



Weekly Management Report

September 28, 2018

- 1. Synopsis** Parks and Recreation Board
September 13, 2018
Parks and Recreation Department
- 2. Synopsis** Sustainable Burbank Commission
September 18, 2018
Public Works Department
- 3. Synopsis** Burbank Cultural Arts Commission
September 13, 2018
Parks and Recreation Department
- 4. Update** Request for Proposal (RFP) Process for
Debell Golf Course
Parks and Recreation Department
- 5. Synopsis** Planning Board Actions of September 24, 2018
Community Development Department
- 6. Agenda** Burbank-Glendale-Pasadena Airport Authority
Regular Meeting of October 1, 2018
Burbank-Glendale-Pasadena Airport Authority
- 7. Report** August 2018 Operating Results
Burbank Water and Power Department

**CITY OF BURBANK
PARKS AND RECREATION
ANNOTATED AGENDA/MEETING SUMMARY**

Meeting: Parks and Recreation Board

Date: Thursday, September 13, 2018

Staff Present: Judie Wilke, Parks and Recreation Director; Marisa Garcia, Assistant Parks and Recreation Director; Kristen Smith, Deputy Director; Grace Coronado, Senior Administrative Analyst; Kristen Hauptli, Administrative Analyst I; Cindy Yee Akuin, Administrative Analyst I; Andrea Yanez, Senior Recreation Leader; and Patricia Molinar, Recording Secretary.

Board Members Present: Ms. Lowers, Ms. Burghdorf, Mr. DePalo, and Ms. Jackson

Board Members Absent: Mr. Gussow

Item Discussed	Summary	Direction or Action, if any
1	Announcements Ms. Cindy Yee Akuin announced the Department's upcoming activities and events.	
2	Recognitions Chair Lowers and Andrea Yanez presented certificates of recognition to the participants of the Counselor-In-Training Program.	
3	Oral Communications None.	
4	Written Communications None.	
5	Park Board Comments The Board thanked the Counselor-In-Training participants for their dedication and great partnership.	
6	Election of Liaison Assignment The Board was to engage in a discussion resulting in the election of Park Board liaisons.	Due to Mr. Gussow's absence, the election of board liaisons was rescheduled for the next Board meeting, or at the Board meeting when all members are present.
7	Burbank Tennis Center (BTC) Annual Report – Fiscal Year 2017-18 Ms. Garcia reported that the P&R Department continues to be pleased with Mr. Starleaf's (Operator) management of BTC and noted that agreement obligations, with the exception of two new instructors obtaining First Aid and CPR certification, have been met. Ms. Garcia introduced Mr. Starleaf who updated the Board on the array of lessons, clinics, leagues, tournaments, special events, and significant achievements for the FY 17-18.	Noted and Filed.

**CITY OF BURBANK
PARKS AND RECREATION
ANNOTATED AGENDA/MEETING SUMMARY**

8	Burbank Program, Activity, and Service Subsidy (Burbank PASS) Six-Month Update	Ms. Coronado provided the Board with a one-year update (July 2017 – June 2018) of the newly implemented citywide Burbank Program, Activity, and Service Subsidy (Burbank PASS) which has provided 435 (109 children and 326 adults) eligible City of Burbank (City) residents with financial assistance to participate or utilize citywide programs, activities, and services. The allowance is \$400 per eligible individual per fiscal year with a cap of \$1,200 per household. The majority of participants have chosen to benefit from Park and Recreation programs, activities, and services as well as the Community Development Department's transportation services. As the program grows, Staff will continue to provide excellent customer service and confidentiality and make annual adjustments as necessary to better serve the community.	Noted and Filed.
9	Consent Calendar	<p><u>Approval of Minutes</u> Minutes of the August 9, 2018 meeting were approved.</p> <p><u>City Council Agenda Items Update</u> Noted and Filed.</p> <p><u>Contract Compliance</u> Noted and Filed.</p> <p><u>Park Patrol Reports</u> The Park Patrol Report for August 2018 was noted and filed.</p> <p><u>Departmental Operations Update</u> Noted and Filed.</p>	It was moved by Mr. DePalo seconded by Ms. Burghdorf and carried 4-0 "to approve the Consent Calendar."
10	Tabled Items	None.	
11	Second Period of Oral Communications	None.	
12	Response to Second Period of Oral Communications	None.	
13	Additional Comments from the Board	None.	

**CITY OF BURBANK
PARKS AND RECREATION
ANNOTATED AGENDA/MEETING SUMMARY**

14	Introduction of New Agenda Items	None.	
15	Adjournment	The meeting was adjourned at 7:15 p.m.	It was moved by Ms. Jackson and seconded by Ms. Lowers and carried 4-0 "to adjourn the meeting".

SUSTAINABLE BURBANK COMMISSION
September 18, 2018

SYNOPSIS OF ITEMS ARE IN BOXES BELOW

I. ORAL COMMUNICATIONS:

A. Public Communication:

None.

B. Commission Member Communication:

Ms. Kirschenbaum announced that she spoke at the August 1, 2018 Council meeting regarding the Round Up chemical ban. She noted that the City voted against continuing the use of Round Up. Ms. Kirschenbaum stated that she met with Vice Mayor Springer concerning the Intermountain Power Plant (IPP). She attended a Pasadena Town Hall meeting regarding their Integrated Resource Plan (IRP). Ms. Kirschenbaum performed outreach at the Burbank Farmer's Market regarding clean energy. She also attended the Los Angeles Regional Planning Commission to oppose the Centennial development. Ms. Kirschenbaum stated that State Bill 100, requiring 100% carbon free by 2045, passed and Assembly Bill 813, grid regionalization, failed. She met with mayor Gabel-Luddy to voice her opposition to repowering IPP using gas. Ms. Kirshenbaum also attended a Dig Day at Izay park and would like more publicity for future Dig Days.

Mr. Yegparian suggested having an email reminder for Dig Days. He suggested that Dig Day reminders be included in meeting notices. Ms. Zimskind suggested that Commissioners participate in Dig Days as a group more often.

C. Staff Communication:

Mr. Molinar noted that this month's agenda was short due to the Landfill tour and next month's will return to normal.

Mr. Hampel announced that State Bill 212, regarding a pharmaceuticals and sharps stewardship program, passed. He noted that this moves responsibility to the manufacturers to create take back programs for pharmaceuticals and sharps. The City plastics/polystyrene policy has had no movement.

II. APPROVAL OF MINUTES:

Minutes from the August 20, 2018, meeting were approved by Ms. Zimskind, Mr. Goodman, Ms. Kirschenbaum, Mr. O'Brien, and Mr. Yegparian.

III. DISCUSS UPCOMING SUSTAINABILITY RELATED COUNCIL AGENDA ITEMS

The Commission may review and discuss upcoming Council agenda items that are related to sustainability matters. The Commission may ask questions of staff, engage in discussion, and provided feedback.

John Molinar mentioned that City Council will recognize previous Green Spotlight award winners at the September 25, 2018 meeting.

IV. INTRODUCTION OF ADDITIONAL AGENDA ITEMS:

At the May 14, 2009, Sustainable Burbank Task Force (now the Sustainable Burbank Commission) meeting, those present voted unanimously that members can suggest agenda items and obtain consensus from the group to have the items added to a future agenda.

Ms. Zimskind would like to be sure the Ad Hoc Community Scorecard Phase II Subcommittee is on the October 2018 agenda.

V. BURBANK GREEN SPOTLIGHT AWARD FOR OCTOBER 15,2018:

The Commission will review applications, if any, and select one if its members to identify a Burbank Green Spotlight Award winner for October 15,2018.

Ms. Kirschenbaum stated that the Green Spotlight award recipient for October 15 will be Shalini Maskara.

VI. ADJOURNMENT:

The meeting was adjourned at 5:32 p.m. and was followed by a tour of the Landfill for Commission members.

**CITY OF BURBANK
PARKS AND RECREATION - ANNOTATED AGENDA/MEETING SUMMARY**

Meeting: Burbank Cultural Arts Commission **Date:** September 13, 2018
Members Present: Mary-Elizabeth Michaels, Diana Means, Katherine Zoraster, Leah Harrison, Monica Groves
Members Absent: Barbara Beckley, Cynthia Pease, Jeff Rector
Staff Present: Judie Wilke, Kristen Smith, Erin Barrows, Paul Paolone, Caroline Arrechea
Liaisons:

Item Discussed	Summary	Direction or Action, if any
1. Goal Setting Meeting dates	After discussion, the Commission tentatively decided to hold the annual Goal Setting meeting on November 29 th from 9:00 a.m.-1:00 p.m. The date will be confirmed at an upcoming meeting once input is received from the members who were absent. An alternative date will be considered if the majority of the members are not available.	
2. Art in Public Places Update	There was no update.	
3. 2018 Burbank Cultural Arts Commission Goals Taskforces The Cultural Arts Commission has established goals to be accomplished over the next year: Goal 1: MARKETING/COMMUNITY OUTREACH Goal 2: WEBSITE/NEWSLETTER Goal 3: BEAUTIFICATION/ UTILITY BOXES MURALS/ TRAFFIC BOXES Goal 4: EVENTS/FUNDRAISING	<p>GOAL 1: The sub-committee continues to work on the newsletter, community outreach efforts, and supporting the events/fundraising committee efforts.</p> <p>GOAL 2: The sub-committee is working on a new social media strategy and continues to work on the website.</p> <p>GOAL 3: The sub-committee and staff are working with Public Works on the logistics of the signal box painting project. The Committee is still making inquiries regarding the DIY Center location for a possible mural project.</p> <p>GOAL 4: The sub-committee is moving forward with coordinating a poetry/spoken word event. They have selected November 30th as a potential date, but will consider December or January if that is not feasible. They are working on choosing a theme and possible venues. The sub-committee briefly discussed the success of the Asian Pacific American Heritage Month Pop-up Event.</p>	
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7.		

to: Council



DATE: September 25, 2018

TO: Ron Davis, City Manager

FROM: Judie Wilke, Parks and Recreation Director *Judie Wilke*

SUBJECT: UPDATE ON REQUEST FOR PROPOSAL (RFP) PROCESS FOR DEBELL GOLF COURSE

This memo is intended to provide an update on the search for a new operator of the DeBell Golf Course. Staff's last update was on May 24, as such staff felt it was important to provide a progress update at this time.

The RFP was released on May 24, 2018 on PlanetBids, and a mandatory informational meeting and walkthrough took place as scheduled on June 14. There were approximately ten (10) interested organizations that attended this meeting. Four (4) proposals were received by the due date on July 12. One of the proposals was a lease arrangement, two were for management of the entire facility, and one was for management of the concessions and not inclusive of the golf course and related functions.

All four proposals were independently evaluated by five individuals with some knowledge or expertise in golf, maintenance of golf courses, operations, contract management of golf courses, and/or planning/development. The evaluations were based on criteria stipulated in the RFP such as meeting the City's vision and goals of: minimizing the City's use of the General Fund resources to support golf operations and capital investment; employing professional staff and incorporating best management practices for DeBell; providing opportunities for community involvement to benefit City residents; and, investing in future capital improvements.

Following this review, the top three highest ranking proposals were invited to participate in an interactive interview process. Once again the interview panel was diverse and included staff from various departments, as well as a former golf professional who currently oversees golf courses for the County of Los Angeles and a community member with vast golf experience. At the conclusion of the interviews, there were two companies that stood out, with a clear first choice.

On August 29, Parks and Recreation staff visited golf courses in Santa Barbara operated by the top two proposals. Overall the site visits were very informative and reinforced the outcome of the interviews. Staff completed reference checks and received positive comments. Thus, staff is planning to begin negotiations with the top ranking proposer.

Staff will be providing the Parks and Recreation Board with an update on the general terms and conditions of the DeBell Golf Course agreement at their October 11 meeting. During this meeting, staff will solicit the Board's input. Moreover, staff will also encourage golf patrons to attend the Board meeting and provide input on the future of the DeBell Golf Course. Upon finalizing negotiations, staff will present the agreement to the City Council for approval.



memorandum

DATE: September 27, 2018
TO: Ron Davis, City Manager
FROM: Patrick Prescott, Community Development Director *For P. Prescott*
SUBJECT: Planning Board Actions of September 24, 2018

At the regular meeting of September 24, 2018, the Planning Board discussed the following items:

Hearing

1. **Project No. 15-3056 (Development Agreement) | 610-632 N. Hollywood Way & 3601 W. Verdugo Ave**

The Board was presented with a second amendment to the current Development Agreement (DA) related to PDs No. 88-2 and No. 99-1 allowing: (1) 51 parking spaces previously allocated for residential use to be used exclusively by tenants of the 30,000 square foot office building; (2) removing the language that allows commercial parking to be used by residential tenants after hours and on weekends; and, (3) a change in the maximum square footage and height allowed for the commercial office building 30,000 square feet and three stories, excluding parking levels. The Board approved the second amendment by a vote of 5-0.

The Board's decision on this item is 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 City Council as a body decides to set the matter for a public hearing in lieu of an appeal. Any City Council Member requesting City Council review of this matter must submit a request in writing to the City Clerk by October 9, 2018.

Attendance

Present: Rizzotti, Eaton, Atteukenian, Hadian, Liu.



September 27, 2018

CALL AND NOTICE OF A REGULAR MEETING
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Burbank-Glendale-Pasadena Airport Authority will be held Monday, October 1, 2018, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Regular Meeting of Monday, October 1, 2018

9.00 A.M.

The public comment period is the opportunity for members of the public to address the Commission on agenda items and on airport-related non-agenda matters that are within the Commission's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.



Members of the public are requested to observe the following decorum when attending or participating in meetings of the Commission:

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Commission during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Commission's subject matter jurisdiction.*
- *Limit comments to five minutes or to such other period of time as may be specified by the presiding officer.*



The following activities are prohibited:

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Commission less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 Hollywood Way, Burbank) in the administrative office during normal business hours.



In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT
5. CONSENT CALENDAR
 - a. Committee Minutes
(For Note and File)
 - 1) Operations and Development Committee **[See page 1]**
 - (i) August 20, 2018
 - 2) Finance and Administration Committee **[See page 6]**
 - (i) August 20, 2018
 - b. Commission Minutes
(For Approval)
 - 1) September 17, 2018 **[See page 9]**
 - c. Auditor Required Communications for the FY 2018 Audits **[See page 20]**
6. ITEMS FOR COMMISSION APPROVAL
 - a. Approval of Services Agreement with The Regents of The University of California on Behalf of The UCLA Center for Prehospital Care for EMT Continuing Education and Quality Improvement Services **[See page 32]**
 - b. Award of Purchase Order for Replacement of Self-Parking License Plate Recognition ("LPR") Camera System Sentry Control Systems, LLC **[See page 48]**
 - c. First Amendment to the Automated Teller Machine Concession and Lease Agreement – MOBILEMONEY, INC. **[See page 56]**

7. CLOSED SESSION

a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(California Government Code Section 54956.9(d)(1))

Name of Case: Yarbrough v. Burbank-Glendale-Pasadena Airport Authority
(WCAB Case No. ADJ9979761, ADJ10423172, ADJ Unassigned)

8. COMMISSIONER COMMENTS

(Updates and information items, if any)

9. ADJOURNMENT

COMMISSION NEWSLETTER

October 1, 2018

[Regarding agenda items]

5. CONSENT CALENDAR

(Consent Calendar items may be enacted by one motion. There will be no separate discussion on these items unless a Commissioner so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda.)

- a. **COMMITTEE MINUTES.** Approved minutes of the August 20, 2018, Operations and Development Committee meeting and the August 20, 2018, Finance and Administration Committee meeting are included in the agenda packet for information purposes.
- b. **COMMISSION MINUTES.** Draft minutes of the September 17, 2018, meeting are attached for the Commission's review and approval.
- c. **AUDITOR REQUIRED COMMUNICATIONS FOR THE FY 2018 AUDITS.** A staff report is included in the agenda packet. In accordance with applicable professional standards, the Authority's auditor, Macias Gini & O'Connell LLP ("MGO") has provided the attached letter to the Commission outlining its audit responsibilities, and planned scope and timing of the FY 2018 audits. Also attached is a copy of the annual engagement letter, which substantially conforms to the professional services agreement between the Authority and MGO for audit services. At the September 17, 2018, meeting of the Finance and Administration Committee, it was voted unanimously (3-0) to recommend to the Commission that it note and file these Auditor communications.

6. ITEM FOR COMMISSION APPROVAL

- a. **APPROVAL OF SERVICES AGREEMENT WITH THE REGENTS OF THE UNIVERSITY OF CALIFORNIA ON BEHALF OF THE UCLA CENTER FOR PREHOSPITAL CARE FOR EMT CONTINUING EDUCATION AND QUALITY IMPROVEMENT SERVICES.** A staff report is included in the agenda packet. At the September 17, 2018, meeting of the Operations and Development Committee ("Committee"), the Committee voted unanimously (3-0) to recommend that the Commission approve a proposed three-year Services Agreement ("Agreement"), with The Regents of the University of California, on behalf of the UCLA Center for Prehospital Care ("UCLA") for emergency medical technician ("EMT") continuing education and quality improvement at the initial annual rate of \$22,500 subject to a Consumer Price Index ("CPI") adjustment each year thereafter.
- b. **AWARD OF PURCHASE ORDER FOR REPLACEMENT OF SELF-PARKING LICENSE PLATE RECOGNITION ("LPR") CAMERA SYSTEM - SENTRY CONTROL SYSTEMS, LLC.** A staff report is included in the agenda packet. At the September 17, 2018, meeting of the Operations and Development Committee

("Committee"), the Committee voted unanimously (3-0) to recommend that the Commission authorize the issuance of a Purchase Order in the amount of \$196,476 to Sentry Control Systems LLC ("Sentry") for the replacement and upgrade of the self-parking License Plate Recognition ("LPR") camera system that has reached the end of its useful life. The LPR camera system is an integral component of the Airport's overall self-park revenue controls. Appropriations in the amount of \$200,000 are included in the Burbank-Glendale-Pasadena Airport Authority ("Authority") FY 2019 Adopted Budget for this project.

- c. **FIRST AMENDMENT TO THE AUTOMATED TELLER MACHINE CONCESSION AND LEASE AGREEMENT – MOBILEMONEY, INC.** A staff report is included in the agenda packet. At the September 17, 2018, meeting of the Finance and Administration Committee ("Committee"), the Committee voted unanimously (3-0) to recommend that the Commission approve a proposed First Amendment to the Automated Teller Machine Concession Agreement ("Amendment") with MOBILEMONEY, INC. ("MOBILEMONEY"). The proposed Amendment would remove one Automated Teller Machine ("ATM") kiosk located at the Regional Intermodal Transportation Center ("RITC") and reduce the monthly rent paid by MOBILEMONEY for the ATM kiosk located at the Valet Center from \$300 to \$100 per month. The combined total reduction in the monthly rent would be \$500, bringing their total monthly payment from \$3,800 to \$3,300 per month.



**CITY OF BURBANK
BURBANK WATER AND POWER
STAFF REPORT**

DATE: October 4, 2018
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: August 2018 Operating Results

SAFETY

Burbank Water and Power had no new reportable lost time injuries during the month of August 2018.

Water Results of Operations

For the month of August, Potable water usage was 3% (17 million gallons) higher than budgeted primarily because of higher demand for landscaping irrigation due to warmer than normal temperatures. Potable Water Revenues were \$29,000 better than budgeted. Recycled water usage was 7% (8 million gallons) lower than budgeted due to a seven-day unplanned outage at MPP. Recycled Water Revenues were \$57,000 lower than budgeted. August Water Supply Expenses were \$69,000 higher than budgeted, driven by the higher demand. August's Gross Margin was \$102,000 lower than budgeted. Net Income was \$511,000, which was \$102,000 lower than budgeted.

August fiscal-year-to-date (FYTD) Potable water usage was 5% (47 million gallons) higher than budgeted due to higher demand for landscaping irrigation, which is driven by warmer than normal temperatures. FYTD August Potable Water Revenues were \$214,000 higher than budgeted. FYTD recycled usage was 2% (5 million gallons) higher than budgeted and Recycled Water Revenues were \$42,000 higher than budgeted. FYTD Water Supply Expenses were \$142,000 higher than budgeted, driven by higher demand. The FYTD August Gross Margin was \$103,000 better than budgeted. Operating Expenses were \$144,000 better than budgeted. Net Income was \$1,286,000, which was \$243,000 better than budgeted.

Electric Results of Operations

For the month of August, electric loads were 5% higher than budgeted due to warmer than normal temperatures. Retail Sales were \$1,178,000 higher than budgeted. August Power Supply Expenses were \$1,579,000 higher than budgeted due to higher energy and fuel prices, a seven-day unplanned outage at MPP, and higher retail load. August's wholesale margin was \$142,000 better than budgeted. August's Gross Margin was \$312,000 lower than budgeted. Net Income was \$2,417,000 which was \$312,000 lower than budgeted.

FYTD August electric loads were 8% higher than budgeted due to warmer than normal temperatures. Retail Sales were correspondingly \$2,636,000 higher than budgeted. FYTD Power Supply Expenses were \$3,195,000 higher than budgeted due to higher retail load, higher energy and fuel prices, a ten-day unplanned outage at IPP, and a

seven-day unplanned outage at MPP. FYTD wholesale margin was \$113,000 better than budgeted. FYTD Gross Margin was \$614,000 lower than budgeted. August FYTD Operating Expenses were \$321,000 better than budgeted. Net Income was \$4,410,000 which was \$306,000 lower than budgeted.

WATER DIVISION

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

The California Water Fix passed a major milestone on April 10 when the Metropolitan Water District of Southern California (MWD) Board voted 61% to 39% to proceed with the full two tunnel project and finance the full unsubscribed share of the estimated construction cost to move the project forward. MWD's share is \$10.8 billion or 67% of the cost and capacity of the project. It is estimated that would affect retail customers' future monthly water bills by \$4.80 when the project is completed. It is also strongly anticipated that Central Valley farmers, south of the Delta, will be paying proportionate use fees to move their water offsetting costs to MWD customers. The Santa Clara Valley Water Authority (SCVWA) voted in early May to fund their share of the California Water Fix and explore participating in an unsubscribed portion of the project. The Delta Conveyance Design and Construction Joint Powers Authority (DCA) was formed and met for the first time on May 14. The DCA will sell bonds for project financing and direct design and construction. Now that the funding question has been resolved, permitting and design will go forward despite many protests by the project opponents. Notwithstanding the aforementioned events and actions, MWD conducted a revote on the California Water Fix at the July 10 Board meeting to bypass a protest by external parties, which claim there may have been a violation of the Brown Act prior to the vote. MWD counsel has determined that no violation took place but the revote eliminated any continuing protests regarding the complaints.

Governor Brown issued Executive Order B-40-17, on April 7, 2017, recognizing that the drought was over in California, with the exception of 4 counties in the Central Valley that rely on depleted groundwater basins. The Executive Order does state that the Orders and Provisions in "Making Water Conservation a California Way of Life" remain in full force and effect. This includes: "The Department of Water Resources (Department) shall continue work with the Water Board to develop standards that urban water suppliers will use to set new urban water use standards that urban water suppliers will use to set new urban water use efficiency targets as directed by Executive Order B-37-16. Upon enactment of legislation, the Water Board shall adopt urban water use efficiency standards that include indoor use, outdoor use and leaks, as well as performance measures for commercial, industrial and institutional water use. Some language is also directed at conserving recycled water which is not in short supply. The Department shall provide technical assistance and urban landscape area data to urban water suppliers for determining efficient outdoor use. These water use standards must be in place by May 20, 2021, but the State Water Board may set interim standards to ensure progress before the long term standards are adopted in 2021.

This promises a significant intrusion by the State into detailed water use decisions in Burbank, as well as any other water purveyor, beyond simple efficient volumetric use of water. BWP is paying close attention and working with regional and industry groups to

comment on, and influence, the development of these standards. As noted above, these actions require enabling legislation which was passed by the legislature this year.

Legislation is also moving forward for the state to fund operation and maintenance of water facilities in disadvantaged communities, as well as separate legislation to provide low income rate assistance. Both of these efforts are moving forward under the auspices of water as a basic human right as defined by the California Legislature. One means of paying for these initiatives is proposed as fees attached to individual consumers water bills as opposed to funding through the State General Fund. The Governor has also included this funding mechanism in the proposed state budget. This approach is highly contested by water agencies and is active in the current legislative session. The proposed monthly \$1 fee on water bills is now proposed as a voluntary contribution that may be opted out of by the customer. Final action is pending.

The following table shows Burbank water use in terms of per capita daily water use in gallons per person per day. It begins in 2009 with the requirement of a 20% reduction per capita in baseline use by 2020. It shows actual per capita water use reduction as well as the Governor's Goal in the Executive Order requiring a 25% reduction although the percentage reduction in the table is measured against the 2009 baseline. Burbank met the 25% reduction in the Executive Order.

Year	20% by 2020 (Baseline)	20% by 2020 (Goal)	2012 (Actual)	2014 (Actual)	2015 (Actual)	2016 (Gov.'s goal)	2016 (Actual)
GPCD	193	155	149	162	139	125	117
Reduction of Baseline %	0%	20%	29%	16%	28%	35%	39%

Burbank consistently met the reduction requirements by utilizing the appropriate stages of the Sustainable Water Use Ordinance. Initially, it was Stage III that limited watering to two days a week in the summer and one day a week in winter. With experience and some relaxation of the State mandate, Burbank currently limits outdoor watering to three days a week year round. This is now embodied in the Burbank Sustainable Water Use Ordinance in Stage I and is the "New Normal" in Burbank. The effect of the three day a week watering limitation will continue to be monitored. Given potential future actions by the State, Burbank appears well positioned to meet the future requirements. Water use in Burbank in August 2018 was 161 GPCD with 133 GPCD for the Fiscal Year ending on June 30. This is an 11 GPCD increase from the year before. Monthly GPCD in August was significantly affected by warm weather. Calendar year 2017 water use was 130 GPCD, up 8 GPCD from 2016 reflecting some rebound in outdoor watering and a dry autumn. Besides conservation measures, Burbank made significant strides in converting major irrigation and building cooling towers to recycled water which is 100% conservation that will continue year after year. BWP continues to work with customers to utilize recycled water where practical, but recognizes that the largest users have already been converted.

Due to the bountiful 2017 water year, MWD added excess water supply of 1.3 million acre-feet beyond its 2017 demand to its storage facilities. The available water

exceeded MWD's capacity to place water into its storage facilities so MWD created a Cyclic Storage Program to allow Member Agencies to store water in their groundwater basins and then pay for the water when they take it. At the end of December 2017, Burbank had spread a total of 5,674 acre-feet in the MWD Cyclic Storage account for future purchase as well as the budgeted annual purchase of untreated volumetric water of 7,200 acre feet in the FY17/18 budget. We will begin spreading water on October 1 and spread 7,200 acre-feet through December. It is anticipated that the Pacoima spreading ground will not be available in October in 2019 due to construction. We will then draw down our Cyclic Storage.

The initial allocation for the 2018 State Water Project (SWP) was 15% on December 1, 2017. The allocation was increased to 20% on January 29, 2018. The SWP allocation was increased to 30% on April 24 and then to 35% on May 24. A SWP allocation of 35% with moderate demand from member agencies has the system in balance and will not require any withdrawals from what MWD has in storage. Construction repair work on the Oroville Dam Spillway began again at the beginning of May. The lake level has been held lower to allow an earlier start on this years' construction. The relatively low level of the lake through the winter is one factor in an initial lower SWP allocation. Work on the main spillway will be complete by November 1.

City Council approved two agreements on September 11 covering future operation of the Burbank Operable Unit (BOU). The agreements will allow well water from North Hollywood to be brought to the BOU for treatment and the treated/blended water from the Valley Pumping Plant will be delivered into the Los Angeles potable water system. One agreement is between Burbank and Los Angeles and the other is between Burbank and Lockheed Martin Corporation. Lockheed is responsible for all infrastructure costs and the additional operational costs going forward per the Consent Decree. This assures the continuance of the payment of all BOU costs by Lockheed Martin well into the future.

The BOU was 89.7% available for service in August 2018. Three Liquid Phase Granulated Carbon Filters were offline at different times for carbon change out during August. All wells were in service. BWP is maximizing BOU production by optimizing the blend with MWD treated water. Lower ground water levels are impacting the operational efficiency of the BOU wells. Testing of drawing water from lower levels in the aquifer, by deflating the "packers" in the lower portion of the well casings and boosting well pumping rates, began on May 14 and was complete at the beginning of July. This was a 10 week testing program and is showing initial promise. We are awaiting the analysis report.

Availability	Production	Average Flow Rate (gallons per minute)
89.7%	75.46%	6,791

PROJECT UPDATES:

Work began in May on installing 525 l.f. of 8-inch ductile iron water main in Brighton Street from Thornton Avenue to San Fernando Blvd. The project was completed in late August.

Work began in June on installing 800 l.f. of 8-inch ductile iron water main in Lincoln Street from San Fernando Blvd. to Kenmere Avenue. The project was completed in August.

Work began in mid- July on installing 2,800 l.f. of 8-inch ductile iron recycled water main in Olive Ave. from Virginia Street to Flower Street. The project is anticipated to be completed by mid- October.

In August the Electric Line section began stringing Fiber Optic Cable to serve Recycled Pump stations 3, 4 and 5. The project was completed in September.

Programming and wiring for the Burbank/Los Angeles potable water interconnect was completed in September. System testing will go into late October.

Seismic valve actuators are currently being installed at Reservoirs #1, #4 and #5; valve control software was installed in late July 2017 which will enable BWP to program the closing positions of the valve actuators. Programming is projected to be finished in October.

Work began in March on replacing plug and pressure reducing valves in the blending facility at the Valley Pumping Plant. The second pressure reducing valve was installed in late September and the plug valves by the end of October. The extended schedule is due to the long lead time to procure valves.

Construction is complete by Williams Brothers on the recycled water distribution main extensions into Los Angeles. The cost of this work is being fully reimbursed by LADWP. A Notice of Completion has been recorded by the County. Now that the Notice has been recorded, BWP has paid the retention to the Contractor and has sent the final invoice to LADWP for reimbursement. LADWP's schedule to activate the mains to deliver recycled water into Los Angeles, per our exchange agreement, estimates activation of most connections taking place in December of 2018 and going into FY 2019/20.

On April 14, 2016 a new Waste Discharge Requirements and Water Recycling Requirements Permit was granted to the City of Burbank by the Regional Water Quality Control Board. This brought the City into full compliance by recognizing the use of recycled water (RW) in cooling towers. A Waste Water Change Petition was submitted to the State Water Resources Control Board (SWRCB), Division of Water Rights. The purpose of the petition is to amend Burbank's water rights to our RW account for our recent expansion of use and for our plans of additional use 10 years into the future. The order approving Change in Place of Use, Purpose of Use and Quantity of Discharge was issued April 20, 2018.

Conversions to recycled water in September included Bret Harte School, PPG Aero Space and the Castaway fire system. Conversions in the latter part of 2018 include

Talaria and Nickelodeon. Another site that is expected to be converted to recycled water in 2018 is the ornamental fountain at the Valley Pumping Plant.

The Beachwood Sewage Lift Station operated by the Burbank Public Works Dept. suffered a complete failure of their pumping capability on April 1. This station pumped approximately half of Burbank's sewage flow to the reclamation plant where recycled water is recovered. The flow is now bypassed to Los Angeles for treatment. This situation has significantly reduced the availability of recycled water and at certain times of the day requires potable water to be added to the Recycled Water System. There are three pumps installed at Beachwood and they failed, one at a time, across a number of months. BWP is juggling the daily demands on the system to reliably serve our customers but have serious concern about a sufficient volume of recycled water being available to meet peak demands in the summer regardless of adding potable water to the Recycled System. BWP is coordinating with the contract operator at the reclamation plant to minimize the addition of potable water make up in to the recycled system during times of low flow at night. However, BWP is adding potable water to the recycled system to prevent loss of delivery to customers. From April thru August, we have added 111 acre-feet (36.16 million gallons) of potable water to the recycled system. To meet demand, stretch the limited recycled supply, and limit the amount of potable water added to the system, BWP also began supplying non-potable well water, 54 acre-feet to date, through the BWP Campus GAC unit to MPP. Total cost of supplemental water to the recycled system since April is \$190,000. BWP is also bringing recycled water down from the upper zone reservoirs to feed Zone One when the potable water makeup at the Pump Station 1 wet well can't keep up with demand. Burbank Public Works Department has engaged Lee & Ro, Rasic and their subcontractor Hidrostal (pump manufacturer), in expediting all necessary repairs to the pumps and modifications to the station to get the system back in full operation. Efforts to date have included: 1) removal, dismantling and inspection of 2 of the 3 failed pumps; 2) development of specifications to rebuild and modify the pumps; 3) inspection of the pump station to identify issues; and 4) development of a scope of work to modify/repair the pump station. Public Works is currently awaiting a cost estimate and schedule from Rasic for the necessary work and is anticipating that the station will be operating by the end of October.

Construction of the 8-inch Recycled Water main extension on Olive Avenue was put on hold for several weeks as crews were asked to postpone work in the street due to heavy traffic patterns caused by detours from the Public Works project at Burbank and San Fernando Road. Pictured below is a crew spending some time working under the Olive Avenue Bridge and also catching up on maintenance items.



Installing a new 1-inch domestic water service for the customer at 1268 Paseo Redondo

Pictured below is a leak in a 2-inch abandoned lateral being repaired by removing the 6" x 6" x 2" inch lateral and replacing it with a section of 6-inch ductile iron pipe. The work was at 820 S. Flower street.



DISTRIBUTION

ELECTRIC RELIABILITY

In August 2018, BWP experienced no sustained feeder outages. In the past twelve months, automatic reclosing has reduced customer outage time by approximately 856,037 customer minutes.

Reliability Measurement	September 2016- August 2017	September 2017- August 2018
Average Outages Per Year (SAIFI)	0.5507	0.2914
Average Outage Duration (CAIDI)	23.64 minutes	38 minutes
Average Service Availability	99.998%	99.998%
Average Momentary Outages Per Year (MAIFI)	0.1431	0.2332
No. of Sustained Feeder Outages	10	8
No. of Sustained Outages by Mylar Balloons	2	3
No. of Sustained Outages by Animals	1	0
No. of Sustained Outages by Palm Fronds	5	0

PROJECT UPDATES

4kV to 12kV Conversion

In August, approximately 3.3 MW of load was converted and transferred from 4kV Victory Substation's circuit no. 4 (V-4) to 12kV Golden State Substation's circuit no. 11 (GS-11). The work involved a pole line rebuild of 15 blocks, both residential and commercial, which replaced aging overhead conductors, 210 poles, and 70 transformers. The construction for the 4kV to 12kV load conversion was completed over a period of 11 months and it was a coordinated effort between Electrical Engineering, Electrical Distribution field crews, and the Energy Control Center. This work is in alignment with the Electric Distribution Master Plan goals of strategically converting 4kV load to 12kV, addressing BWP's aging infrastructure, resolving overload and voltage issues, and improving grid efficiency.

Ontario Substation

In August, installation of the building and perimeter block walls, as well as roof structures and decking, was completed. The 69kV switchgear crates were shipped from Germany via the Panama Canal and the Port of LA and delivered to the substation site. In addition, the wall stud installation was started in August.



Walls completed in 12kV switchgear and control room



Internal wall studs, roof structure, and decking in 12kV switchgear and control room

Underground construction of the two 69kV lines connecting the new Ontario Substation to Lincoln and Valley Substations continued in August. 69kV Cable was pulled onto into the switchgear cable pit in the substation. 69kV conduit was extended to manholes in a commercial property easement at 3110 W. Empire Avenue.

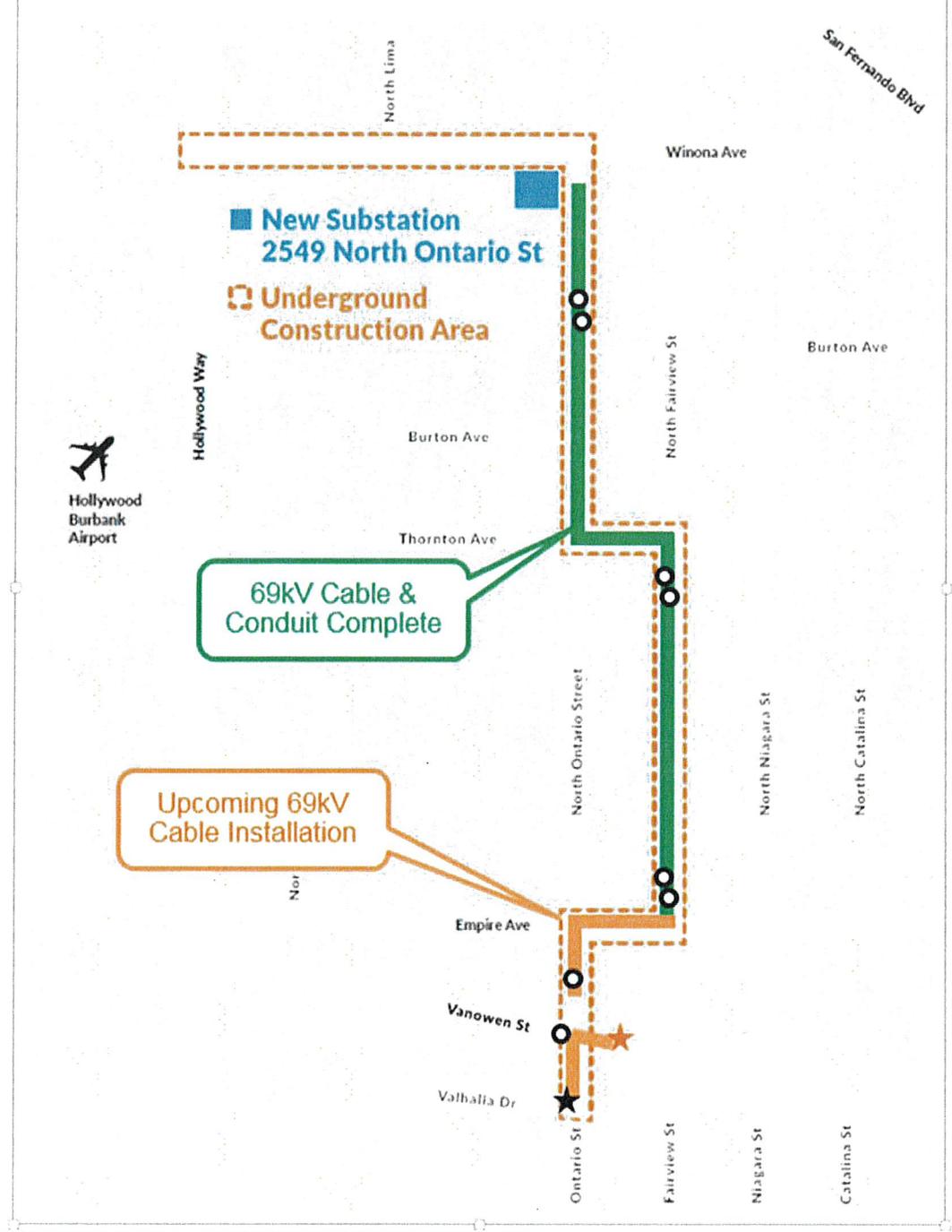


69kV conduit installation on Empire Ave



Cable installation in Ontario cable pit

Ontario Substation and Underground Construction Project Area



STREET LIGHTING

LED Replacement Program

In accordance with the 2014 Street Lighting Master Plan, BWP began replacing 100W and 250W HPS streetlight luminaires with LED luminaires. Replacement is carried out on a maintenance basis and LEDs are installed daily as the HPS luminaires burn out. Currently, the CREE XSPR LED 42W has been selected to replace the 100W HPS luminaire and the CREE XSP2 LED 101W replaces the 250W HPS luminaire. To date, 48.22% of the total streetlight luminaires have been converted to LEDs which translates to an annualized energy savings of 2,359MWh or a 25.45% reduction in energy consumption. LED conversions have also reduced evening load by 539kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

Electric Vehicle (EV) Charging Program

26 public EV charging stations are in service, including a DC Fast Charger and 14 curbside stations. As of July 1, 2018, Time of Use (TOU) pricing for public EV charging is 17.36 cents per kilowatt hour (kWh) for Level 1 and Level 2 charging during off-peak hours. Between the hours of 4pm and 7pm during the summer, pricing increases to 30.39 cents per kWh. For the DC Fast Charger, the charging rate is 28.17 cents per kWh, increasing to 49.31 cents per kWh during peak hours. Staff continues to monitor usage and maintenance issues.

Month of usage	Usage in kWh	Gross Revenue	GHG reduced in kg	kWh/ Station/ Day	% Peak Sessions	Parking Occupancy	Charging Occupancy
Aug 2018	18,613	\$3,757	7,818	23	21%	27%	23%
July 2018 ³	19,352	\$3,909	8,128	23	19%	28%	24%
Jun 2018 ¹	18,561	\$3,697	7,796	22	20%	29%	24%
May 2018	20,512	\$3,695	8,615	24	19%	32%	27%
Apr 2018	20,643	\$3,729	8,670	25	20%	30%	25%
Mar 2018	19,414	\$3,459	8,154	22	21%	26%	22%
Feb 2018	19,884	\$3,666	8,351	25	21%	30%	25%
Jan 2018	24,790	\$4,927	10,412	29	21%	30%	24%
Dec 2017	24,402	\$4,757	10,249	28	21%	30%	24%
Nov 2017 ²	21,410	\$3,996	8,992	26	21%	29%	24%
Oct 2017	23,000	\$4,828	9,660	27	20%	32%	27%
Sep 2017	20,755	\$4,307	8,717	25	20%	31%	25%
Aug 2017	22,207	\$4,669	9,327	26	23%	31%	26%
Jul 2017	22,981	\$4,845	9,652	27	22%	30%	25%
Jun 2017 ¹	21,456	\$4,513	9,011	26	23%	31%	27%
May 2017	21,693	\$4,063	9,111	25	19%	29%	24%
Apr 2017	18,699	\$3,461	7,854	22	20%	26%	21%
Mar 2017	20,151	\$3,777	8,464	23	20%	27%	22%
Feb 2017	17,697	\$3,358	7,433	23	21%	24%	20%
Jan 2017	19,499	\$3,611	8,189	23	20%	26%	22%
Dec 2016	17,472	\$3,130	7,338	20	19%	24%	20%
Nov 2016 ²	17,230	\$3,334	7,521	21	18%	25%	20%
Oct 2016	17,976	\$3,705	7,550	21	18%	24%	19%
Sep 2016	17,810	\$3,811	7,480	21	20%	24%	19%
Aug 2016	19,702	\$4,257	8,275	23	19%	25%	20%

- ¹ The higher \$/kWh reflects the start of summer peak pricing for public EV charging.
² The lower \$/kWh reflects the end of summer peak pricing for public EV charging.
³ Usage increased despite 2 curbside stations taken offline due to the elimination of street parking.

Rooftop Solar

The table below tracks the total number and capacity of installed customer owned rooftop solar photovoltaic systems in Burbank.

Month	Number of Solar Systems Installed This Month	Number of Solar Systems Installed FYTD	Total Solar Systems in Burbank	Total Solar Kilowatts
August 2018	5	9	708	7,256
July 2018*	4	4	703	7,227
June 2018	8	99	699	7,112
May 2018	5	91	690	6,946
April 2018	9	86	685	6,911
March 2018	7	77	676	6,868
February 2018	5	70	669	6,832
January 2018	4	65	664	6,808
December 2017	9	61	660	6,777
November 2017	11	52	651	6,713
October 2017	13	41	640	6,630
September 2017	8	28	627	6,446
August 2017	15	20	619	6,405
July 2017*	5	5	604	6,302
June 2017	12	133	599	6,277
May 2017	8	121	587	5,601
April 2017	7	113	579	5,561
March 2017	8	106	572	5,529
February 2017	8	98	564	5,491
January 2017	21	90	556	5,379
December 2016	12	69	535	5,276
November 2016	8	57	523	5,219
October 2016	10	49	515	5,188
September 2016	18	39	505	5,137
August 2016	10	21	487	4,828
July 2016*	11	11	477	4,643
June 2016	7	173	466	4,436

* Start of new fiscal year.

TECHNOLOGY

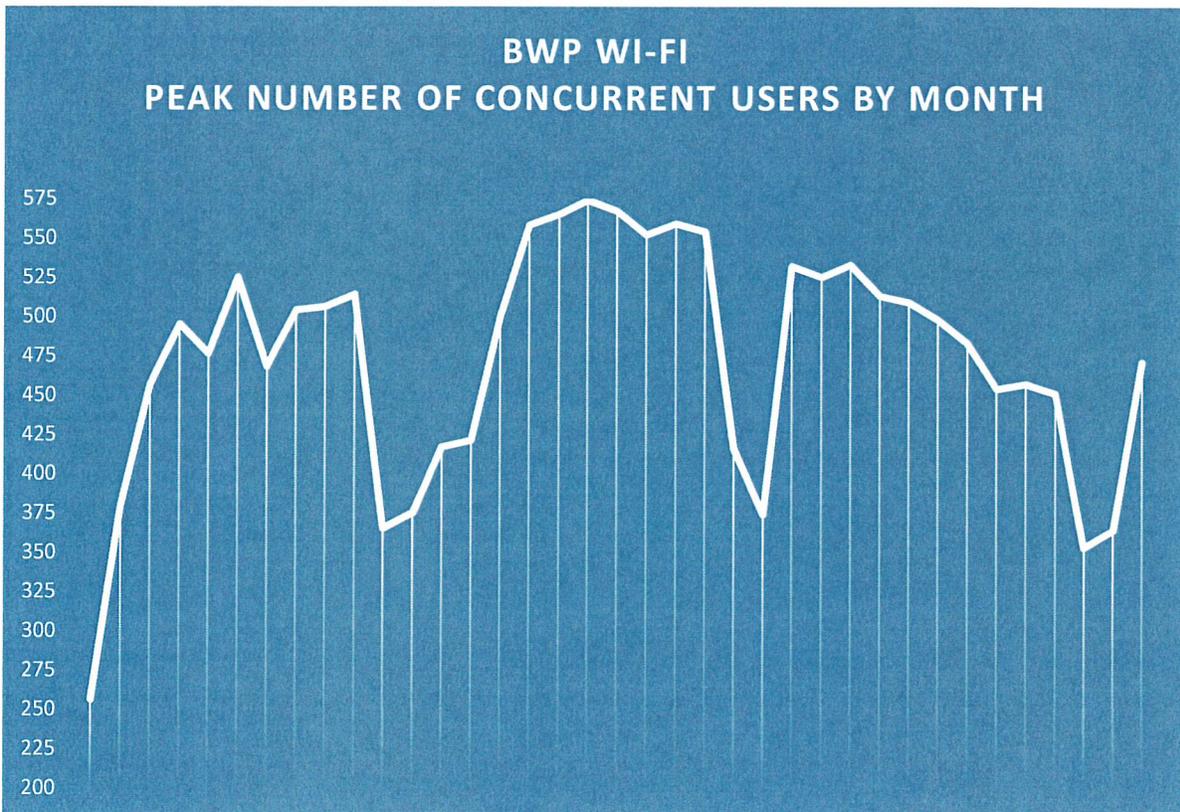
Broadband Services (ONE Burbank)

	August 2018 New Orders	Revenues for August 2018	FYTD 2017-18 Revenues	FYTD Budget
Lit	1	\$104,151	\$208,272	\$270,000
Dark	2	\$198,340	\$397,805	\$405,000
Total	3	\$302,491	\$606,077	\$675,000

Values in the table above represent invoiced amounts for monthly recurring revenues only. Actual booked revenues through August 2018 are \$599,683.

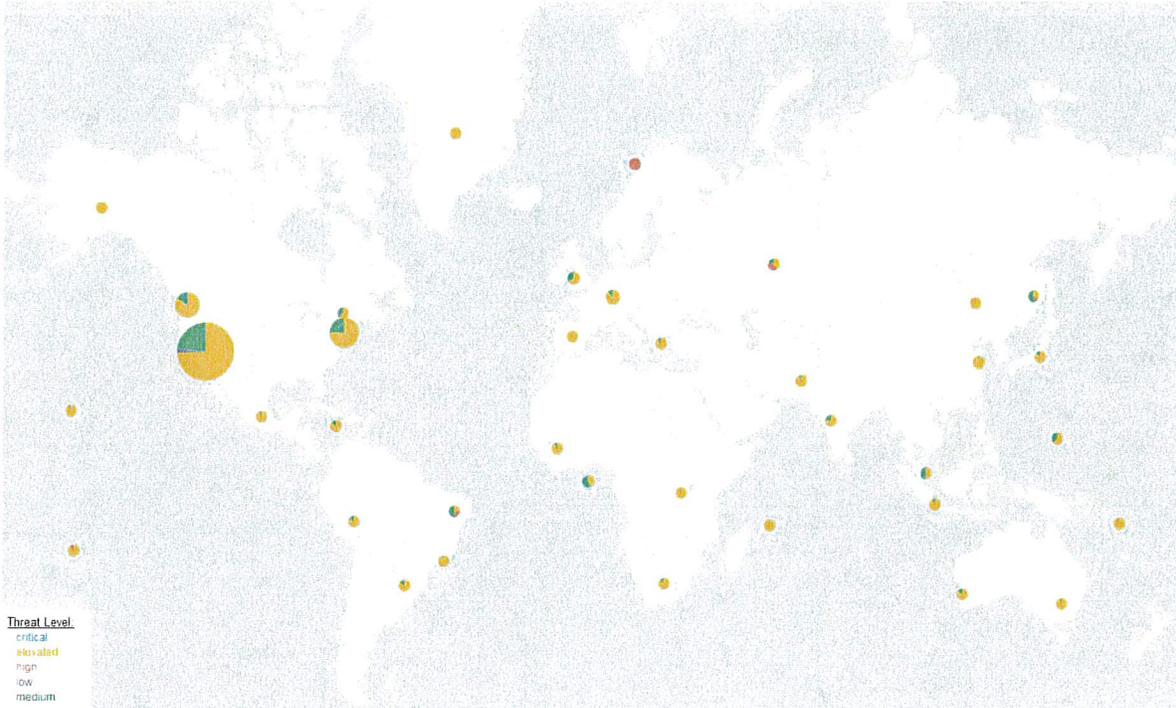
BWP WiFi

On August 17, 2015, BWP WiFi launched throughout the City of Burbank as a free citywide wireless community broadband service.

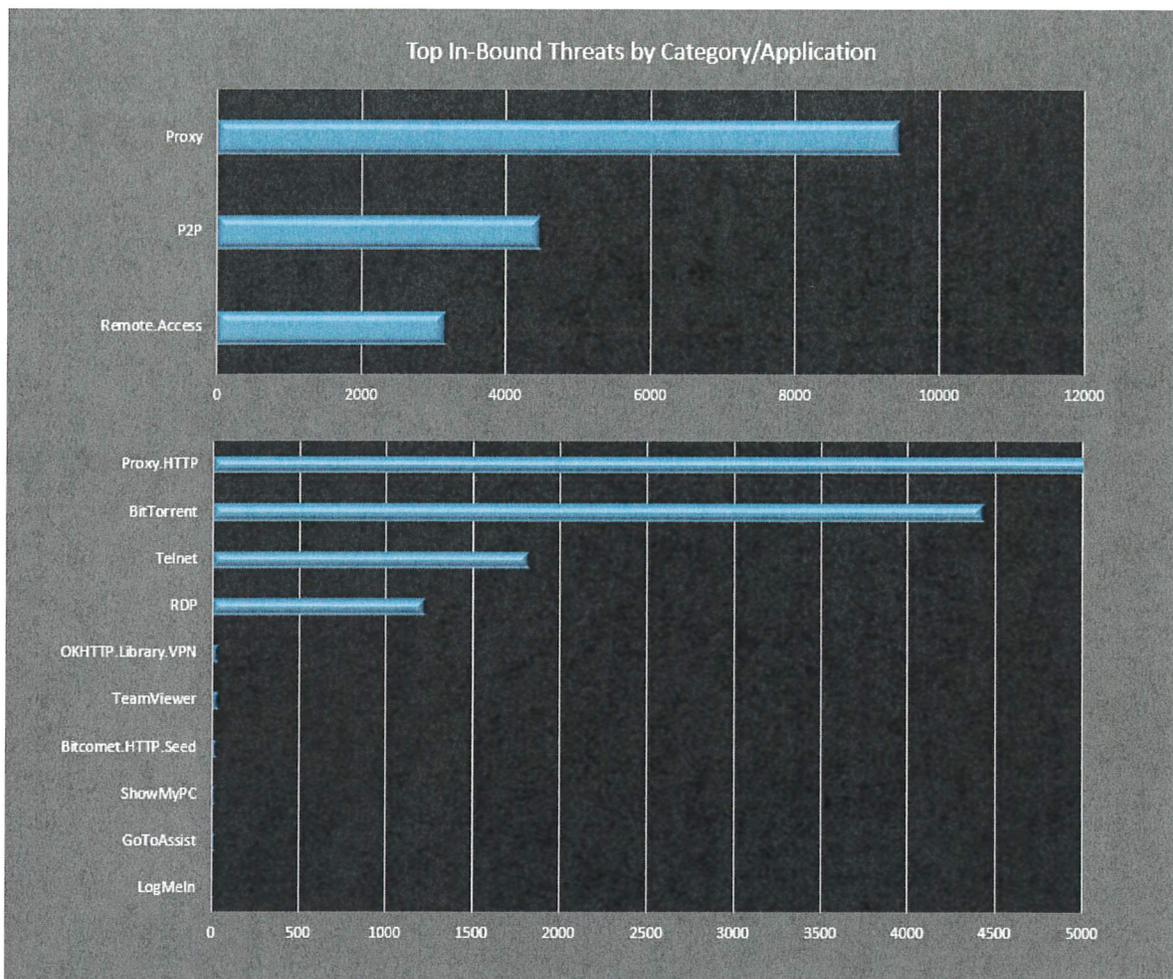


Cyber Security Update – August 2018

The BWP cyber security risk factor is 2.5 out of 5.0 for the month of August. Operational Technology successfully prevented over 281 million cyber security threats of which over 76% were elevated or critical.



In-bound cyber threats by source location



Top In-bound cyber threats by category/application

RISK FACTOR



RISK FACTOR: The risk levels (1=lowest to 5=highest) indicate the application's relative security risk based on a variety of factors and criteria such as whether the application can share files, is prone to misuse, or tries to evade firewalls.

POWER SUPPLY

ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	NO_x, lbs.
Olive 1	0%	0	0	0
Olive 2	0%	0	0	0
Lake 1	100%	234	6,799	1,282
MPP	85%	603	108,017	4,724

Olive 1 remained unavailable for generation, in dry storage condition since September 2011, with a 45-day notice required to restart the Unit.

Olive 2 remained unavailable for generation, in dry storage condition since April 2012, with a 45-day notice required to restart the Unit.

Lake 1 was available for generation all month. Lake 1 was placed online sixteen times during the month for a total online time of 234 hours.

Magnolia Power Project (MPP)

	August	FYTD	YTD
Availability	85%	93%	96%
Unit Capacity Factor (240 MW)	60%	69%	72%

MPP tripped on August 10 due to an electrical short. The short caused a control card in the plant control system to malfunction. Subsequently, there was an indication that a valve did not close completely; this required additional down time for inspection and repair. Repair work to correct the electrical short was completed on August 10 and repair work on the valve was completed on August 14. MPP was successfully restarted at the direction of the MPP Participants (Anaheim, Burbank, Cerritos, Colton, and Pasadena) on August 16. As part of ongoing efforts to optimize plant operations, an offline water wash of MPP was completed on August 15, slightly ahead of schedule. This avoids the need to shut MPP down later just for that water wash. The planned outage schedule was adjusted accordingly.

Tieton Hydropower Project Tieton

On August 5, Tieton Unit 1 tripped due to equipment breakage. This breakage, in turn, caused the release of a very small amount of oil (between one and 16 ounces) into the Tieton River. This release was properly reported to the Bureau of Reclamation and no violations were issued. Unit 1 is now repaired and operating.

On August 23, both units tripped due to an equipment fire in the adjacent Pacific Power Tieton station, which is owned and operated by PacifiCorp. PacifiCorp completed repairs the following day and Tieton generation was restored.

A wildfire, known as the Miriam Fire, began on July 30 located across Rimrock Lake opposite Tieton and approximately six to seven miles from the facility. The Miriam Fire burned over 3,000 acres in August and is projected to be contained by September 30. The Miriam Fire does not currently impact Tieton as the fire is spreading in the opposite direction from the facility.

Tieton generated 7,414 MWh total in August 2018.

ENVIRONMENTAL

Performance

There were no permit violations issued to BWP or MPP during the month of August 2018.

Air Quality

At BWP's request, Lake 1's Title V Permit to Operate is being revised by the South Coast Air Quality Management District (SCAQMD) to allow two starts per day instead of the one start currently allowed. BWP requested this revision to enhance operational flexibility, in particular to decrease the need to operate Lake 1 for more hours than is operationally necessary during a single day.

More broadly, the SCAQMD is in the process of transitioning its existing market-based regulatory structure (called "RECLAIM") to a command and control regulatory structure. BWP is actively participating in SCAQMD's rule-making process with a view to reaching appropriate outcomes for MPP, the Olive units, and Lake 1.

Storm Water Quality

In common with other industrial facilities in California, BWP is required by the State Water Board to collect storm water samples at the BWP Campus. Recent samples have indicated that BWP's compliance practices should be updated. Staff is currently evaluating options for this compliance.

More broadly, the State Water Board is currently amending the Statewide Industrial General Permit for Storm Water Discharges to include additional monitoring requirements and compliance options. BWP is monitoring the changes relative to its operations and actively participating in the State Water Board's rule-making process.

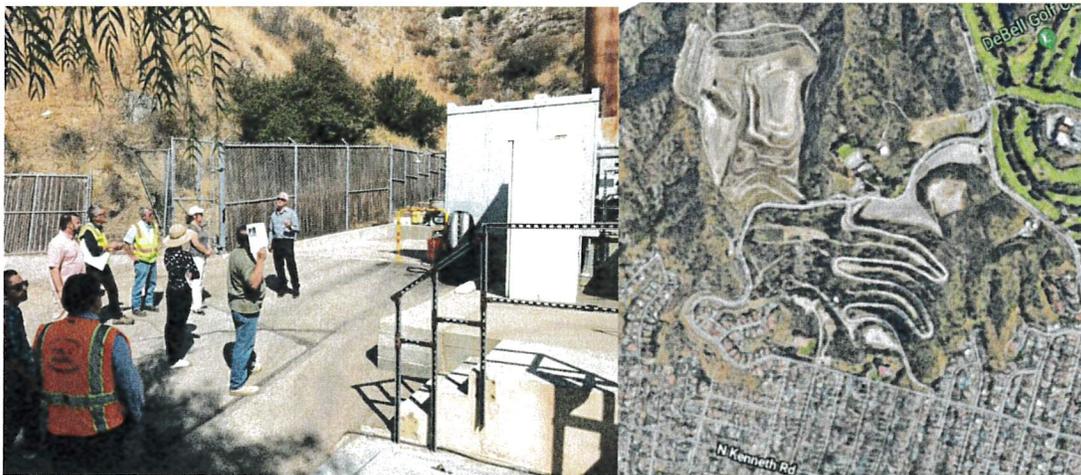
PROJECT UPDATES:

BWP Board Members and City Council Members Tour the Burbank Landfill

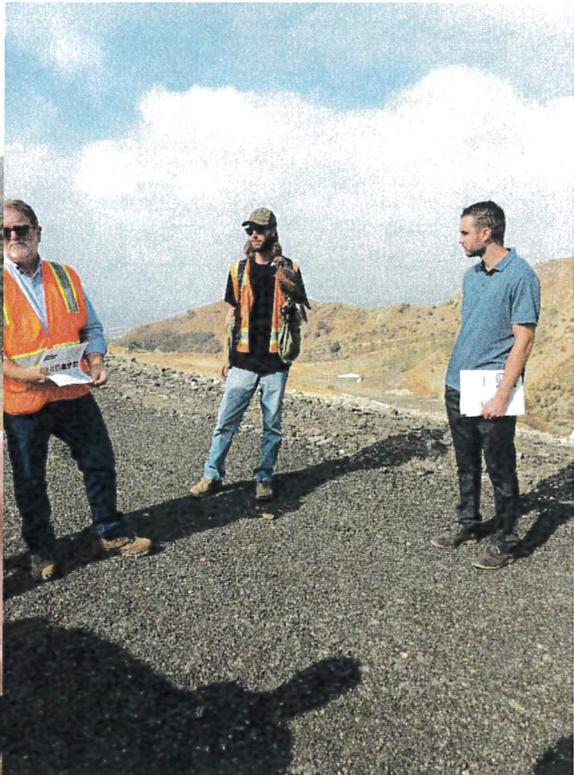
As part of an interdepartmental agreement with Public Works, BWP has utilized landfill gas from the Burbank Landfill to generate electric power for over a decade. BWP has generated electric power to make beneficial use of the methane gas produced from decomposing trash. Existing generation equipment has reached its end of life, and BWP is actively pursuing a turnkey project to repower the generating station at the Landfill.

BWP recently arranged several Landfill tours that were coordinated with Public Works to ensure full coverage of the City's waste management operations for the key decision makers. Tour attendees included BWP Board Members Robert Brody, Cindi LaCamera, Philippe Eskandar, and Jordan Smith; City Council Members Emily Gabel-Luddy, Sharon Springer, Timothy Murphy, Bob Frutos, and Jess Talamantes; BWP's General Manager Jorge Somoano; and City Manager Ron Davis.

The tour was comprised of four stops. Attendees first toured the City's previous landfill sites – Landfill No. 1 and No. 2 – which today are lush areas of plants and trees that are frequented by people walking, hiking, or biking. The next stop was at the green waste pile at Landfill No. 3 where the Recycling Coordinator explained how plant materials are separated for transport to a composting facility in Tulare and how Burbank's Recycle Center helps the environment with waste diversion. At the third stop, the Landfill Supervisor explained the landfill operating cycle: each day, trash is collected by sanitation trucks and delivered to the landfill; trash is next pushed with a bulldozer into a landfill cell, then compacted and covered. Cell construction was explained by showing the geomembranes, leachate removal system, and gas collection wells. Several innovative environmental programs and controls are used at the Landfill. One such program involves use of a falcon that is brought in three times per week to ward off scavenging birds that would otherwise over populate the area and disturb the operation. The final stop was at the flare station where the collected gases are flared or scrubbed for use to generate electric power. Plans for part of the repowering project are to replace 11 old microturbines with new ones that are capable of generating 0.6 or 0.8 MWh/hr, which is a 10% or 45% increase in generating capacity.



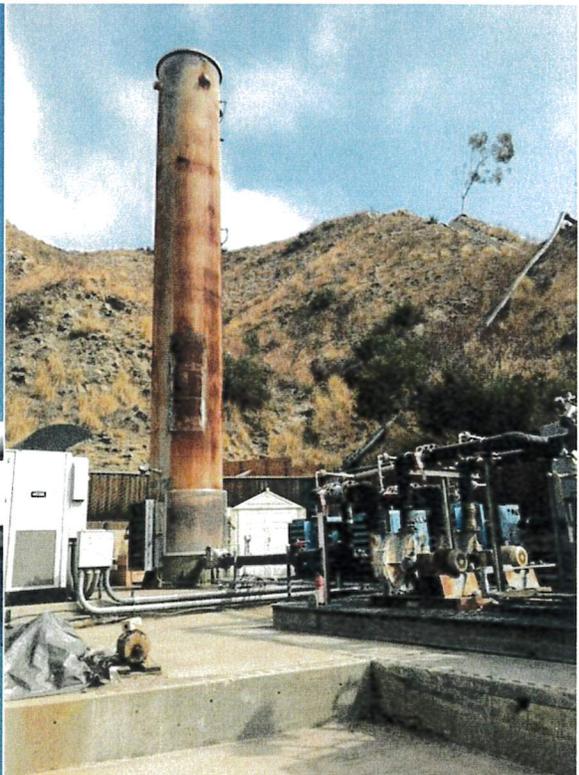
Ron Maxwell explains the repower project for the Landfill, located on Bel Aire Drive in the hills above the City.



Kreigh Hampel, Recycling Coordinator, explained the successes of Burbank's waste diversion program, and John Molinar, Asst. Public Works Director – Street and Sanitation, described several enhancements made to improve operational efficiency.



A falcon is employed to chase away pesty seagulls.



The flare incinerates methane from decomposing trash.

Power Resources

Los Angeles Department of Water and Power Open Access Transmission Tariff Update

Los Angeles Department of Water and Power (LADWP) has implemented a new Open Access Transmission Tariff (OATT) effective September 1, 2017. The new OATT rates affect BWP's cost for services purchased from LADWP under the Balancing Authority Area Services Agreement (BAASA). Changes to the BAASA's cost of services resulting from the new OATT became effective on February 1, 2018.

Annual cost for services				
Service	FY 18/19 Under	FY 18/19 If	Variance	% Increase
	<u>New OATT rates</u>	<u>Old OATT Rates</u>		
BAASA Regulation & Frequency Response	\$871,952	\$604,350	(\$267,602)	44.3%
BAASA Contingency Reserves	<u>\$3,462,962</u>	<u>\$3,224,186</u>	<u>(\$238,776)</u>	<u>7.4%</u>
	\$4,334,914	\$3,828,536	(\$506,378)	13.2%

Staff is currently evaluating the new OATT, its impacts, and what next steps should be taken.

Integrated Resource Planning

BWP is planning for its next Integrated Resource Plan (IRP) which, pursuant to new requirements embedded in Senate Bill 350, is due January 1, 2019. As part of these efforts, BWP staff is working with modeling consultant Ascend Analytics and staff expects to receive output from preliminary simulations shortly. Staff expects the draft IRP document to be available for review by BWP's Board, the public, and City Council in late 2018. Per SB 350, the IRP must be approved by the City Council by the January 1, 2019 due date.

Concurrently, on August 4 and 6, BWP staff held two public "town hall" meetings to educate customers on BWP's IRP efforts as well as solicit input and feedback from BWP's customers regarding future power resource options and program offerings. These meetings were well-attended and featured vigorous discussion of ideas for Burbank's energy future. BWP also launched an online survey in parallel with these town hall meetings, featuring the same explanatory videos and questions as were presented in the town halls. BWP received over 1,200 responses to this online survey, which was closed on August 31.

Intermountain Power Project (Delta, UT) Renewal Progress

The Intermountain Power Project (IPP) participants involved with the repowering project have agreed to resize the proposed project to 840 MW, instead of the 1200 MW contemplated earlier. This is being called the "alternative repowering." This change came about because there is not enough definite interest amongst the renewal participants for 1200 MW of gas-fired capacity. LADWP believes the majority of the renewal project participants will assign their capacity interest back to LA, which would cause LADWP to be left with more generation than it requires. Resizing the project to 840 MW minimizes this risk, while still satisfying the projected needs of the participants.

This change requires all existing participants of the renewal power sales agreement to amend both the original power sales agreement and the renewal power sales agreement to reflect the reimagined gas-fired project in Delta, UT.

This resizing of the planned gas-fired power plant does not affect the transmission capacity associated with the project. But because some current IPP participants have chosen not to participate in the renewal project, BWP's potential Southern Transmission System (STS) capacity allocation (i.e. between Delta and Southern California) could potentially increase. If BWP chooses to participate in the repowering at its maximum allowable generation interest of 35 MW, BWP would be entitled to 127 MW of capacity on the STS, up from the 108 MW of STS capacity that BWP currently enjoys. These issues are still subject to negotiation, however.

In this connection, BWP went before Council on August 14 to seek approval to re-file with the California Energy Commission an emissions compliance finding for the alternative repowering. This re-filing was approved. This re-filing is a duplicate of the initial filing made in 2015 and is required due to the resized alternative repowering.

FLEET SERVICES

PROJECT UPDATE:

Construction for the Fleet Services Building (FSB) Modification Project continues to progress on schedule. HVAC supply ducts for the new indirect evaporative coolers (Climate Wizards) are approximately 80% complete. The new mezzanine (including structural steel, decking and access stairs) is complete. The Climate Wizards were delivered on-site on August 13 and were lifted and set in place on August 16. All demolition work at the roof-level was also completed on the August 16 while the crane was on-site. Metal stud framing in the north office area is complete and insulation and drywall installation efforts have begun. Metal stud framing at the Light Vehicle Bay (LVB) is about 90% complete, with insulation and drywall efforts expected to commence in the coming days. Installation of the new fire and domestic water backflow devices are approximately 95% complete. Substantial completion of construction efforts is scheduled for December 2018, with final project close-out in January 2019.



Completed Mezzanine Deck (Railing to be Installed)



Metal Framing – Light Vehicle Bay



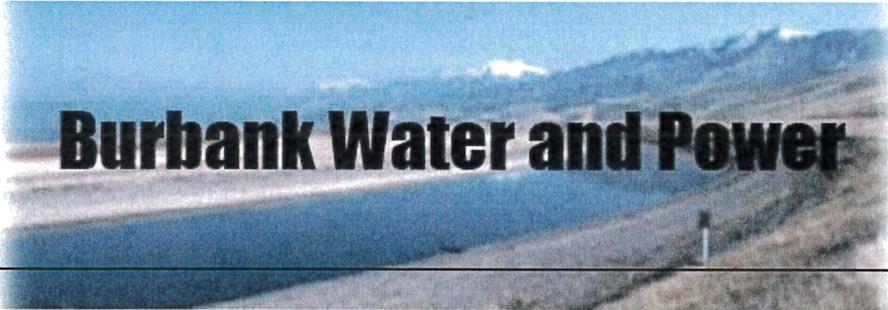
New 4" Fire and 2-1/2" Backflow Devices



Climate Wizard (EC-2) Lift



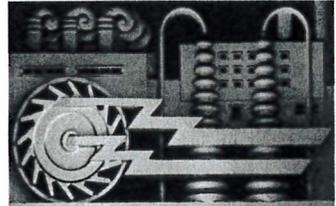
Climate Wizard (EC-2) Set



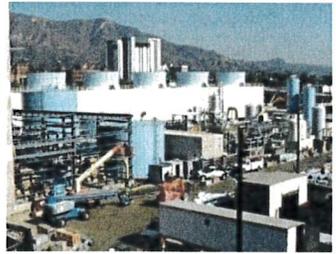
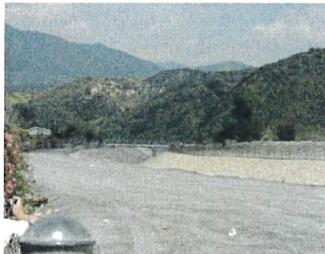
WATER



LIGHT



POWER



**Estimated Financial Report
August 2018**

UNAUDITED

Electric Fund (496)
Estimated Statement of Changes in Net Assets ⁽¹⁾⁽²⁾
MTD and FYTD August 2018
(\$ in 000's except MWh Sales)

MTD FY 18-19	MTD Aug-18 Budget	\$ Variance ⁽¹⁾	% Variance		FYTD FY 18-19	FYTD Aug-18 Budget	\$ Variance ⁽²⁾	% Variance
123,379	117,743	5,636	5% ^(a)	NEL MWh	250,151	231,765	18,386	8% ^(A)
				Retail				
\$ 18,802	\$ 17,624	\$ 1,178	7% ^(b)	Retail Sales	\$ 37,143	\$ 34,507	\$ 2,636	8% ^(B)
542	595	(53)	(9%) ^(c)	Other Revenues ⁽⁴⁾	1,022	1,190	(168)	(14%) ^(C)
12,600	11,021	(1,579)	(14%) ^(d)	Retail Power Supply & Transmission	25,036	21,841	(3,195)	(15%) ^(D)
6,744	7,198	(454)	(6%)	Retail Margin	13,129	13,856	(727)	(5%)
				Wholesale				
3,761	5,954	(2,193)	(37%)	Wholesale Sales	5,449	14,774	(9,325)	(63%)
3,470	5,805	2,335	40%	Wholesale Power Supply	4,967	14,405	9,438	66%
291	149	142	95%	Wholesale Margin	482	369	113	31%
7,035	7,347	(312)	(4%)	Gross Margin	13,611	14,225	(614)	(4%)
				Operating Expenses				
903	903	-	0%	Distribution	1,822	1,837	15	1%
107	107	-	0%	Administration/Safety	219	220	1	0%
270	270	-	0%	Finance, Fleet, & Warehouse	471	543	72	13% ^(E)
499	499	-	0%	Transfer to General Fund for Cost Allocation	999	999	-	0%
392	392	-	0%	Customer Service, Marketing & Conservation	897	1,021	124	12% ^(F)
387	387	-	0%	Public Benefits	792	774	(18)	(2%)
163	163	-	0%	Security/Oper Technology	319	324	5	2%
109	109	-	0%	Telecom	191	218	27	12%
166	166	-	0%	Construction & Maintenance	255	331	76	23% ^(G)
1,567	1,567	-	0%	Depreciation	3,114	3,133	19	1%
4,563	4,563	-	0% ^(e)	Total Operating Expenses	9,079	9,400	321	3%
\$ 2,471	\$ 2,784	\$ (312)	(11%)	Operating Income/(Loss)	\$ 4,532	\$ 4,825	\$ (293)	(6%)

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
MTD August 2018
(\$ in 000's)**

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	123,379	117,743	5,636	NEL is 5% higher than budget due to warmer than normal temperatures. For the month of August average high temperature was 89.4°F and the 15 year average high temperature was 88.3°F. MTD CDD were 390 versus the 30 year average of 337.
b.	Retail Sales	18,802	17,624	1,178	Retail sales correspond with higher NEL (demand).
c.	Other Revenues	542	595	(53)	Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
d.	Retail Power Supply & Transmission	12,600	11,021	(1,579)	The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page A-6 for additional details.
e.	Total Operating Expenses	4,563	4,563	-	Expenses have not closed for August 2018 and are estimated at budgeted values.

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD August 2018
(\$ in 000's)**

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	250,151	231,765	18,386	- NEL is 8% higher than budget due to warmer than normal temperatures. FYTD average high temperature was 90.7°F and the 15 year average high temperature was 87.5°F. FYTD CDD were 851 versus the 30 year average of 642.
B.	Retail Sales	37,143	34,507	2,636	- Retail revenues correspond with the demand.
C.	Other Revenues	1,022	1,190	(168)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
D.	Retail Power Supply & Transmission	25,036	21,841	(3,195)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page A-7 for additional details.
E.	Finance, Fleet, & Warehouse	471	543	72	- The favorable variance is primarily attributable to timing of expenditures for software & hardware and professional services.
F.	Customer Service, Marketing & Conservation	897	1,021	124	- The favorable variance is primarily attributable to timing of expenditures for professional services and software & hardware.
G.	Construction & Maintenance	255	331	76	- The favorable variance is primarily attributable to timing of expenditures for building grounds maintenance & repair, custodial services, and private contractual services.
H.	Capital Contributions (AIC)	162	296	(134)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Cash Balances ^(a)
(\$ in 000's)**

	Aug-18	Jul-18	Jun-18	Mar-18	Jun-17	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserve	\$ 75,292	\$ 75,304	\$ 78,821	\$ 84,326	\$ 70,572	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPFA	16,496	16,496	16,492	15,917	15,787		
Sub-Total Cash and Investments	<u>101,788</u>	<u>101,801</u>	<u>105,314</u>	<u>110,243</u>	<u>96,358</u>	<u>73,010</u>	<u>42,770</u>
Capital Commitments	(5,639) ^(b)	(6,014)	(6,740)	(11,448)	(16,446)		
Customer Deposits	(4,873)	(5,186)	(5,432)	(5,750)	(4,533)		
Public Benefits Obligation	(5,539)	(5,857)	(5,549)	(5,799)	(4,520)		
Pacific Northwest DC Intertie	(6,406)	(7,455)	(7,455)	(7,842)	(8,765)		
Low Carbon Standard Fuel ^(c)	(1,251)	(1,251)	(1,251)	-	-		
Cash and Investments (less Commitments)	<u>79,080</u>	<u>76,038</u>	<u>78,888</u>	<u>79,404</u>	<u>62,095</u>	<u>73,010</u>	<u>42,770</u>

^(a) The Statement of Cash Balances may not add up due to rounding.

^(b) Denotes capital commitment for the Ontario Distribution Station and 4kV to 12kV conversion of circuits.

^(c) Denotes funds reserved related to the sale of Low Carbon Standard Fuel (LCSF) credits.

Estimated August 2018 Budget to Actual P&L Variance Highlights - Electric Fund
(in 000's)

	Variance Month-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<u>MTD NET INCOME/(LOSS): \$2,417</u>		\$ (312)	\$ (312)
 <u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales	1,178		1,178
Power Supply and Transmission			
- Higher energy and fuel prices		(555)	(555)
- A seven day unplanned outage at MPP		(531)	(531)
- Higher retail load		(493)	(493)
Other Revenues		(53)	(53)
Wholesale Margin	142		142
Total	1,320	(1,632)	(312)

Estimated August 2018 Budget to Actual P&L Variance Highlights - Electric Fund
(in 000's)

	Variance Fiscal Year-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>FYTD NET INCOME: \$4,410</u>		(306)	(306)
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales	2,636		2,636
Power Supply and Transmission			
- Higher retail load		(1,778)	(1,778)
- Higher energy and fuel prices		(706)	(706)
- A ten day unplanned outage at IPP		(630)	(630)
- A seven day unplanned outage at MPP		(531)	(531)
- Lower than planned O&M expenses	450		450
Wholesale Margin	113		113
Other Revenues		(168)	(168)
Total	<u>3,199</u>	<u>(3,813)</u>	<u>(614)</u>
<u>FYTD EXPENSE AND OTHER VARIANCES</u>			
Customer Service, Marketing & Conservation	124		124
Construction & Maintenance	76		76
Finance, Fleet, & Warehouse	72		72
Depreciation expense	19		19
All other	17		17
Total	<u>308</u>	<u>-</u>	<u>308</u>

**Burbank Water and Power
Water Fund (497)**

**Estimated Statement of Changes in Net Assets ⁽¹⁾
MTD and FYTD August 2018
(\$ in 000's except Gallons)**

MTD FY 18-19	MTD Aug-18 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 18-19	FYTD Aug-18 Budget	\$ Variance ⁽²⁾	% Variance
533	516	17	3%	(a)	1,075	1,028	47	5% (A)
104	112	(8)	(7%)	(b)	218	213	5	2%
\$ 2,890	\$ 2,861	\$ 29	1%	(c)	\$ 5,817	\$ 5,603	\$ 214	4% (B)
391	448	(57)	(13%)		895	852	42	5%
58	63	(5)	(8%)	(3)	108	119	(11)	(9%)
3,338	3,372	(33)	(1%)		6,820	6,574	246	4%
1,255	1,186	(69)	(6%)	(d)	2,503	2,361	(142)	(6%) (C)
2,084	2,186	(102)	(5%)		4,316	4,213	103	2%
618	618	-	0%		1,114	1,221	107	9% (D)
147	147	-	0%		278	293	15	5%
192	192	-	0%		358	424	66	16% (E)
169	169	-	0%		336	338	2	1%
348	348	-	0%		742	696	(46)	(7%)
1,474	1,474	-	0%	(e)	2,828	2,972	144	5%
16	16	-	0%		31	31	0	0%
44	44	-	0%		85	89	(4)	(5%)
(160)	(160)	-	0%		(319)	(319)	0	0%
(99)	(99)	-	0%		(203)	(199)	(4)	(2%)
511	613	(102)	(17%)		1,286	1,042	243	23%
28	28	-	0%		42	56	(14)	(25%) (F)
\$ 539	\$ 641	\$ (102)	(16%)		\$ 1,327	\$ 1,098	\$ 230	21%

1. This report may not foot due to rounding.

2. () = Unfavorable

3. Other Revenue includes items such as damaged property recovery, connection fees, late fees, and tampering fees.

4. Other Income/(Expense) includes miscellaneous revenue from the sale of scrap materials, inventory, and assets.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD August 2018
(\$ in 000's except Gallons)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Potable Water Usage in Millions of Gallons	533	516	17	- Potable water sales are higher primarily because of higher demand for landscaping irrigation, due to warmer than normal temperatures in the month of August 2018. For the month of August, average high temperature was 89.4°F and the 15 year average high temperature was 88.3°F.
b.	Recycled Water Usage in Millions of Gallons	104	112	(8)	- Recycled water sales are lower than planned due to a seven day unplanned outage at MPP during the month of August.
c.	Potable Water Revenue	2,890	2,861	29	- MTD Potable water revenues are higher due to higher demand and is slightly impacted by make-up water supplied to the recycled water system.
d.	Water Supply Expense	1,255	1,186	(69)	- Water supply expense is higher because of higher demand and using more MWD purchased water than planned.
e.	Total Operating Expenses	1,474	1,474	-	- Expenses, other than water supply expense, have not closed for August 2018 and are estimated at budgeted values.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD August 2018
(\$ in 000's except Gallons)**

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Water put into the system in Millions of Gallons	1,075	1,028	47	- FYTD Potable water sales are higher due to higher demand for landscaping irrigation, which is driven by warmer than normal summer temperatures. FYTD average high temperature was 90.7°F and the 15 year average high temperature was 87.5°F. FYTD CDD were 851 versus the 30 year average of 642.
B.	Potable Water Revenue	5,817	5,603	214	FYTD Potable water revenue corresponds with the demand and is slightly impacted by make-up water supplied to the recycled water system.
C.	Water Supply Expense	2,503	2,361	(142)	Water supply expense is higher because of higher demand and using more MWD purchased water than planned.
D.	Operations & Maintenance - Potable	1,114	1,221	107	- The favorable variance is attributable to the timing of expenditures for professional services, insurance and special departmental supplies.
E.	Allocated O&M	358	424	66	- The favorable variance is attributable to lower than planned allocated expenses (Finance, Customer Services, and Construction & Maintenance) from the Electric Fund.
F.	Aid in Construction	42	56	(14)	- The unfavorable variance is attributable to the timing of AIC projects.

**Burbank Water and Power
Water Fund (497)**

Estimated Statement of Cash Balances (a)
(\$ in 000's)

	Aug-18	Jul-18	Jun-18	Mar-18	Jun-17	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserves	\$ 11,726	\$ 10,560	\$ 10,897	\$ 11,111	\$ 9,542	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	<u>13,946</u>	<u>12,780</u>	<u>13,117</u>	<u>13,331</u>	<u>11,762</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(1,055)	(649)	(607)	(963)	(786)		
Capital Commitments	(140) ^(b)	(140)	(140)	(140)	(228)		
Cash and Investments (less commitments)	<u><u>12,751</u></u>	<u><u>11,991</u></u>	<u><u>12,370</u></u>	<u><u>12,228</u></u>	<u><u>10,749</u></u>	<u><u>17,830</u></u>	<u><u>9,370</u></u>

(a) The Statement of Cash Balances may not add up due to rounding.

(b) Capital commitment for the recycled water I-5 Freeway second tie crossing project.

Estimated August 2018 Budget to Actual P&L Variance Highlights - Water Fund
(in 000's)

	Variance Month-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>MTD NET INCOME (LOSS): \$511</u>		(102)	(102)
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	29		29
Recycled Revenues		(57)	(57)
Other Revenue		(5)	(5)
Water Supply Expense		(69)	(69)
Total	<u>29</u>	<u>(131)</u>	<u>(102)</u>

Estimated August 2018 Budget to Actual P&L Variance Highlights - Water Fund
(in 000's)

	Variance Fiscal Year-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<u>FYTD NET INCOME: \$1,286</u>	243		243
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	214		214
Recycled Revenues	42		42
Other Revenue		(11)	(11)
Water Supply Expense		(142)	(142)
Total	256	(153)	103
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable Water O&M	107		107
Recycled Water O&M	15		15
Allocated O&M	66		66
Depreciation Expense		(46)	(46)
All Other		(2)	(2)
Total	188	(48)	140