425,000 lower than budgeted; however, without the depreciation adjustment, Operating Expenses would be $37,000 better than budgeted, and Income before Aid in Construction Income would be $1,341,000, which is $930,000 better than budgeted.

Electric Results of Operations
For the month of June, estimated electric loads were 9% lower than budgeted primarily due to conservation. Retail Sales were $1,139,000 lower than budgeted. June Power Supply expenses were $132,000 better than budgeted due to lower loads that were offset by higher energy prices and adjustments on the Milford Wind Project and the Morgan Stanley swap. The June Gross Margin was $694,000 lower than budgeted. . June Operating Expenses include adjustments related to a payment to the City of $803,000 for Electric's share of funding increases in Workers Compensation Reserves, $617,000 in CalPERS benefits, and catch-up depreciation of $313,000 on closed

software capital projects. Estimated Income before Aid in Construction was a loss of $2,229,000 which was $2,062,000 lower than budgeted.

FYTD June electric loads were 7% lower than budgeted primarily due to conservation and a cooler than normal summer; and Retail Sales were $13,105,000 lower than budgeted. FYTD Power Supply Expenses were $7,184,000 better than budgeted due to lower loads and power supply true-up credits, partially offset by higher energy prices and refunding with cash of high interest bonds for Hoover. The FYTD Gross Margin was $4,951,000 lower than budgeted. Estimated FYTD Operating Expenses were $2,741,000 better than budgeted. Other Income includes a Public Benefits adjustment of $3,620,000 for the true-up of City qualifying expenditures and $3,100,000 from the release of project funds by SCPPA. Estimated Income before Aid in Construction was $9,755,000, which was $6,286,000 better than budgeted.

SAFETY

Burbank Water and Power had no reportable lost time injuries during June 2014.

WATER DIVISION

State Water Projects and Burbank Operating Unit (BOU) Water Production

The State Natural Resources Agency has completed the release of preliminary draft chapters of the Bay Delta Conservation Plan (BDCP). This has caused an increased volume of conversation and proposals of alternate plans that tend to transfer impacts to others or, not so subtly, create conditions that would stop the proposed BDCP solution. The State Natural Resources Agency released a revised plan/tunnel alignment for the BDCP that would reduce the impact of the project to private property both during and after construction. The BDCP is very much in the news with supporters and detractors active on a daily basis. Governor Brown supports the approval of the BDCP. The Public Draft of the plan was released December 13, 2013 with the final documents available in spring 2014. A significant public outreach effort supporting the BDCP is underway. A Study Session with the City Council on the BDCP was held January 28. Public comments on the draft were originally due on April 14, but that date has been revised twice and the final date to submit comments is July 29.

The Legislature is busy working on the deferred water bond from 2010 and 2012. There are multiple proposals in both the Assembly and Senate. A lot of the earmarked items from the original bond proposal have been removed but other items are being added re-inflating the total. Acceptance by both houses will be necessary to amend the proposed bond. Originally, the Governor had not weighed in seemingly letting the Legislature narrow down the options. The negotiations regarding the bond package were headed to the deadline in July for putting an amended measure on the ballot with no clear resolution. It is highly probable that an amended bond proposal will be on the 2014 ballot because of the severity and impact of the drought. The Governor has recently come out in favor of a bond proposal that totals about $6 billion and addresses the areas or efforts he sees as a priority. The Legislature has responded with a $7 billion package with additional spending that kept the Governor's priorities in place. This proposal will likely make it to the November ballot.

The initial State Water Project (SWP) Allocation for 2014 was released on December 1, 2013 at 5%. The Governor issued a Drought State of Emergency Proclamation on January 17. The proclamation calls on all Californians to conserve water in every way possible. The voluntary actions called for could forestall future mandatory restrictions. The proclamation also gives state water officials more flexibility to manage supply throughout California under drought conditions. The 2014 SWP allocation was subsequently reduced to 0% on January 31. Due to late winter storms, the allocation was revised to 5% on April 18 and is the final allocation for the year. Discussions are ongoing about committing any available water to health and safety priorities.

BWP and the Metropolitan Water District (MWD) have been calling on all residents and member agencies to conserve water. Investments by MWD, ($5B) since 1992, have built storage facilities and programs which now provide relief from immediate mandatory rationing as occurred in the past. MWD began a media ad campaign on March 28 amplifying its message urging voluntary water conservation. BWP started a similar campaign in late February. MWD raised the incentive for turf removal to $2 sq. /ft., and extended rebates for rain barrels and high efficiency toilets on May 14. The MWD Media campaign was intensified in both TV and radio media on July 1. A Study Session on Drought Management/Response was held April 22 with City Council. Council requested an update in about a 3 months (July) timeframe. The State Water Resource Control Board issued emergency drought/water use regulations on July 15 to be effective on August 1. The regulations prohibit specific water use/waste practices and provide for issuing citations and subsequent fines for individuals and water retail agencies that violate the prohibitions. Burbank's Sustainable Water Use Ordinance, currently in force at Stage 1, prohibits the specified water wasting practices. The emergency regulation also requires Water Agencies to limit outdoor watering to two days per week unless the water Agency has a Water Shortage Contingency Plan. In that instance the agency must activate the Plan to a level that begins to limit outdoor watering. In this case Burbank would have to activate Stage 2 which limits outdoor watering to three days a week. On July 22 Council voted unanimously to enact Stage 2 of the Sustainable Water Use Ordinance.

MWD has been reconfiguring system operations to maximize use of Colorado River water to serve those agencies to which Colorado River water can be delivered and conserve the stored SWP water to serve the Member Agencies (Las Virgenes, Calleguas, and Eastern MWD) that can only be served by SWP water. Burbank is receiving treated Colorado River water as of the beginning of April. Notice to customers as to the increase of water hardness due to the change of supply source was posted on the BWP web site and went out in a recent issue of Currents.

As of the end of January, 7,000 acre feet of water were spread as budgeted for this fiscal year. During the meetings with MWD regarding serving Burbank with treated Colorado River water, MWD staff was made aware that next winter BWP would need 7,500 acre feet of SWP water for spreading at Pacoima and that this should be figured into the supply plan.

The BOU was 94.68% available for service in June. The BOU was 93.53% available for the fiscal year ending June 30, 2014. System production was 72.45% of name plate capacity for the fiscal year, just below the budget goal of 75%. One GAC filter was offline for 10 days for carbon change out. Well v-04 went out of service on June 6 and is being overhauled. BOU production was limited by system demand, the draining of

Reservoir #4 (Palm Ball Field) for maintenance and a broken valve in the Pacific Avenue Transmission main.

Availability	Production	Average Flow Rate (gallons per minute)
94.68%	73.77%	6,639

California Department of Health Issues Draft Chromium 6 MCL
The California Department of Public Health (CDPH) issued a draft MCL of 10 parts per billion (ppb) for Chromium 6 on August 22, 2013. Prior to July 1 BWP blended Chromium 6 to 5 ppb. BWP submitted comments in support of the draft MCL. The majority of the comments submitted at the Los Angeles site of the public hearing (MWD Offices) were in support of a higher limit and were submitted by Public Water Agencies and Water Industry Associations. The MCL will be finalized within a year of the release of the draft MCL. The BWP Board was briefed on the history of the development of the draft MCL and what it means to Burbank in relation to Chromium 6 in our raw water and the policy of blending to 5 ppb. A study session with City Council was conducted on December 10, 2014. A letter, signed by Council, was sent to the Governor requesting full consideration of the best and latest research in setting a final MCL, on January 14. The final MCL was released on April 15 by CDPH. This date is tied to a Court Order and may be subject to other judicial action. Reasonable timelines for compliance and impacts on water supply in view of the drought are current elements of discussion regarding the MCL. The CDPH released the final 10 ppb MCL for Chromium 6 on April 14. The MCL has been reviewed by the Office of Administration and became effective on July 1. Starting July 1 BWP no longer is blending water to limit Chromium 6 to an administrative limit of 5 ppb. Chromium is 7.5 ppb or lower depending on how MWD water is needed to meet system demand. Burbank is in compliance with the new MCL.

A recent article in the Burbank Leader pulled a not generally understood piece of data, Public Health Goal (PHG), from a broad environmental report (22 categories) meant to help State Legislators prioritize funding in future state budgets. In the summary version of the report, all 22 categories are compiled to prioritize funding statewide for specific local action. The PHG data was factually correct but inappropriately applied and highlighted to grab attention and it did not inform the public about safe drinking water.
PHGs for drinking water are idealized targets that are often technically as well as financially unobtainable for water systems. They do not describe safe drinking water. This is done with the implementation of a Maximum Contaminant Limit (MCL). The public health impact of achieving an MCL vs. a PHG is not measurable or statistically meaningful as to a health benefit to the public. The MCL is the true measure of safe drinking water.

Project Updates:

Work began in April on installing 700 l.f. of 12-inch ductile iron water main in Hollywood Way from Pacific Avenue to Valhalla Drive. Installation of the water main was complete

in early June. Disinfection of the main and tie over of service lines to finish the project was complete at the end of July.

Installation of 620 l.f. of 8-inch ductile iron potable water main began in N. Shelton Street between Palm Ave. and Magnolia Blvd. in mid-July. Work is projected to be complete by the end of August.

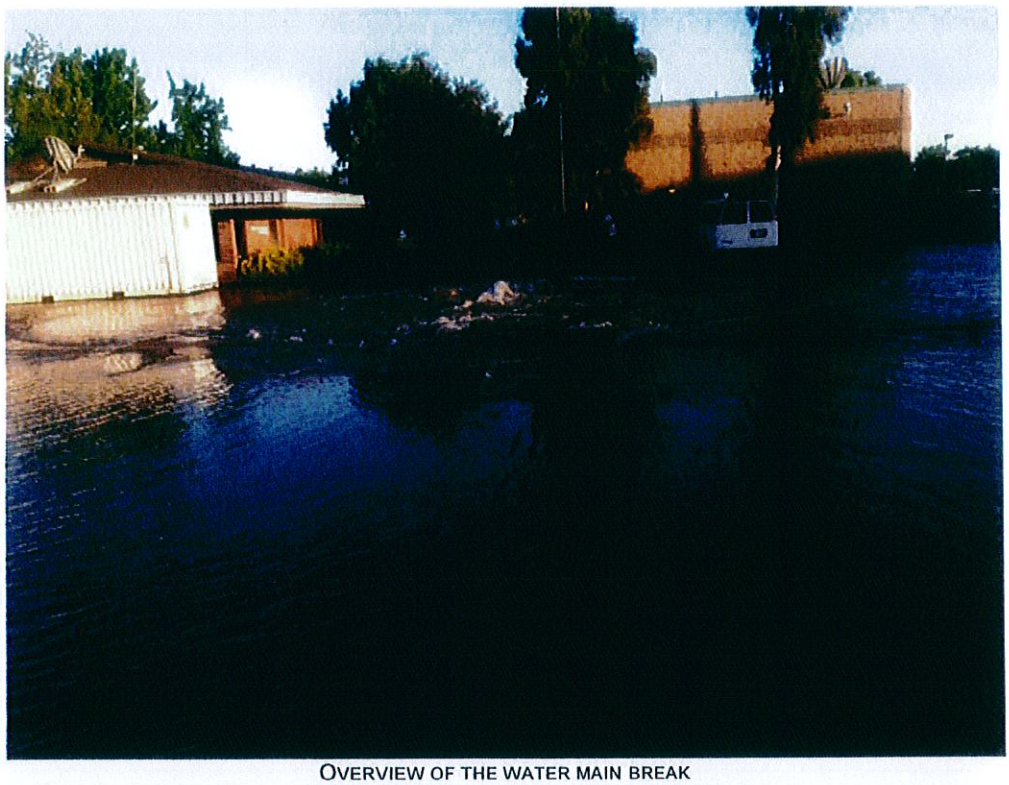
A water main break within the Fire Training Center on the evening of June 17 caused significant flooding on Ontario and Fairview Streets. The flow from the break was shut down in about three hours and it is estimated that 3.5 million gallons of water was lost. The shutdown was hindered by a transmission valve in Pacific Ave. that broke while being closed. This caused a much more extensive shutdown that affected a larger number of customers. All customer service was restored by the next day. Replacement of the broken transmission valve was completed in July. The work required ordering parts that are not normally stocked in the warehouse. Additional work in Pacific Ave. was also part of this effort to improve and streamline the system in the immediate area.

One of the four large booster pumps ("D") from the Valley Pumping plant was returned from overhaul and back in operation at the end of July. Pump A was sent for overhaul and should be complete and back in operation in September. These are the pumps that put BOU treated water into the distribution system. Pumps B and C will follow in succession.

Reservoir #4 (Palm Ball field) is drained for inspection and joint/crack repair. Is should be back in service by the first week of August.

The Izay Park ball fields went live with recycled water in May. The Airport RITC (carwash) and Disney Elementary were converted in June. Lundigan Park and 3003 Riverside Dr. (condos/HOA) were converted in late July. The Burbank Studios (former NBC Alameda meters) are scheduled for conversion in August. The Burbank Avalon Media Center (Oak & Pass) is in process for conversion to recycled water.

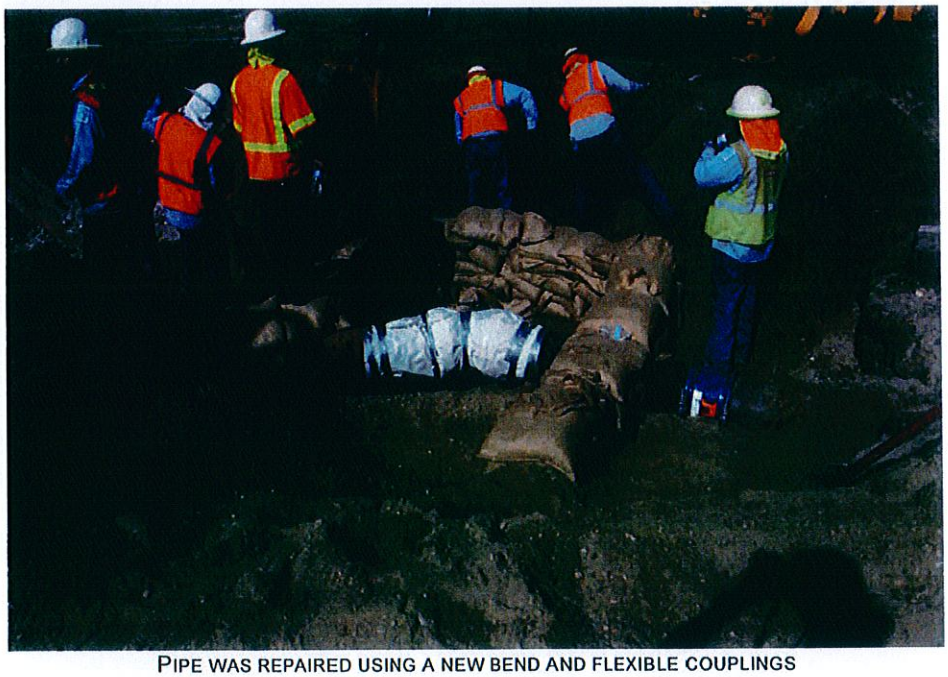
BWP continues to work with Valhalla Memorial Park to coordinate their conversion of the larger portion to recycled water for irrigation and with the School District to move them forward in converting additional schools to recycled water.



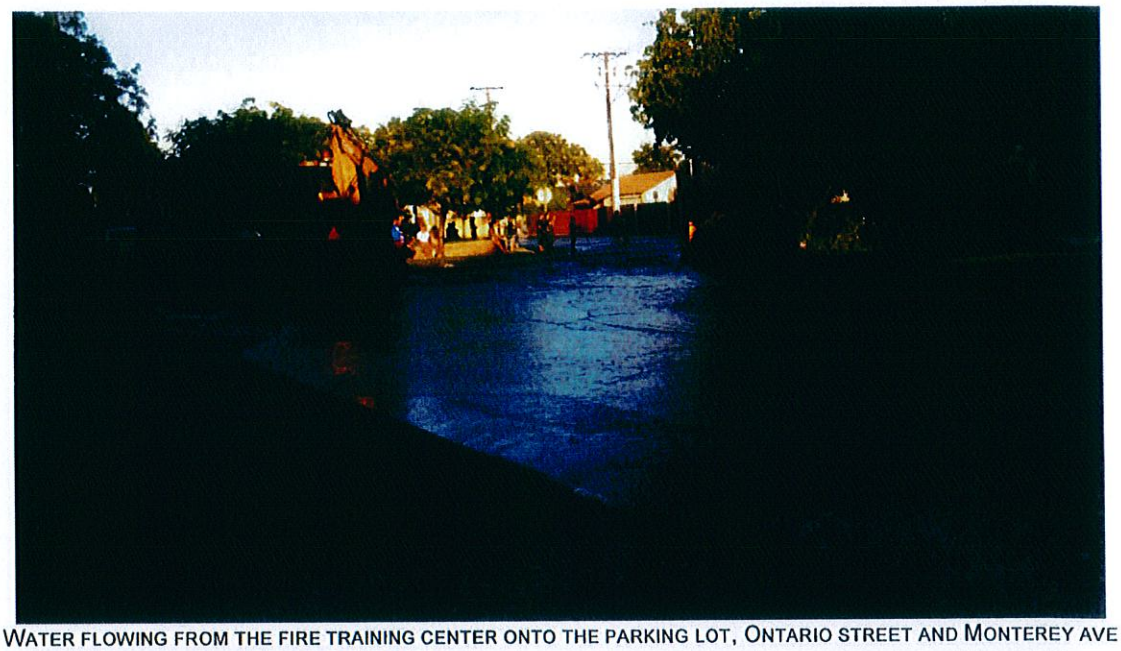
OVERVIEW OF THE WATER MAIN BREAK

LOCATION OF THE BREAK WAS AT THE 45-DEGREE CAST IRON BEND

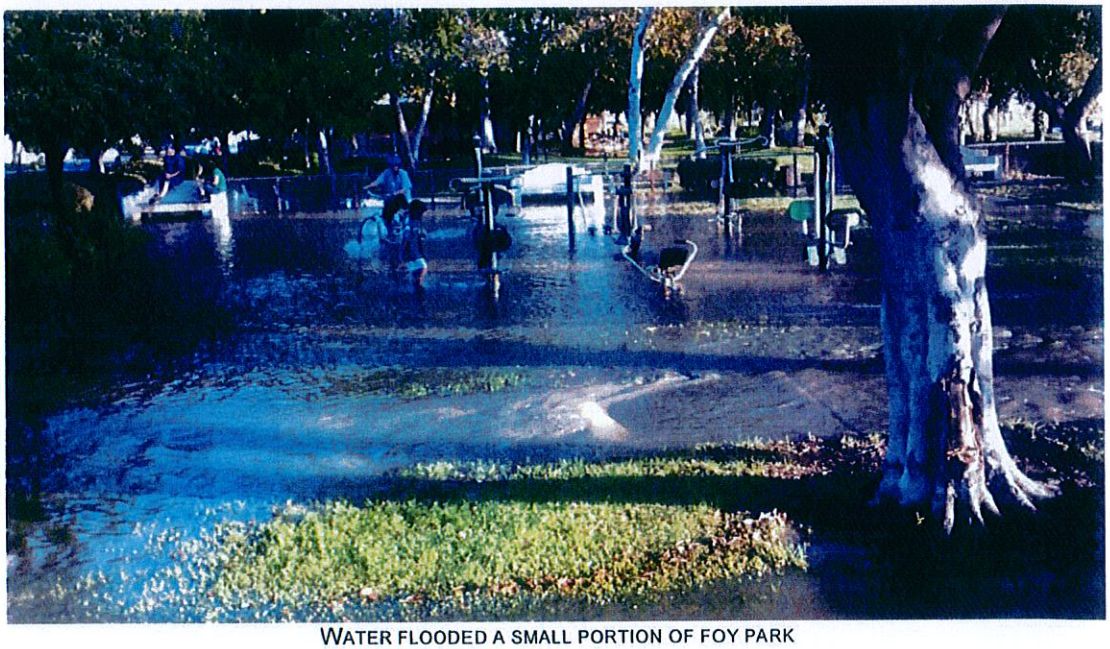
THE BROKEN 45-DEGREE CAST IRON BEND



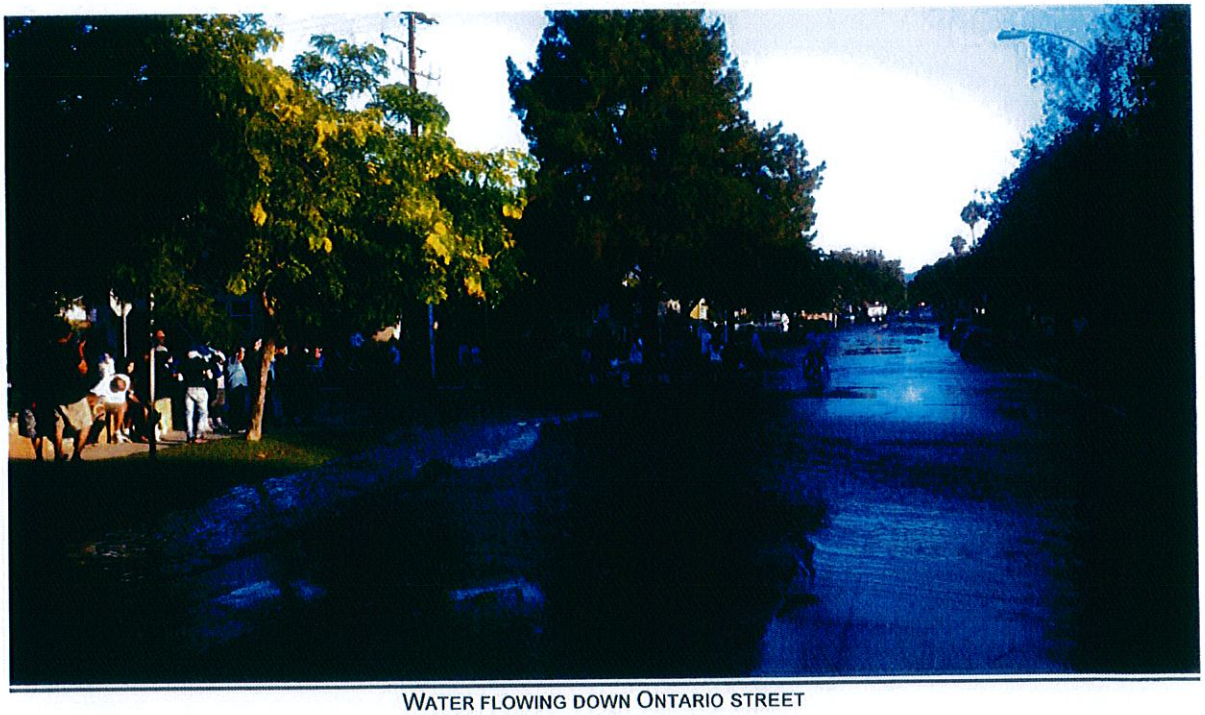
PIPE WAS REPAIRED USING A NEW BEND AND FLEXIBLE COUPLINGS



WATER FLOWING FROM THE FIRE TRAINING CENTER ONTO THE PARKING LOT, ONTARIO STREET AND MONTEREY AVE



WATER FLOODED A SMALL PORTION OF FOY PARK



WATER FLOWING DOWN ONTARIO STREET

DISTRIBUTION

ELECTRIC RELIABILITY

Outages

BWP experienced one sustained feeder outage in June 2014. In the past twelve months, automatic reclosing has reduced customer outage time by approximately 778,919 customer minutes.

Reliability Measurement	Jul 2012-Jun 2013	Jul 2013-June 2014
Average Outages Per Year (SAIFI)	0.1874	0.2352
Average Outage Duration (CAIDI)	79.75 minutes	40.59 minutes
Average Service Availability	99.9972%	99.9982%
Average Momentary Outages Per Year (MAIFI)	0.3137	0.1860
No. of Sustained Feeder Outages	15	14
No. of Sustained Outages by Mylar Balloons	2	3
No. of Sustained Outages by Animals	0	1
No. of Sustained Outages by Palm Fronds	2	0

Project Updates:

Alameda/Hollywood Way Substation Restoration
Staff has placed on hold further design development of the landscape restoration and graphic branding project at the outmoded Alameda/Hollywood Way Substation until public improvements surrounding the neighboring Talaria project are determined.

Naomi-1 12kV Conversion
Construction continues to progress as scheduled, with an expected completion by mid-August. The conversion to 12kV is anticipated to take place in late August.

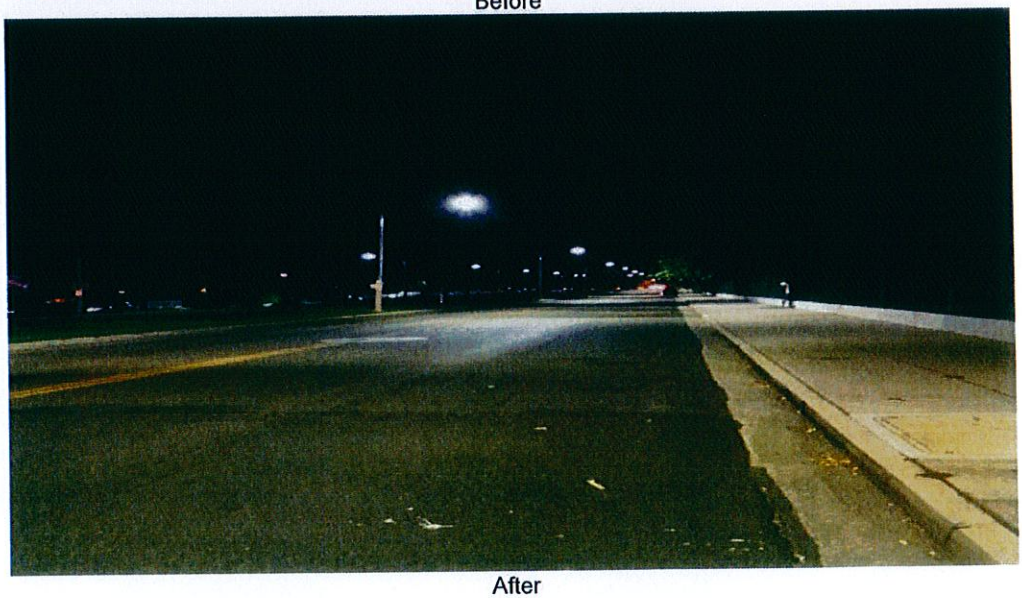
Naomi-15 12kV Conversion
Engineering is complete and the work order will be issued by August. The circuit is anticipated to be converted to 12kV in July of 2015.

CALTRANS I-5 Widening
BWP is awaiting Caltrans' contractor to begin the next phase of constructing the utility infrastructure from the intersection of Victory Place and Empire Avenue to the east side of the I-5 Freeway, just west of Grismer Avenue.

STREET LIGHTING

Series Conversion and New LED Standard
BWP has an ongoing program to eliminate high voltage series streetlight circuits and replace them with low voltage, 120 Volt circuit. These low voltage circuits are safer to work with and easier and cheaper to maintain. As part of this program, the streetlights on Chandler Blvd., from Mariposa St. to Buena Vista St., have been converted to low voltage circuits. Also, BWP has adopted LEDs as the standard luminaires for the city streetlights. Thus, the above mentioned streetlights were also replaced with LED luminaires.

Before



After

CUSTOMER SERVICE

Plug-In Electric Vehicle (PEV) Charging Program.

Eleven PEV charging stations are in service. Burbank citizens and visitors enjoyed the Burbank City Council approved rate holiday until July 2012. PEV charging is $2 per hour. Staff is monitoring usage. The 133 E. Orange Grove location recorded the most sessions (130) with 217 total hours of usage. The 301 E. Olive location recorded the fewest sessions (28) with 83 total hours of usage.

Month of usage	KWh	GHG savings in kilograms (kg)	Occupied time (hours)
January 2013	1,173	513	396
February	1,136	477	366
March	1,158	487	367
April	1,443	606	420
May	1,780	748	486
June	2,217	935	612
July	2,576	1,080	706
August	2,788	1,171	781
September	2,594	1,090	719
October	2,983	1,253	823
November	2,627	1,103	741
December	2,395	1,006	712
January 2014	2,524	1,060	681
February	2,323	976	632
March	2,725	1,145	746
April	3,276	1,376	888
May	3,144	1,320	856
June	3,009	1,264	876

* GHG has been adjusted based on revised US EPA data.

TECHNOLOGY

Broadband Services (ONE Burbank)

	June New Orders	Revenues for June 2014	FYTD 2013-14 Revenues	FYTD Budget
Lit	4	66,951	788,411	750,000
Dark	3	226,065	2,504,733	2,250,000
Total	7	293,016	3,293,144	3,000,000

POWER SUPPLY

Project Updates:

Power Supply Engineering
Lake Cooling Tower Project

This project has an approved budget to procure and install a forced circulation counter-flow cooling tower, two (2) circulating water pumps that will draw water from the Reclaimed Water Tank, and a chemical addition system for circulating water treatment for the Lake Power Plant. This new cooling tower system will be located at the oily water containment area adjacent to the Fuel Gas Compressor Building. Activities

include process and structural engineering of the system and support structures. When the Olive Plants were placed in dry-layup, a cooling tower was rented to address cooling requirements for the Lake Power Plant. The new cooling tower system will cool the Lake Power Plant turbine lube oil, generator lube oil, and fuel gas compressor, eliminate current ongoing cooling tower rental costs, and provide the power plant with a dedicated cooling tower to promote power system reliability.

The cooling tower was delivered on March 19. Allied Steel delivered the cooling tower support structure on June 5 and the chemical tote shed on June 11. BWP staff has set the cooling tower support structure and erected the cooling tower on the structure. BWP staff efforts continue on the fabrication and installation of the interconnecting piping system, instrumentation, and power supply. The remaining system components and materials have been procured and are on hand to facilitate the system installation work. Installation of the metal siding for the chemical tote shed was completed on July 11. Construction was completed on July 25 with commissioning and close-out to be completed by August 8.

Variable Frequency Drive Project

This project has an approved budget to engineer, procure, and install a Variable Frequency Drive (VFD) system on the Fuel Gas Compressors (FGCs) at the Magnolia Power Plant (MPP) to save energy and improve the system's reliability. The existing FGC equipment consists of two fully redundant reciprocating gas compressor skids that operate at a fixed motor speed and are configured with a gas recirculation control valve to accommodate fluctuations in service demand. This recirculation loop normally transfers about one-third of the compressed fuel volume flow, which represents a significant amount of wasted energy that can effectively be mitigated through implementation of the proposed VFD system.

A P.O. was issued to Rockwell on June 16 and Rockwell's project manager was assigned to the project on July 3. A kick-off meeting between BWP representatives, Rockwell, and Black & Veatch (BWP's engineer) occurred the week of July 21. Detailed fabrication drawings from Rockwell will be submitted for BWP review and approval by August 18. The VFD system is expected to be ready for delivery by the end of the calendar year, and the schedule for installation by BWP's electricians will be coordinated with a planned outage at MPP during early 2015.

Fire Protection System Upgrades

This project upgrades the fire protection systems within portions of the Magnolia Service Building (MSB) and at the Steam Turbine Generator (STG). A new clean agent (inert gas) fire suppression system, interlocked with a new dry-pipe sprinkler (pre-action) system, will replace the existing wet fire sprinkler pipes inside the Cable Termination (Co-Locate) Room and the Telecommunications Room on the first floor of the MSB. This new system will be the first response to a fire followed by activation of the sprinkler system, if required after a pre-determined delay, to mitigate the risk of damaging expensive electrical equipment in these rooms. Six new heat detectors will be installed around the steam turbine generator bearings at MPP to augment and improve the existing fire prevention system's activation response time by immediately triggering the deluge water spray system; this will satisfy a recommendation from the insurance engineer.

Cosco, the selected vendor for implementation of the fire protection system upgrade, is approximately 90% complete with the Clean Agent System installed at the Magnolia Service Building. The remaining efforts include interconnections to shut down all Mitsubishi AC units, pre-testing, final programming and fan test, fire department inspection, and close-out activities. Installation efforts for the heat detector system at the Steam Turbine Generator building were completed on June 26. However, two heat detectors were relocated to obtain improved operation, minor field adjustments were made, and final testing occurred. These efforts were performed on July 26 during the scheduled plant outage. Fire department inspection was performed during the week of July 28, with close-out efforts to be completed by the week of August 11.

Materials Handling Area Project

The Material Handling Area (MHA) project is comprised of segregated areas for material storage and waste handling. One portion of this facility has four discrete storage compartments to meet BWP's need for temporary handling and storage of dirt, asphalt, gravel, and rubbish. This covered storage area will eliminate the current use and cost of off-site storage containers, improve logistical control and efficiencies in deploying and removing temporary materials, prevent material migration and storm water contamination due to weather conditions, and generally improve site cleanliness and organization.

An adjacent portion of this facility is dedicated for temporary covered storage of oil-filled electrical equipment that contains waste by-products. This area will include two separate recessed concrete containment pits with sumps to control any potential waste material releases. The covered areas with secondary containment will mitigate potential soil and storm water contamination, as this semi-enclosed space will provide a higher level of protection from adverse weather conditions to meet regulatory requirements and best practices.

Tyler Gonzalez Architects, Inc. (TGA) submitted its progress design drawings to BWP on June 19. These were reviewed and accepted by BWP. TGA submitted the design drawings for plan check the week of July 28. Bidding for construction is to commence by late September, with the start of construction to occur in mid-November. Substantial completion and occupancy/use is planned to occur by the end of June 2015. TGA's effort also includes work on the Central Laboratory Project.

Central Laboratory Project

This project has an approved budget to design, bid, and build a 760 gross square foot water quality testing laboratory within the MPP boundaries to support operations required to verify proper water chemistry. This new facility provides space for determining water quality control, storage for operator's safety gear, separate restrooms for use by staff and outside service providers, an operator work station, and all furniture, fixtures and equipment (FF&E) to support stand-alone operations. The new Central Laboratory will improve operator safety and productivity and can be used to augment the ZLD water quality laboratory as needed. A PEMB approach will be implemented as a cost-effective alternative to traditional building construction. The bidding for this project is being combined with the Material Handling Area Project to promote contractor interest and reduce overall projected construction costs through economy of scale.

As detailed in the Material Handling Area Project status, Tyler Gonzalez Architects, Inc. (TGA) submitted its progress design drawings to BWP on June 19. These were

reviewed and accepted by BWP. TGA submitted the design drawings for plan check the week of July 28. Bidding for construction is to commence by late September, with the start of construction to occur in mid-November. Substantial completion and occupancy/use is planned to occur by the end of June 2015.

Power Resources
Intermountain Power Project (Delta, UT) Renewal Progress

The Intermountain Power Project (IPP) participants, including BWP, continue to discuss post-coal repowering (called "renewal") for IPP. The current contracts expire in 2027. BWP staff believes the renewal proposal fails to address renewable energy issues. The proposal is under consideration in Burbank's Integrated Resource Planning (IRP) process. The IRP process is important, given that conservation continues to be the least cost resource and the increasing penetration of intermittent renewable energy on the grid and an accompanying need for fast-ramping resources to integrate that energy and available transmission to transmit it to load, in each case in a way that ensures reliable operations, balanced with concerns of over-reliance on natural gas.

BWP staff has seen an increasing agreement of its view by many of the other IPP participants, from both California and Utah, and a resulting desire to thoughtfully assess and consider developing alternatives at IPP. These alternatives might include a combination of different generation (and perhaps energy storage) technologies and the facilitation of renewable technologies at the site, as well as a better optimized allocation of transmission rights. This increasing agreement was confirmed, in BWP's view, by the results of a participant survey by LADWP; this view of the survey results was not shared by LADWP.

In the meantime, IPP's owner, the Intermountain Power Agency (IPA), has, in concert with LADWP, issued a formal request for renewal, including proposed renewal contracts for approval by each participant. BWP staff, along with legal counsel from the City Attorney's office, is carefully reviewing these proposed renewal contracts and assessing BWP's strategic options. BWP has held preliminary discussions with LADWP and the owner of IPP, the Intermountain Power Agency, to discuss these proposed renewal contracts. In addition, LADWP has also proposed a separate agreement with the other Southern California participants, which BWP is also reviewing.

On a related note, the Western Electricity Coordinating Council (WECC), which oversees the Western U.S. electrical grid, approved BWP's proposal to study the development of large-scale compressed air energy storage (CAES) at the IPP site. A number of other market participants joined BWP in this proposal, including Wyoming wind project developer Pathfinder Wind, transmission developer Duke American Transmission Company (DATC), salt cavern developer Magnum Resources, and technology provider ABB.

This study focuses on the use of CAES at the IPP site to firm and shape cost-effective Wyoming wind energy, brought to IPP by DATC's Zephyr transmission project and transmitted to Southern California by the existing Southern Transmission System; the transmission line that brings IPP's output to our area. BWP and its partners are currently working to support this study with planning models and the assumptions necessary for the study. The study should be complete by the end of 2014.

As noted above, BWP is also pursuing a comprehensive IRP process. The IRP will assist BWP in determining the appropriate solution for BWP at IPP.

Power Resources

Balancing Authority Services

LADWP has cancelled the Southern California Utility Power Pool (SCUPP) agreement, which governs the participation of LADWP, BWP, and Glendale Water and Power (GWP) in LADWP's balancing authority, and proposed, in its stead, a new agreement. It is not clear what effect this cancellation has had. Operations do not appear to have been affected by the cancellation of the SCUPP agreement.

What BWP and Glendale have seen of LADWP's proposed new agreement does not meet BWP's (or GWP's) needs, either from a structural or a pricing standpoint. In addition, the contract structure proposed by LADWP did not yet conform to modern standards for balancing authority agreements.

In August 2013, LADWP issued a proposed Open Access Transmission Tariff (OATT). An OATT is issued by a utility, such as LADWP, to set the terms and conditions, under which any electric market participant may purchase access to that utility's transmission system and associated resources. Under industry practice, a utility issues a proposed OATT for stakeholder review and comment; an OATT is then finalized and implemented only after stakeholders have had an opportunity to gain a detailed understanding of the technical, commercial, and financial assumptions underlying the proposed OATT and to challenge those assumptions through a public process, during which the issuing utility defends those assumptions and the proposed OATT. The Los Angeles City Council approved this OATT on July 1.

LADWP, BWP, and GWP have agreed in principle to consider negotiating a balancing authority agreement on the basis of an LADWP OATT. However, BWP staff and a team of outside specialists, in conjunction with GWP, remain very concerned about the new OATT's consistency with current rate-making public policy. Assessing this consistency requires a detailed understanding of the assumptions underlying the OATT, and then comparing that understanding with the policies and practices established by the Federal Regulatory Energy Commission. Neither the substance of the new OATT nor the now completed stakeholder process is consistent with current rate-making public policy. In addition, the relationship between the new OATT and a balancing authority agreement has not been clarified. BWP and GWP continue to discuss these matters with LADWP. In this connection, staff from BWP and GWP, together with legal counsel, formally expressed these concerns at open meetings during the OATT approval process culminating at the Los Angeles City Council Despite these concerns, the proposed OATT was approved and, is now effective. BWP and GWP staff, together with legal counsel, are considering options to protect their respective ratepayers' interests.

In the meantime, BWP continues discussions with LADWP, proposing a modern, equitable balancing authority framework for LADWP's consideration. These discussions are at an early stage, but BWP is hopeful that LADWP will seriously consider BWP's proposal. BWP has also brought GWP into these discussions. BWP is also beginning discussions with the California Independent System Operator, which operates the electrical grid and acts as the balancing authority for most of California, to understand the full range of balancing authority options for BWP and its fellow Southern California municipal utilities (potentially including LADWP).

In the end, the need for such a balancing authority agreement must be clearly demonstrated to be based on a rational basis, and be consistent with current rate-making practices and policy.

Power Resources
Integrated Resource Planning (IRP) Process
BWP is in the midst of a comprehensive IRP process. An IRP is a comprehensive planning process by which a utility communicates with its stakeholders about the opportunities and challenges associated with the community's projected energy demands and the alternative power supply and conservation demand management resources, as well as the environmental issues related to reliably meeting the demand for energy.

BWP's IRP team shaped an IRP process to meet Burbank's needs, with a significant emphasis on public outreach. In this regard, BWP's IRP process consists of three phases: 1) preliminary public outreach, focused on helping the public understand BWP's business and the issues it faces, and to seek public feedback (Phase One); 2) intensive scenario modeling around those issues, followed by additional results to communicate observations and conclusions and confirm public feedback (Phase Two); and 3) documentation of the IRP process, observations, conclusions and public feedback.
In this connection, BWP has engaged Liedos (formerly SAIC and R.W. Beck), a major power industry engineering and consulting firm, to assist in detailed scenario modeling

Phase One was completed in April and Phase Two is now well underway, focused on scenario modeling. Once this scenario modeling is complete, BWP's IRP team will engage the public again.

Power Resources
Copper Mountain 3 Solar Project
In late 2012, BWP signed a 20-year, 40 MW power purchase agreement with Sempra's Copper Mountain 3 Solar Project, a 250 MW solar project currently under construction in Boulder City, Nevada. The project, which is coming online in ten phases of roughly 25 MW each, produced its first test energy from its first phase on May 12 and now has two phases, totaling approximately 52 MW, online. BWP is receiving its 16% share of test energy as it is produced. Sempra expects to bring additional phases online through the end of 2015, when the entire 250 MW (and BWP's 40 MW share) will be operational.

city of burbank
community development department

memorandum

DATE: August 14, 2014

TO: Mark Scott, City Manager

FROM: Joy R. Forbes, Community Development Director

SUBJECT: **BURBANK HOSPITALITY ASSOCIATION MEETING – AUGUST 13, 2014**

- Jeff Rector, President of the Burbank International Film Festival, gave an update on the 2014 Festival. The event will take place in Downtown Burbank from September 3rd through the 7th. The event's opening night screening will take place at the Burbank AMC 16 for the first time in the event's history.

- The Burbank Hospitality Association (BHA) Board considered sponsorship opportunities for the remainder of 2014. There was significant dialogue on importance of supporting organizations and events, while at the same time being mindful of the budget and the organization's goal to increase hotel occupancy and visitors to Burbank's retail establishments. This resulted in a vote to support the following events:
  - Burbank International Film Festival - $2,000
  - DTN BUR OktoBURfest - $5,000
  - Creative Talent Network Animation Expo - $5,000
  - YMCA Turkey Trot - $1,000
  - The Rink in DTN BUR - $7,500

- The BHA Board voted to create Visit Burbank stationary including letterhead, envelopes, and business cards to pass out during trade shows and conventions.

- Due to time constraints, agenda items pertaining to a calendar of events and website and marketing updates were tabled to the September 10, 2014 meeting.

city of burbank
community development department

memorandum

DATE: August 12, 2014

TO: Mark Scott, City Manager

FROM: Joy R. Forbes, Community Development Director

SUBJECT: Planning Board Actions of August 11, 2014

At the regular meeting of August 11, 2014, the Planning Board discussed the following items:

1. 407 Bethany Road | Project No. 13-0008878 | Conditional Use Permit

After conducting a public hearing, continued from the meeting of July 14, 2014, the Board voted 3-2 to deny a Conditional Use Permit to convert the existing 1,944 square foot, single-family house in a R-1 Single Family Residential zone into a private educational institution (pre-school & religious education).

2. 1308 West Burbank Boulevard | Project No. 14-0002459 | Conditional Use Permit

The Board voted 5-0 to approve a Conditional Use Permit to allow expansion of the Burbank Temporary Aid Center (BTAC) into an existing 2,150 square foot, one-story commercial building located at 1308 West Burbank Boulevard adjacent to the existing BTAC facility at 1304 West Burbank Boulevard.

The Board's decisions on item 1 and item 2 are final. Modifications may not be made, nor the decision of the Board reversed, unless the Board's decision is appealed by the public or the Council as a body decides to set the matter for a public hearing in lieu of an appeal. Any Council Member requesting Council review of this matter must make the request at the City Council meeting of August 19, 2014 or August 26, 2014.

CITY OF BURBANK

PARK, RECREATION AND COMMUNITY SERVICES
ANNOTATED AGENDA/MEETING SUMMARY

Meeting: Park, Recreation & Community Services Board Date: Thursday, August 14, 2014

Staff Present: Judie Wilke, PRCS Director; Marisa Garcia, Assistant Director; Johnathan Frank, Administrative officer; Graciela Coronado, Administrative Analyst II; Melissa Colasanto, Senior Clerk; Gwen Indermill, Recreation Manager; Jon McGinley, Recreation Coordinator; and Carol Mercado, Recreation Supervisor.

Board Members Present: Mr. Gussow, Mr. DePalo, Mr. Hirsch and Mr. Barta

Board Members Absent: Mr. Aghakhanian

Council/Board Liaisons Present: None

Item Discussed		Summary	Direction or Action, if any
1	Announcements	Chair Gussow announced that Item number 1 on the agenda, the DeBell Golf Course Operations Report, was postponed at the request of the Debell Golf Course Operator. This item will be postponed and rescheduled to the September 11th meeting. He also announced that The City Clerk's Office would like to inform everyone that the newly approved EComments will go live for the September 11th Park, Recreation, and Community Services Board meeting. Ms. Garcia announced the following: • The Burbank BMX/ Skate Park is holding its annual End of the Summer Bike-tacular on Saturday, August 16th from 5:00-9:00 p.m.; • After School Daze will begin on Monday, August 18th at Disney, Edison, Emerson, Jefferson, McKinley, Miller, Providencia, Roosevelt, and Stevenson; • The City of Burbank's Rock-a-Hula Pool Party event is scheduled on Thursday, August 21, 2014 from 4:00 to 6:00 p.m. at the Verdugo Aquatic. Registration is	N/A

		available online - burbankparks.com; • The City of Burbank's 23rd Annual Dodger Night is scheduled on Saturday, August 23, 2014 at 6:10 p.m.; and • The Verdugo Recreation Center will be getting a new roof. Verdugo Recreation Center, Verdugo Aquatics Facility, and tennis court closest to the recreation center will be closed during construction: September 2 through October 6.	
2	Recognitions	The Board recognized several Docents and Jr Docents from the Stough Canyon Nature Center.	N/A
3	Oral Communications	Appearing to Oral Communications were: Georgette Bishop spoke in support of the Burbank Tennis Center and questioned the negotiations process. Mack Dugger expressed his concerns regarding the lack of park patrol at the Stough Canyon Nature Center. Claire Duggerr provided the Board with specific vandalism occurrences she has witnessed at the Nature Center. Bill Huch spoke in support of the Burbank Tennis Center. Rick Botts thanked the Board for moving forward with the dog park site selection. Randy Kubler stated that he was in favor of the dog park development at the Starlight Bowl Parking lot. Laverne Thomas spoke in favor of the Johnny Carson Park site for the development of a dog park. She recommended that	N/A

		the Board not make a recommendation tonight in order for additional research to be conducted on the recently discovered Los Angeles City project slated at Johnny Carson Park. Sunny Singer spoke in support of developing a dog park. Nancy Kane spoke in support of developing a dog park. Shelly Rizzotti spoke in favor of moving forward with the selection of a dog park site.	
4	Response To Oral Communications	Ms. Wilke responded to the oral communication regarding park patrol. She noted that vandalism occurs at all parks. However, PRCS staff recently started to lock gates at various facilities in order to ensure that the facilities remain locked during the night. Staff has been in contact with the Police Department to discuss a better approach to prevent vandalism.	N/A
5	Written Communications	Chair Gussow reported that the Board received written communications from Steve Starleaf and Mary Alvord regarding the Burbank Tennis Center.	N/A
6	Park Board Comments	None	N/A
7	Debell Golf Course Operations Report	The DeBell Golf Course Operations Report was postponed to the September 11, 2014 Board meeting.	N/A
8	Annual Report From the Colony Theatre	The Board received an annual report from Barbara Beckley, operator of the Colony Theatre. Ms. Beckly reviewed the past and upcoming performances at the Colony Theatre. She also provided the Board with an	Noted and Filed.

		update on the Colony Theatre's current financial status.	
9	Burbank Tennis Center Management & Operations Agreement	Ms. Garcia provided the Board with a report regarding the management and operations agreement between the City and Burbank Tennis Center (BTC). She reviewed the terms of the management and operations agreement.	4-0 Board approved recommending to Council that the management and operations agreement of the Burbank Tennis Center be approved as written with the exception of adding the three five-year renewal extensions.
10	Potential Dog Park Sites Tour Update	Ms. Wilke provided a brief overview of the potential dog park sites tour on Thursday, July 24, 2014. The Board further discussed the potential dog park sites tour. The Board was in favor of pursing the Starlight Bowl Lower Parking lot for the development of a dog park.	4-0 Board approved recommending to Council the Starlight Bowl Lower parking for the development of an off leash dog park.
11	Board Liaison Selection	The Board approved to table this item to the September meeting. The Board felt that all members should be present for the liaison appointments.	4-0 Board approved tabling the Board Liaison Selection to the September meeting.
12	Consent Calendar	<u>Approval of Minutes</u> Minutes of the June 12, 2014 and July 24, 2014 meetings were approved. <u>Community Garden – Final Design Selection</u> Noted and Filed. <u>City Council Agenda items Update</u> Noted and Filed. <u>Contract Compliance</u> Noted and Filed. <u>Park Patrol Report</u> Noted and Filed. <u>Departmental Operations Update</u>	4-0 Board approved the consent calendar.

		Noted and Filed.	
13	Tabled Items	None.	N/A
14	Second Period of Oral Communications	None.	N/A
15	Additional Comments from the Board	Mr. DePalo expressed his appreciation on staff's professional performance at day camps, and the recent memorial tree planting in honor of his mother. He also announced that the Walk of Fame induction will take place October 4, 2014. Lastly, Mr. DePalo noted that the Home Delivered Meals Program is in need of volunteer drivers. Mr. Barta and Mr. Gussow thanked staff for a productive summer. They both expressed their appreciation for the opportunity to serve on the Board.	N/A
16	Introductions of New Agenda Items	None.	N/A
17	Adjournment	The meeting was adjourned at 8:42p.m.	N/A

July 16, 2014

A regular meeting of the Burbank Police Commission was held in the Council Chamber of City Hall, 275 East Olive Avenue, on the above date. The meeting was called to order at 1815 hours by Commission Chair, William Pletcher.

CALL TO ORDER AND ROLL CALL

Present: Commissioners Cohen, Hergelian, Pletcher, Rubinfeld, Stearns-Niesen, Vest, and Warmack

Also Present: Chief LaChasse, Deputy Chief Angel, Captains Albanese, Caruso and Cremins, Senior Assistant City Attorney Oh, and Senior Secretary Cole

INVOCATION AND FLAG SALUTE

The invocation was led by Commissioner Stearns-Niesen and the flag salute by Commissioner Warmack.

COMMISSION ANNOUNCEMENTS AND REPORTING OUT BY COMMISSION SUBCOMMITTEES

None

ORAL COMMUNICATIONS

None

RESPONSE TO ORAL COMMUNICATIONS

None

APPROVAL OF MINUTES FROM JUNE 18, 2014

Commissioner Rubinfeld, made a motion, seconded by Commissioner Cohen, to approve the minutes from the June meeting as written. Motion carried by Commissioners Cohen, Hergelian, Pletcher, Rubinfeld, Vest, and Warmack, with one abstention by Commission Stearns-Niesen.

ITEMS OF BUSINESS

1. **Presentation of the draft of the monthly Part 1 crime incidents map**

Crime Analyst Statland presented the crime trends in the City and the efforts of the Department for crime suppression and prevention. Property crimes, including bike theft, theft from motor vehicles and shoplifting, are the most problematic of the Part 1 crimes in the downtown area and the Empire Center. Commissioners requested an updated presentation at each monthly meeting.

2. **Grading of progress on critical strategies of the Strategic Plan**

Commissioner Cohen, made a motion, seconded by Commissioner Warmack, to grade the Computer Crimes report as Satisfactory. Motion carried by Commissioners Cohen, Hergelian, Pletcher, Rubinfeld, Vest, and Warmack, with one abstention by Commission Stearns-Niesen.

Commissioner Cohen, made a motion, seconded by Commissioner Vest, to grade the monitoring of overtime expenditures report as Satisfactory. Motion carried by Commissioners Cohen, Hergelian, Pletcher, and Vest; opposed by Commissioners Rubinfeld and Warmack; one abstention by Commission Stearns-Niesen.

3. **Presentation and discussion of critical strategies of the Strategic Plan**

Recruitment - Deputy Chief Angel summarized recruitment efforts since 2010 (29 new hires, 7 lateral transfers). Community and college outreach, enhanced website, social media, job fairs, media, and other law enforcement associations were utilized to enhance and diversify recruitment efforts.

Background investigations – Deputy Chief Angel stated the Department has one detective who conducts background investigations. With a multitude of sworn and civilian vacancies, and the need to run background checks on volunteers (Shelter, Reserves, and station volunteers) as well, the Department has outsourced a portion of the process to two entities to supplement the efforts of the background detective.

4. **Discussion of the results of the police survey conducted as part of the CALEA accreditation process**

Lieutenant Dermenjian stated 370 on-line surveys were completed by community members. The overall results were favorable:

- 89% of respondents indicated they felt safe in the City of Burbank
- 66% believed speed/reckless driving is a major problem in the city
- 85% of the respondents agreed/strongly agreed BPD personnel were professional and helpful
- 90% are aware of police programs (Neighborhood Watch, Community Academy)
- 94% agreed/strongly agreed that BPD will respond quickly when called for an emergency

As part of the on-site assessment phase, CALEA assessors will conduct a community forum on August 4th, 6:00 p.m. in the City Council Chamber, to evaluate direct feedback from the public.

5. **Police Commission's potential undertaking of additional responsibilities within the powers authorized by the City Charter**

Commissioners discussed and came to a consensus to request the Department provide quarterly reports/summaries on citizen complaints similar to the report prepared and distributed as part of the CALEA accreditation process.

Commissioners would like review Department audit reports or a summary of findings. Senior Assistant City Attorney Oh offered to review a list of internal audits with the Command Staff and provide a sample report for review next month; Chief LaChasse suggested the Sergeant responsible for the audits provide an overview of the process.

6. **Selection of NACOLE conference attendees**

Commissioners Hergelian, Pletcher, and Stearns-Niesen are available and willing to attend the conference. Final attendees are to be determined based on funding approved by the City Council.

7. **Briefings by the Police Administrative Staff**

Chief LaChasse announced:

- 8/5 National Night Out – to be held at the Police/Fire Headquarters this year
- Recruitment is ongoing for new police officers and lateral transfers – filing closes on August 1st
- Police Administrator Wilson, with Detective Jamal Childs and Officer Jonathan Dugas, attended the National Association of Black Law Enforcement Executives (NOBLE) conference
- Women Leaders in Law Enforcement conference will be held in October in Anaheim; a contingent of sworn and civilian personnel will be attending
- July 25 - August 2, 2015 Special Olympics – Burbank will be a host city
- Ford Explorers are being integrated in to the fleet

FINAL PERIOD OF PUBLIC COMMENTS

Appearing before the Commission was Mike Elman, who commented about speed enforcement on major streets (e.g. Glenoaks), which results in offenders driving on residential streets.

RESPONSE TO ORAL COMMUNICATIONS

Staff and Commissioners responded to Mr. Elman's comment.

COUNCIL LIAISON COMMENTS

Mayor Gordon – will discuss with the City Manager and Council members about attendance for the three Commissioners to the NACOLE conference; commented on meeting a representative from PredPol (predictive policing software).

Vice Mayor Frutos – will also be attending the NACOLE conference

INTRODUCTION OF AGENDA ITEMS FOR FUTURE MEETINGS

Commissioner Stearns-Niesen made a motion, seconded by Commissioner Rubinfeld, to have a presentation and discussion on the audit process and review a sample report. Motion carried by Commissioners Cohen, Hergelian, Pletcher, Rubinfeld, Stearns-Niesen, Vest, and Warmack.

Commissioner Stearns-Niesen made a motion, seconded by Commissioner Pletcher, to have a presentation and discussion about force hiring policies and its effect in the Patrol Division due to vacancies. Motion carried by Commissioners Cohen, Hergelian, Pletcher, Stearns-Niesen, and Warmack; opposed by Commissioners Rubinfeld and Vest.

Commissioner Warmack made a motion, seconded by Commissioner Rubinfeld , to remove agenda Item #5 (Police Commission's potential undertaking of additional responsibilities within the powers authorized by the City Charter) as an ongoing agenda item. Motion carried by Commissioners Cohen, Hergelian, Pletcher, Rubinfeld, Vest, Stearns-Niesen, and Warmack.

NEXT MEETING DATE

The next regularly scheduled meeting of the Police Commission is Wednesday, August 20, 2014.

ADJOURNMENT

There being no further business to come before the Commission, the meeting adjourned at 2045 hours.

Amy Vest, Secretary
Burbank Police Commission

s

CITY MANAGER'S OFFICE

CITY NOTES

Important Updates for the Burbank City Council

August 15, 2014

National Night Out a Success

The Burbank Police Department celebrated National Night Out on Tuesday, August 5, 2014. There were approximately 500 participants that gathered between 5:30 p.m. and 8:00 p.m. at the Police Station. There were also over 20 block parties that were attended by another 800 community members. Through the success of the event, the Police Department was able to provide some valuable resources to our community members.

Important Park Hours Announcements

Park, Recreation and Community Services staff is now locking the gates at Wildwood, Stough Canyon Nature Center, Stough, Bel Aire, Brace Canyon and Robert Gross Park every night by 10:00 p.m. The month of August will serve as a grace period in which vehicles left in the parking lot after 10:00 p.m. will have a courtesy informational note placed on the windshield. Beginning September 1, if vehicles are left in the parking lot after hours, the gate will be locked, and the vehicle will be subject to impound. Park patrons will then need to contact the Burbank Police Department for assistance.

Take Your Child to Work Day

On Thursday, July 31, 2014, City employees had the opportunity to bring their children ages 7-17 to *Take Your Child to Work Day*. More than 45 City employee kids experienced a multitude of services the City of Burbank has to offer. They participated in a tour of the Civic Center where they met some members of City Council. The children then continued on to a tour of the Animal Shelter, Police and Fire Headquarters, the Burbank Recycle Center, and Library. The children then enjoyed lunch with their parents and were invited to spend the rest of the day with them at their work sites.

BPD Targets Catalytic Convertor Thefts

On July 22, 2014, BPD Detectives initiated an operation to combat recent catalytic convertor thefts from vehicles. Three unmarked police vehicles were fielded in a specific geographic area of the city. As a result of this focused operation, police made three arrests and recovered two stolen catalytic convertors.

Water Carnival Makes a Splash

On Saturday, August 2, 2014, the Park, Recreation and Community Services Department hosted the Annual Water Carnival at McCambridge Pool. 'Burrr-Bear' the mascot greeted all 285 attendees as participants arrived to experience *Summer Froze Over*. Patrons were provided an opportunity to make "cool" crafts and participate in face painting activities on the pool deck, as well as participate in a variety of games in the pool. Those in attendance also enjoyed a beautiful night of recreational swimming with their family, friends and fellow community members.

Summer Reading Club 2014

The 2014 Summer Reading Club was a major success. The Friends of the Burbank Public Library were especially helpful in funding the SRC which encouraged residents of all ages to read throughout the summer. The Library was able to offer diverse programming, including magicians and puppet shows for children; comedians and reader's theater for teens; concerts and author visits for adults and more. Impressively, children in grades 1-5 turned in 4,264 book reports and the teens turned in 637 book reviews this summer, maintaining both their reading and writing skills until schools resume this month. In total, more than 13,000 individuals participated in the Summer Reading Club.

Creative Arts Center Summer Exhibit

Summer Splash by Studio 10 was recently on display at the Creative Arts Center. The show consisted of strictly watercolor paintings from a variety of local artists, most of which are from the San Fernando Valley. The opening reception for this art gallery show was on Friday July 11, 2014, and ran through Thursday, July 31, 2014.