



Weekly Management Report

October 26, 2018

1. **Synopsis** Sustainable Burbank Commission Meeting
October 15, 2018
Public Works Department
2. **Notice** Burbank Cultural Arts Commission
Cancellation of Regular Meeting on
November 8, 2018
Parks and Recreation Department
3. **Memo** Management Agreement with Touchstone for
DeBell Golf Course
Parks and Recreation Department
4. **Minutes** Burbank Water and Power Board Meeting
October 4, 2018
Burbank Water and Power
5. **Report** September 2018 Operating Results
Burbank Water and Power
6. **Report** Request for Burbank Water and Power Board
Feedback on BWP's Draft Proposed 2019
Integrated Resource Plan (IRP) – Exhibit "A"
Available by Request (193 pages)
Burbank Water and Power
7. **Memo** Planning Board Actions of
October 22, 2018
Community Development Department
8. **Memo** City Manager Tracking List
Updated October 25, 2018
City Manager

SUSTAINABLE BURBANK COMMISSION
October 15, 2018

SYNOPSIS OF ITEMS ARE IN BOXES BELOW

I. GREEN SPOTLIGHT AWARD:

The Green Spotlight Award was awarded to Shalini Mascara for coordinating Dig Days at George Izay Park.

II. ORAL COMMUNICATIONS:

A. Public Communication:

None.

B. Commission Member Communication:

Mr. Hagobian noted that he was absent from last month's meeting because he attended a seminar by Marvin Windows and Doors in Minnesota. He explained that the company uses sustainable, environmental, and safety practices, and manufactures in the United States.

Mr. O'Brien thanked John Molinar, Kreigh Hampel, and Curtis Jordan for the Landfill tour last month. Mr. Goodman stated that he posted photos from the Landfill tour on Instagram and received a lot of engagement. He thinks members of the public would enjoy seeing the Landfill.

Mr. Yegparian suggested a tour of the Water Reclamation Plant. He also asked about the possibility of school children touring the Landfill.

In her absence, Ms. Zimskind shared items on behalf of Ms. Kirschenbaum. Ms. Kirschenbaum, along with other members of the Citizen Climate Lobby, met with Colleen Oinuma advocating for a carbon pricing policy. Ms. Kirshenbaum also volunteered on a project caring for native plants, attended a Burbank Water and Power Board meeting advocating for 100% renewable energy by 2030, and spoke at a City Council meeting urging 100% renewable energy by 2030.

Ms. Zimskind stated that she attended the Brown Act presentation on October 10. She shared a hard copy of the presentation with the Commission and added that she should be receiving an electronic copy as well.

C. Staff Communication:

John Molinar, Assistant Public Works Director – Street & Sanitation, stated that it was a pleasure giving the Landfill tour last month.

Kreigh Hampel, Recycling Coordinator, addressed Mr. Yegparian's question about children touring the Landfill. Mr. Hampel stated that because it is an industrial site, there are safety issues preventing children from touring the Landfill. He also mentioned that on October 6 and 7 he participated in a Metropolitan Water District Water tour that included a visit to the delta and a discussion of the tunnel projects. Mr. Hampel noted that discussions of climate and sea level are effecting water planning. He announced that dates for upcoming composting workshops as well as information on a film on food waste can be found on the Recycle Center website.

III. APPROVAL OF MINUTES:

Minutes from the September 17, 2018, meeting were approved by Ms. Zimskind, Mr. Goodman, Mr. O'Brien, and Mr. Yegharian. Ms. Gamino and Mr. Hagobian abstained.

IV. AD HOC COMMUNITY SCORECARD PHASE II SUBCOMMITTEE REPORT

At its August 20, 2018, meeting, the Commissioners agreed to form the ad hoc Community Scorecard Phase II Subcommittee to create a scorecard that reflects the progress of the City's sustainability goals. The Commission may ask questions, engage in discussion, and provide feedback.

Ms. Zimskind stated that she will set up time to meet with the Ad Hoc Subcommittee. Mr. O'Brien added that they plan to break down the STAR communities' requirements and will compare them with the Burbank 2035 General Plan. Ms. Zimskind asked about the Commission's budget. Councilmember Frutos suggested she contact staff to discuss this item.

V. AD HOC PROJECT DEVELOPMENT CHECKLIST SUBCOMMITTEE REPORT

At its September 18, 2017, meeting, the Commissioners agreed to form the ad hoc Project Development Checklist Subcommittee to craft a sustainability checklist for project development packets. The ad hoc subcommittee will provide the Commission with an update on the group's progress and proposed future direction for discussion and Commission direction. The Commission may ask questions, engage in discussion, and provide feedback.

Mr. Goodman explained that the Ad Hoc Subcommittee is addressing technical questions before the Checklist is brought back to the Commission. He asked about City policy on storm water and will meet with Mr. Molinar after the meeting to discuss.

VI. AD HOC COMMUNITY ENGAGEMENT PHASE I & PHASE 2 SUBCOMMITTEE REPORT

At its June 18, 2018, meeting, the Commissioners agreed to form the ad hoc Community Engagement Phase I & Phase 2 Subcommittee. Phase 1 will determine goals for community engagement and Phase 2 will enact goals approved by the Commission. The ad hoc subcommittee will provide the Commission with an update on the group's progress and proposed future direction for discussion and Commission direction. The Commission may ask questions, engage in discussion, and provide feedback.

Ms. Zimskind stated that the Ad Hoc Subcommittee did not meet this month and therefore there is no update.

VII. AD HOC POLYSTYRENE BAN SUBCOMMITTEE REPORT

At its November 20, 2017 meeting, the Commissioners agreed to form the ad hoc Polystyrene Ban Subcommittee to investigate and develop a plan to recommend a citywide ban on polystyrene products. The ad hoc subcommittee will provide the Commission with an update on the group's progress and proposed future direction for discussion and Commission direction. The Commission may ask questions, engage in discussion, and provide feedback.

Mr. Goodman noted that until the City ordinance on polystyrene is agendized for a future Council meeting, the Ad Hoc Subcommittee will not have updates. He expects that once a Council date is set, the Ad Hoc Subcommittee will be extremely active.

VIII. 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.

Ms. Zimskind announced that on November 13, 2018 Council will recognize members of the Master Recycler program and will appoint two members to the Sustainable Burbank Commission.

Mr. Goodman noted that applicant records will be available on the City's website at the end of October and suggested Commissioners individually review the applications and call Councilmembers to support those applicants they feel would be a good fit for the Commission. Councilmember Frutos responded that he would be open to receiving feedback on applicants. Mr. Goodman reminded Commissioners to refrain from sharing Councilmember feedback with other Councilmembers.

IX. 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.

With Greg Dunigan's resignation from the Commission and consequently the Vice Chair position, Ms. Zimskind requested an election for a Vice Chair be added to the November meeting agenda.

X. BURBANK GREEN SPOTLIGHT AWARD FOR NOVEMBER 2018:

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

The Commissioners discussed possible future recipients of the Green Spotlight Award. Mr. Yegparian suggested that, if it's not already there, the Green Spotlight Award application should be posted in the information section on the Commission's Facebook page.

XI. ADJOURNMENT:

The meeting was adjourned at 5:43 p.m.

CITY OF BURBANK
BURBANK CULTURAL ARTS COMMISSION

NOTICE OF CANCELLATION OF REGULAR MEETING

NOTICE IS HEREBY GIVEN that there will be no
Regular Burbank Cultural Arts Commission Meeting on
November 8, 2018.

DATED 10/24/18

DATE: October 23, 2018

TO: Ron Davis, City Manager

FROM: Judie Wilke, Parks and Recreation Director



SUBJECT: MANAGEMENT AGREEMENT WITH TOUCHSTONE FOR DEBELL GOLF COURSE

This memo is a follow-up to the September 25, 2018 memo that provided an update on the search for a new operator of the DeBell Golf Course. After an extensive selection process which included interviews, site visits, and reference checks, staff selected Touchstone Golf, LLC as the new operator of DeBell Golf Club. Touchstone has a 12-year track record of success in cost effectively managing golf courses, delivering a first-class experience for golfers, providing a stimulating workplace for employees, and optimizing operational and financial outcomes for the golf course owners. They currently manage a total of 35 golf courses in nine states, 15 are in California. It is important to note that 29 of the golf courses they manage are public golf courses, with 12 being municipal or government golf courses.

As proposed, Touchstone will provide full-service day-to-day management of the DeBell Golf Course 18-hole golf course, par-3 golf course, driving range, food and beverage (F&B), and landscape and golf maintenance. They will handle all hiring of personnel and marketing, oversee accounting and payroll, plan and implement special events and tournaments, and work with the City to develop and implement long range and capital improvement planning.

On October 11, 2018, the Touchstone management team met with key DeBell staff from the golf, F&B, and landscape and maintenance operation areas. Additionally, staff facilitated a meeting with representatives from all four golf clubs, and a meeting with staff. Later that evening staff and Touchstone provided the Parks and Recreation Board with an update on the general terms and conditions of the DeBell Golf Course agreement. The intention of these meetings was multi-fold. It provided Touchstone an opportunity to better understand the existing day-to-day operations, tour the facility to help them assess needed equipment and improvements, introduce themselves to stakeholders, and last but not least to receive valuable input from stakeholders.

Staff has made significant progress in the negotiations for a Management Agreement with Touchstone Golf. As we finalize the terms and conditions of the Agreement, I wanted to share with you some of the key terms and conditions for your review and input.

The following are some of the terms and conditions discussed to date:

1. The proposed terms for the Management Fee Agreement is for five (5) years with one (1) option for extension for an additional five (5) year period.
2. The City will pay Touchstone \$8,000 per month for their services. This fee will remain at \$8,000 over the entire term of the agreement, up to 10 years.
3. All revenue generated at DeBell will be deposited in a special account to be used for all Council approved operational and capital expenses.
4. Touchstone along with staff will develop an annual operating budget and revenue projections that will be included as part of the City's annual budget, and approved by City Council.
5. Touchstone will also develop a vision and objectives for facility conditions, develop a detailed turf, landscape, and tree maintenance plan, and hope to address all of the deferred maintenance. Maintenance costs will be included in the annual budget.
6. There is also a revenue sharing component, whereby Touchstone would be eligible to earn 15% of any increases in annual Net Operating Income (NOI) over the prior year. Staff and Touchstone have not finalized the initial term, as such the NOI has not been established.
7. All current golf course, F&B, and landscape and maintenance employees will be provided the opportunity to continue employment under Touchstone.
8. A DeBell leadership team will be established to include a: General Manager, Golf Professional, F&B Director and Golf Course Superintendent.
9. DeBell golf fees and membership programs will remain the same until such time that Touchstone has reviewed all pricing at DeBell to make sure the price points create the right value. Any proposed changes in fees will need to be approved by the City Council.
10. Touchstone will meet regularly with DeBell golf club representatives to gather input for facility improvements and plan special events.
11. Touchstone is committed to improving the DeBell golf course and service experience. Their approach to branding the DeBell experience applies to all guests, golfers and non-golfers. They will focus on loyalty programs, memberships, events, tournaments, and customer service.
12. Touchstone will coordinate a wide range of special golf events including corporate golf outings, and tournaments. They will also host community events such as an Egg-Hunt, First Responders Day; Nine, Wine, and Dine; Canine Invitational; Glow ball night golf; and events for singles.
13. They will promote instruction programs for player development for all ages and skill levels. They will support Burbank high schools' golf programs, junior golfers, and at-risk-youth to continue to grow the game.

As previously mentioned, staff is making significant progress with negotiations, and plans to present an agreement for the City Council's consideration on November 27. Should the agreement be approved at the November meeting, Touchstone will assume operations of the golf and landscape maintenance on December 1. They planned on assuming the F&B operations on January 1, 2019, upon termination of the Concessionaire Agreement with the Canyon Grille. However, in light of the Concessionaire's anticipatory breach of his Agreement, staff has been in contact with Touchstone to see if they can assume the F&B operations earlier than January 1.

**BURBANK WATER AND POWER BOARD
MINUTES OF MEETING
OCTOBER 4, 2018**

Mr. Eskandar called the regular meeting of the Burbank Water and Power Board to order at 5:08 p.m. in the third floor Boardroom of the BWP Administration Building, 164 W. Magnolia Boulevard, Burbank, California.

Mr. Eskandar called for the Pledge of Allegiance to the Flag.

ROLL CALL

Board Present: Mr. Eskandar, Mr. Smith, Mr. Brody, Mr. Ford, Mr. Herman, Ms. LaCamera, Mr. Panahon

Board Absent: None

Staff Present: Mr. Somoano, General Manager, BWP; Mr. Chwang, Senior Assistant City Attorney; Mr. Ancheta, Assistant General Manager, Electrical; Mr. Bleveans, Assistant General Manager, Power Supply; Mr. Compton, Assistant General Manager, Chief Technology Officer; Mr. Mace, Assistant General Manager, Water; Mr. Tunncliff, Assistant General Manager, Customer Service and Marketing; Ms. Waloejo, Financial Planning and Risk Manager; Mr. Messineo, Assistant Power Production Superintendent; Mr. Maxwell, Power Production Engineer; Mr. Thompson, Manager Water Engineering/Planning; Mr. Flores, Marketing Manager; Mr. Hammond, Manager ECC; Mr. Oganessian, Manager, Technology; Ms. Titus, Legislative Analyst; Ms. Kramer, Recording Secretary

INTRODUCTION OF ADDITIONAL AGENDA ITEMS

None requested.

ORAL COMMUNICATIONS

Two members of the public were present and addressed the Board.

Ms. Kirschenbaum, a member of the Sustainable Burbank Commission, inquired if the IRP draft would be available to the public prior to the City Council vote. Ms. Kirschenbaum also inquired if recent legislation will affect the IRP directly related to IPP.

Mr. Goldstein, a Burbank resident, addressed his concerns regarding Burbank's energy future, his concerns on climate change and how Burbank is working to help prevent climate change. Mr. Goldstein inquired when the IRP will be available to the public, what alternatives exist to Burbank's participation in IPP, what exactly is the cost to Burbank residents for Burbank going 100 % renewable, and how long before the Council votes on the IRP will the public be able to view it and make comments?

BOARD AND STAFF RESPONSE TO ORAL COMMUNICATIONS

Mr. Bleveans and Mr. Somoano responded to the public speakers and follow up questions from the Board.

INFORMATION FROM STAFF

BEACHWOOD PUMP STATION UPDATE

Ms. Gibson, Public Works Director, provided an update on the Beachwood Pump Station and responded to follow up questions from the Board.

CONSENT CALENDAR

MINUTES

It was moved by Mr. Herman, seconded by Mr. Smith, and carried 7-0 to approve the meeting minutes of the regular meeting of August 16, 2018.

REPORTS TO THE BOARD

BWP OPERATIONS AND FINANCIAL REPORTS

Ms. Waloejo presented BWP's financial update and operating report for the month of August 2018.

Ms. Waloejo, Mr. Somoano, and Mr. Mace responded to Board Member questions.

This was an information item only. No action was taken.

RECOMMENDATION TO BURBANK CITY COUNCIL TO ADOPT A RESOLUTION MAKING A DECLARATION OF CATEGORICAL EXEMPTION UNDER CEQA, APPROVING AND AUTHORIZING THE GENERAL MANAGER OF BURBANK WATER AND POWER TO EXECUTE A DESIGN-BUILD AGREEMENT WITH MASTEC POWER CORPORATION AND TO APPROVE PLANS AND SPECIFICATIONS

Mr. Messineo presented an overview of the proposed design-build agreement with MasTec Power Corporation and an associated CEQA exemption to repower the Burbank Landfill generation site. Mr. Messineo noted that the power generation equipment installed at the site had reached its end-of-life in 2014 and landfill gas was again being flared. Given that the landfill gas must be either flared or used for power generation to maintain air permit compliance, he explained that staff had determined that, rather than continue flaring, repowering with modern landfill gas treatment equipment and microturbines would be the optimal use of the site. Mr. Messineo discussed the competitive bid process for this repowering and the selection of MasTec Power Corporation as the

best qualified and experienced company to execute this project. He noted that the agreement would be taken to the City Council for approval on October 9, 2018.

Mr. Messineo, Mr. Somoano, Mr. Bleveans, and Mr. Maxwell responded to Board Member questions.

It was moved by Mr. Ford, seconded by Ms. LaCamera, to support staff's recommendation that the Burbank Water and Power (BWP) Board make a recommendation to the Burbank City Council to adopt a resolution making a declaration of categorical exemption under CEQA, approving and authorizing the General Manager of BWP to execute a Design-Build Agreement with MasTec Power Corporation to repower the generators at the Burbank Landfill with a modern 800 kW Microturbine system, and to delegate authority to the General Manager to approve plans and specifications.

The motion passed 5-2, noting 2 no votes from Mr. Smith and Mr. Herman.

The Chair called for a recess at 6:59 pm

The Chair called the Board Meeting back to order at 7:14 pm

THIRD AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH TERRANEARPMC, LLC FOR OPERATION AND MAINTENANCE OF THE BURBANK OPERABLE UNIT

Mr. Thompson presented an overview of the Professional Services Agreement (PSA) with TerranearPMC, LLC for operation and maintenance of the Burbank Operable Unit (BOU). The cost of the PSA will be paid by Lockheed-Martin pursuant to the San Fernando Area Burbank Operable Unit Second Consent Decree. This will be the completion of the third full year of operation and maintenance of the BOU under this contract cycle.

Mr. Thompson responded to Board Member questions.

It was moved by Mr. Smith, seconded by Mr. Herman, and carried 7-0 to support staff's recommendation that the Board authorize the General Manager to approve the Amendment No. 3 to the PSA with TerranearPMC, LLC for operation and maintenance of the BOU for an amount not to exceed \$6,300,000 for labor, insurance and the contractor's authorized reimbursable indirect costs to operate the facility.

BURBANK WATER AND POWER'S INTEGRATED RESOURCE PLAN PUBLIC SURVEY RESULTS AND HIGHLIGHTS

Mr. Flores presented the results of the Integrated Resource Plan (IRP) survey targeted at Burbank residents and businesses. These surveys, in addition to town hall meetings, are a vital aspect of the IRP development process, allowing BWP to gain the community's perspective on Burbank's energy future.

Mr. Flores responded to Board Member questions.

This was an information item only. No action was required.

SUSTAINABLE BURBANK COMMISSION LIAISON APPOINTMENT AND REPORT

There was no Sustainable Burbank Commission report for the month of September.

The Board discussed the City Council's recent decision to remove the non-voting liaisons from the Sustainable Burbank Commission. Mr. Chwang responded to Board Member questions.

It was moved by Mr. Eskandar, seconded by Mr. Smith, and carried 7-0 to appoint Mr. Brody as the BWP representative to the Sustainable Burbank Commission.

It was moved by Mr. Eskandar, seconded by Mr. Brody, and carried 7-0 that the BWP Board will not agendize the selection of a BWP Board liaison to the Sustainable Burbank Commission every month.

INFORMATION FROM STAFF

NEW CUSTOMER WEB PORTAL UPDATE

Mr. Tunncliff presented an update on the New Customer Web Portal project, and a revised project timeline. Mr. Tunncliff and Mr. Chwang responded to Board Member questions.

Mr. Eskandar and Mr. Brody requested to participate in the go-live testing for the project and offer their feedback to staff.

LEGISLATIVE UPDATE

Ms. Titus provided a federal and state legislative update. Ms. Titus distributed a handout which summarized the status of key bills as the state legislative session has just come to an end. Ms. Titus also reminded the Board of the upcoming MWP trip to the State Water Project.

Ms. Titus responded to Board Member questions.

WATER SUPPLY UPDATE

Mr. Mace reviewed State Water Project allocations, water supply, and water storage.

POWER SUPPLY UPDATE

There was no power supply update.

COMMENTS AND REQUESTS FROM BOARD MEMBERS

Mr. Brody inquired about the City Council Meeting where the Council discussed Boards, Commissions, and Committees. Ms. Kramer offered to send the Board a link to those interested in viewing the Council's discussion.

Mr. Ford inquired if BWP tracks the percentage of energy that comes from renewables. He wondered if customers would be interested in modifying their usage based on this data. Mr. Ford also inquired if BWP would be interested in promoting the tap water we have in Burbank, letting residents know that it is great for drinking rather than purchasing bottled water.

Mr. Smith advised that Pacific Gas and Electric recently announced that they are going to develop three new lithium ion battery plants, 300-400 megawatts each for 3-4 hours duration. He noted how far the bar is being pushed in regards to lithium ion battery storage. Mr. Smith also hopes that staff will take into consideration the Board's feedback regarding the landfill gas to energy project when it is presented to the City Council. Mr. Smith also mentioned a study on Aliso Canyon which looked at gas storage and whether or not it is necessary. He noted that the executive summary said that gas storage is needed, particularly during the winter heating season.

Ms. LaCamera asked when the landfill gas item will be taken to Council. Ms. LaCamera inquired if the Board could be notified when BWP items are to be brought to the City Council. Mr. Somoano responded that he will check with the City Manager's Office regarding this.

Mr. Panahon commented that he is looking forward to the upcoming State Water Project trip, and getting a copy of the BWP bill insert.

Mr. Eskandar noted the upcoming tour of the Ontario Substation offered to the Board, and reminded the Board to complete their Ethics, AB 1234 training that is required every 2 years, and an upcoming Brown Act training presented by the City Attorney's Office.

ADJOURNMENT

The meeting was adjourned at 8:35 pm. The next scheduled Board meeting is November 1, 2018.

Lyndsey Kramer
Recording Secretary

Jorge Somoano
Secretary to the Board

Philippe Eskandar, Chair, BWP Board



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

DATE: November 1, 2018
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: September 2018 Operating Results

SAFETY

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

Water Results of Operations

For the month of September, Potable water usage was 6% (34 million gallons) lower than budgeted and Potable Water Revenues were \$262,000 lower than budgeted. Recycled water usage was 17% (20 million gallons) lower than budgeted and Recycled Water Revenues were \$100,000 lower than budgeted. September Water Supply Expenses were \$61,000 lower than budgeted, driven by the lower demand. September's Gross Margin was \$287,000 lower than budgeted. Net Income was \$390,000, which was \$287,000 lower than budgeted.

September fiscal-year-to-date (FYTD) Potable water usage was 1% (13 million gallons) higher than budgeted due to higher demand for landscaping irrigation, which is driven by warmer than normal summer temperatures. FYTD September Potable Water Revenues were \$47,000 lower than budgeted. FYTD recycled usage was 5% (15 million gallons) lower than budgeted and Recycled Water Revenues were \$57,000 lower than budgeted. FYTD Water Supply Expenses were \$82,000 higher than budgeted, driven by higher demand. The FYTD September Gross Margin was \$195,000 lower than budgeted. Operating Expenses were \$244,000 better than budgeted. Net Income was \$1,774,000, which was \$55,000 better than budgeted.

Electric Results of Operations

For the month of September, electric loads were 8% lower than budgeted primarily due to conservation. Retail Sales were \$550,000 lower than budgeted. September Power Supply Expenses were \$953,000 lower than budgeted primarily due to lower retail load and receiving less renewable energy than planned. September's wholesale margin was \$37,000 lower than budgeted. September's Gross Margin was \$366,000 higher than budgeted. Net Income was \$1,714,000 which was \$366,000 higher than budgeted.

FYTD September electric loads were 3% higher than budgeted due to warmer than normal summer temperatures. Retail Sales were correspondingly \$2,085,000 higher than budgeted. FYTD Power Supply Expenses were \$2,551,000 higher than budgeted due to higher retail load and higher energy and fuel prices. FYTD wholesale margin was \$61,000 better than budgeted. FYTD Gross Margin was \$647,000 lower than

budgeted. September FYTD Operating Expenses were \$670,000 better than budgeted. Net Income was \$5,928,000 which was \$44,000 higher 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. With actions continuing through December, the Delta Stewardship Council will be determining whether to approve the Department of Water Resources Certification of Consistency that the California Water Fix will meet the similar goals of providing a more reliable water supply for California and protect, restore and enhance the delta ecosystem.

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. This would impact Burbank's use of recycled water. 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. The legislature is considering "clean up" language in the next session. Burbank should energetically pursue this.

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. The proposal did not pass this year but will be brought back in the next session.

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 September 2018 was 149 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 September was affected by relatively cooler 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 began spreading water on October 1, and plan to spread 7,200 acre-feet through December, 2018. 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. At the time of this report work on the main spillway was projected to 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 82.09% available for service in September 2018. Five Liquid Phase Granulated Carbon Filters were offline at different times for carbon change out during September. One filter was offline when the month began and four others went offline at various times during the month. The month ended with two filters offline waiting for carbon change out. 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 showed initial promise. We are awaiting the analysis report.

Availability	Production	Average Flow Rate (gallons per minute)
82.09%	74.19%	6,677

PROJECT UPDATES:

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 in early November.

In August the Electric Line section began stringing Fiber Optic Cable to serve Recycled Pump stations 3, 4 and 5 and the Walnut pump station. 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 early November.

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 December.

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 October and the plug valves are expected to be installed by the end of November. 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.

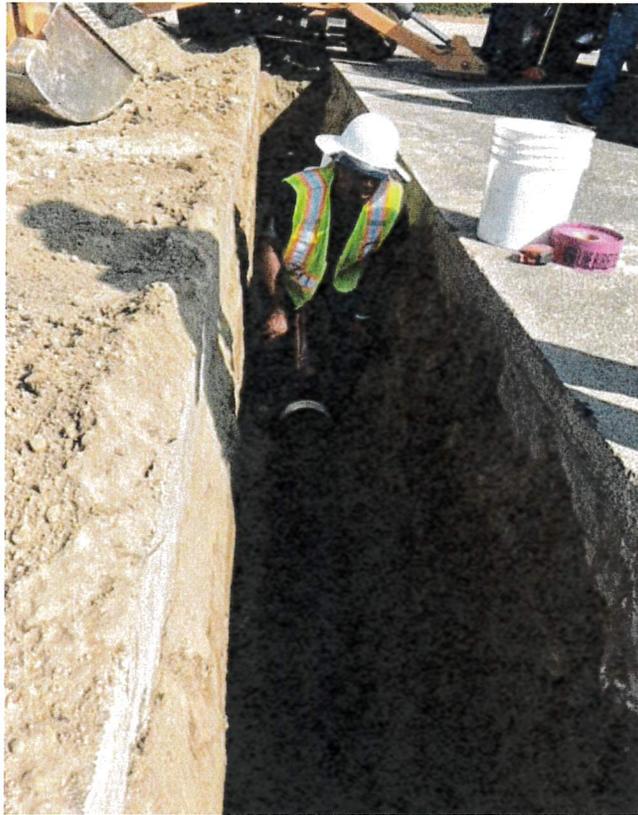
On April 14, 2016 a new Waste Discharge Requirements and Water Recycling Requirements Permit was granted to the City of Burbank by the Regional Water Quality Control Board. This brought the City into full compliance by recognizing the use of recycled water (RW) in cooling towers. A Waste Water Change 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, Costco Gas Station, BWP Fleet Building Evaporative Coolers and the Castaway remodel 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 September, we have added 118 acre-feet (38.5 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, 75 acre-feet to date, through the BWP Campus GAC unit to MPP. Total cost of supplemental water to the recycled system since April is \$214,800. 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. Work resumed in late September and is expected to be complete by mid-November.

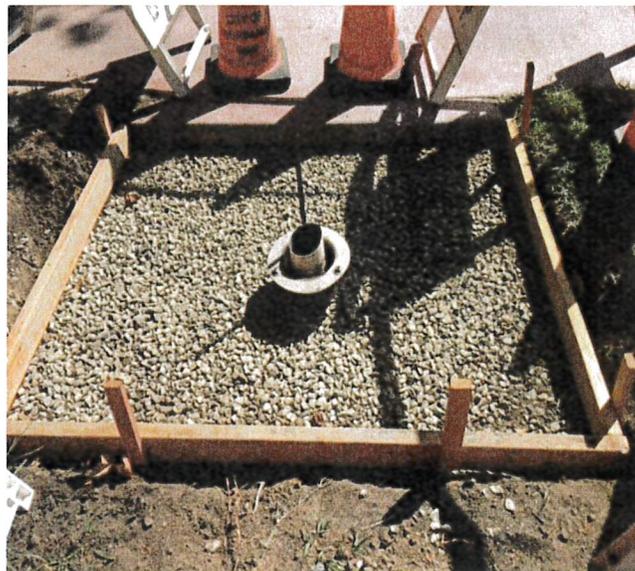
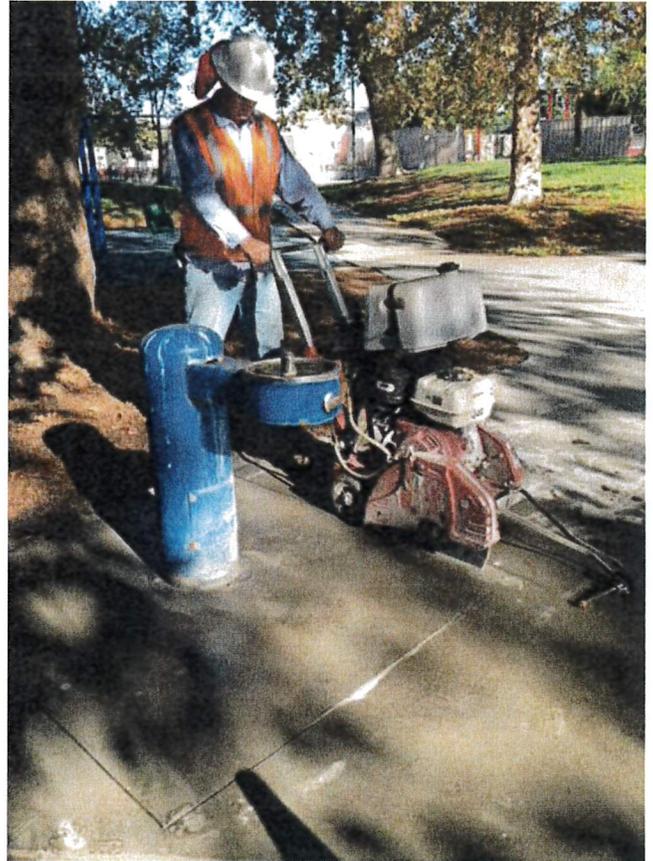
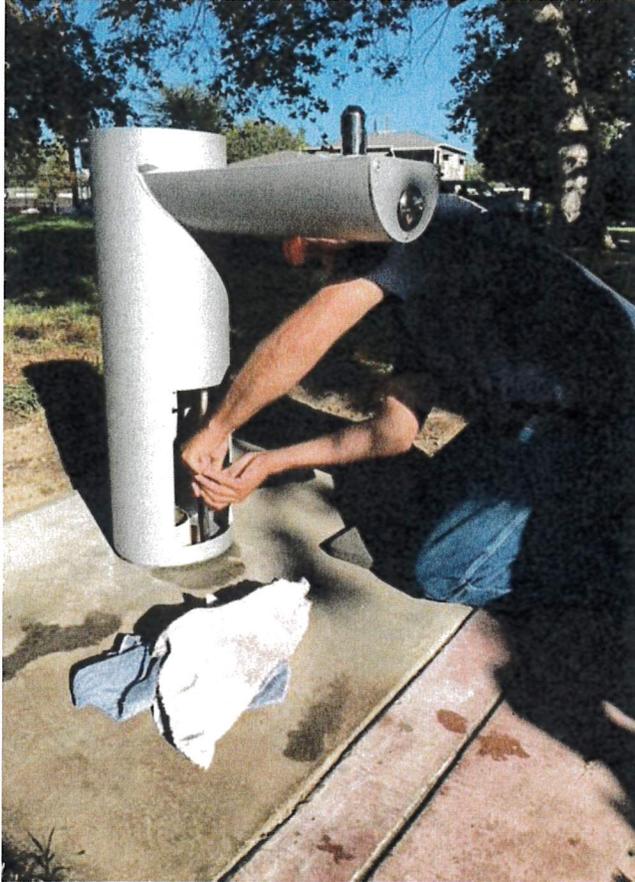
The following photos show the installation of a new 8-inch recycled water main in Olive between Virginia and Flower. Workers are excavating the street at the base of the Olive bridge and installing the water main.



Pictured below are workers replacing a 1-inch meter and installing a new meter box at 3015 N. Naomi. Another worker is tapping a 6-inch water main in the parkway to connect a 2-inch fire service to the water main at 4300 W. Magnolia.



Photos on this page show the replacement of a drinking fountain in Izay Park. The Water Division is upgrading eight drinking fountains around the park for the Park Recreation & Community Service department.



DISTRIBUTION

ELECTRIC RELIABILITY

In September 2018, BWP experienced one sustained feeder outage. In the past twelve months, automatic reclosing has reduced customer outage time by approximately 976,459 customer minutes.

Reliability Measurement	October 2016- September 2017	October 2017- September 2018
Average Outages Per Year (SAIFI)	0.5423	0.2762
Average Outage Duration (CAIDI)	21.94 minutes	38.82 minutes
Average Service Availability	99.998%	99.998%
Average Momentary Outages Per Year (MAIFI)	0.1431	0.2332
No. of Sustained Feeder Outages	11	7
No. of Sustained Outages by Mylar Balloons	2	3
No. of Sustained Outages by Animals	1	0
No. of Sustained Outages by Palm Fronds	4	0

PROJECT UPDATES

Transformer Temperature Monitor Installation at Naomi

BWP has been in the process of installing new temperature monitors for 38 of its 42 substation transformer banks (the remaining 4 transformer banks already have temperature monitors). Since 2015, temperature monitors have been installed on 22 transformer banks, which have some of our oldest and/or most heavily loaded transformers. Pursuant to the Electric Distribution Master Plan, BWP has targeted its CIP budget for transformer temperature monitor installations for up to six transformer banks per year until Fiscal Year 2020-21.

In September, BWP installed 3 temperature monitors at Naomi Substation. The new monitors transmit transformer oil and winding temperatures to the Energy Control Center (ECC) and allow for automatic control, as well as remote control of transformer cooling fans from the ECC. System operators and engineers will use temperature information to quickly identify abnormal operating conditions and determine whether a substation transformer is loaded beyond its normal rating.



Transformer Bank A2 - Before Installation



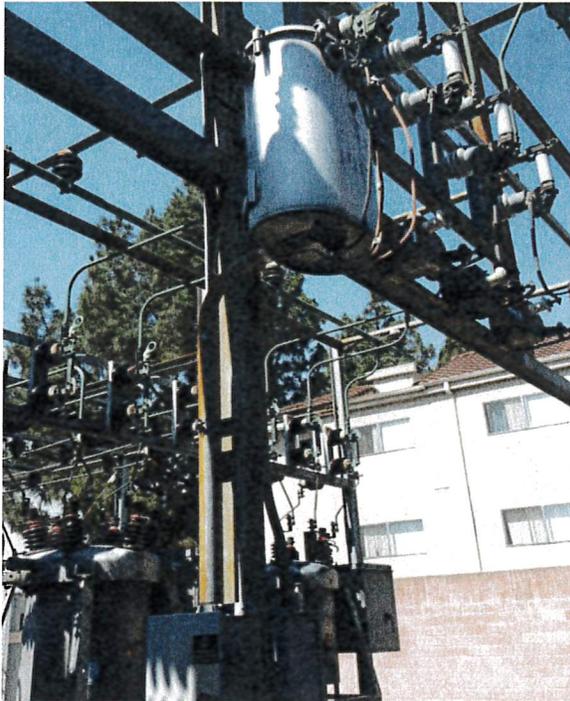
Transformer Bank A2 - After Installation



Dist. Panels & ATS - Before Installation



Dist. Panels & ATS - After Installation



15 KVA Station Transformer - Before Installation



37.5 KVA Station Transformer - After Installation

Ontario Substation

In September, installation of the 69kV switchgear began and 12 kV switchgear was delivered to the site. Internal wall installation was completed as well as drywall finishing and painting. In addition, internal conduit installation was completed.



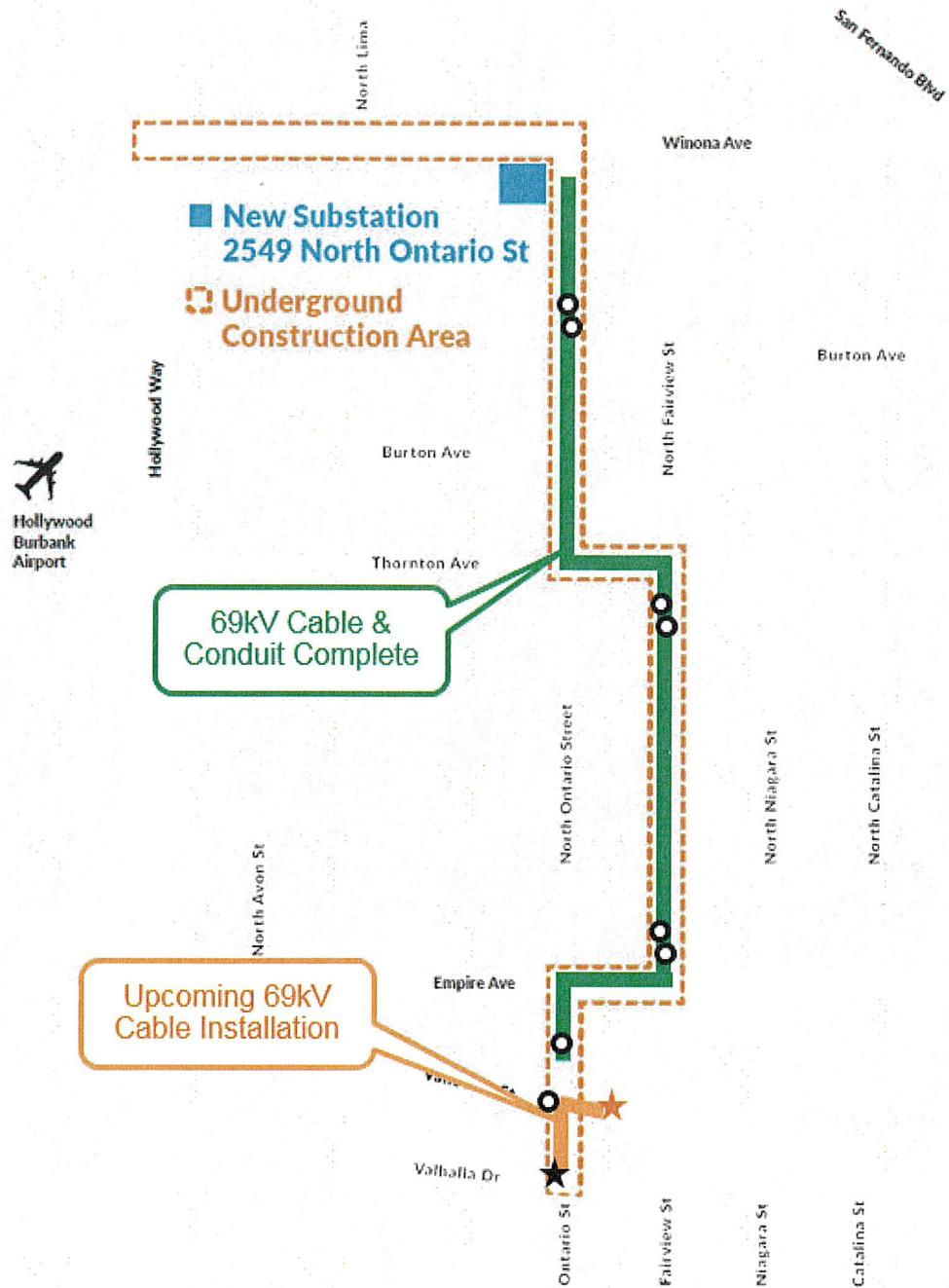
69kV Switchgear Installation and Cable Pulls



12kV Switchgear Arrival

Underground construction of the two 69kV lines connecting the new Ontario Substation to Lincoln and Valley Substations continued in September. The 69kV conduit was completed on Empire Avenue as indicated in the map below.

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, 48.85% of the total streetlight luminaires have been converted to LEDs which translates to an annualized energy savings of 2,387MWh or a 25.75% reduction in energy consumption. LED conversions have also reduced evening load by 545kW, which shortens the "neck of the duck curve" and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

BWP now operates the largest public EV Charging location in Burbank!

BWP announced the September 10 opening of the largest public electric vehicle (EV) charging location in Burbank for mass market vehicles. After much planning and coordination, BWP now operates 16 Level 2 (240 volt) EV chargers at Burbank Town Center, with 8 chargers at each of the first floors of the East and West parking garages.

EV drivers can use a Chargepoint card or app on their phone to use the chargers, at our low rate of about 17 cents per kWh (equivalent to less than \$2 per gallon of gas) during summer non-peak hours. During our summer peak hours of 4pm to 7pm, rates increase to about 30 cents per kWh.

BWP offered a free daytime charging holiday during the month of October, where drivers were able to use the chargers for free between 8am to 4pm. This charging holiday helped promote awareness and use of the chargers, and assisted BWP with facilitating the integration of renewable energy, specifically solar, that is available during the daytime.

This project is unique in that these public chargers are on the customer side of the meter, thereby minimizing the costs BWP would have to spend on infrastructure. These types of projects may become more common in the future as more facilities seek to offer charging to their patrons. To celebrate the Burbank Town Center's role in this project, the Chamber of Commerce held a ribbon cutting ceremony on October 17.



Electric Vehicle (EV) Charging Program

With the 16 new stations mentioned above, 42 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
Sep 2018 ⁴	18,592	\$3,665	7,809	17	18%	23%	20%
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.

⁴ Includes 16 new public Level 2 chargers installed mid-September.

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
September 2018	5	14	713	7,289
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

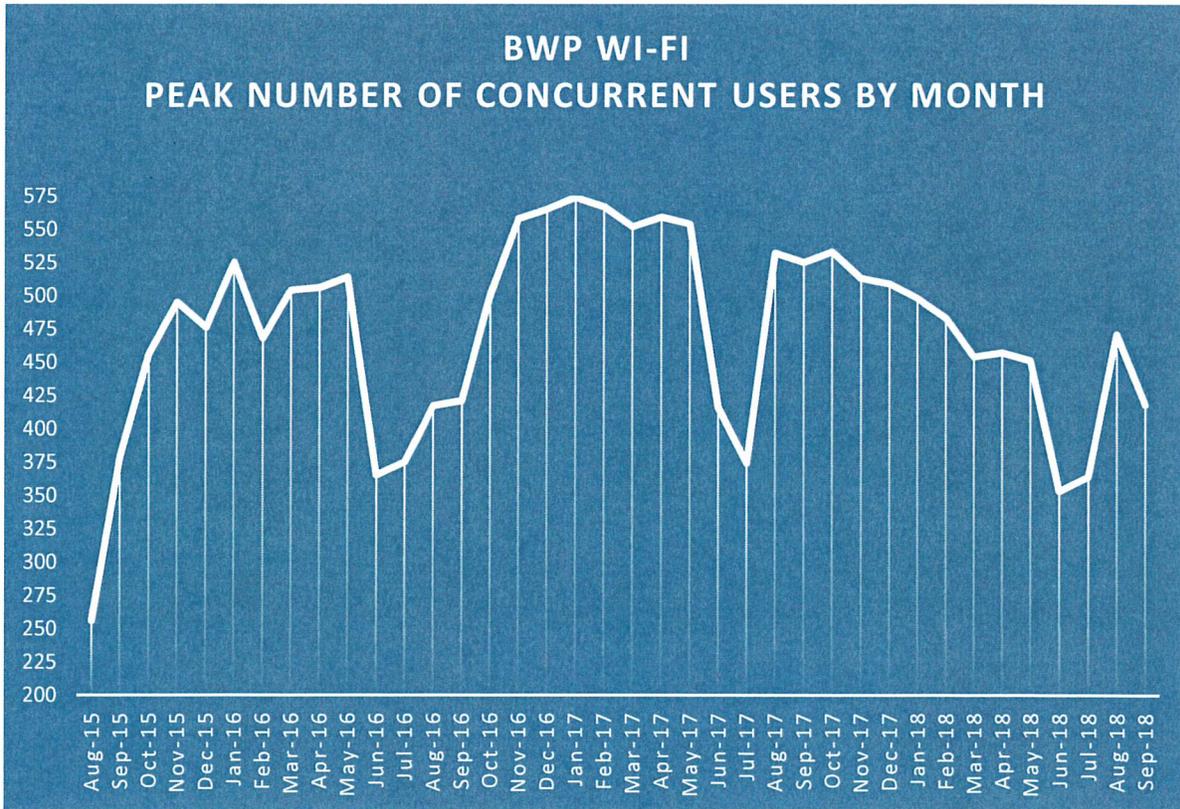
Broadband Services (ONE Burbank)

	September 2018 New Orders	Revenues for September 2018	FYTD 2017-18 Revenues	FYTD Budget
Lit	5	\$106,917	\$315,189	\$405,000
Dark	1	\$198,340	\$596,145	\$607,500
Total	6	\$305,257	\$911,334	\$1,012,500

Values in the table above represent invoiced amounts for monthly recurring revenues only. Actual booked revenues through September 2018 are \$920,727.

BWP WiFi

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



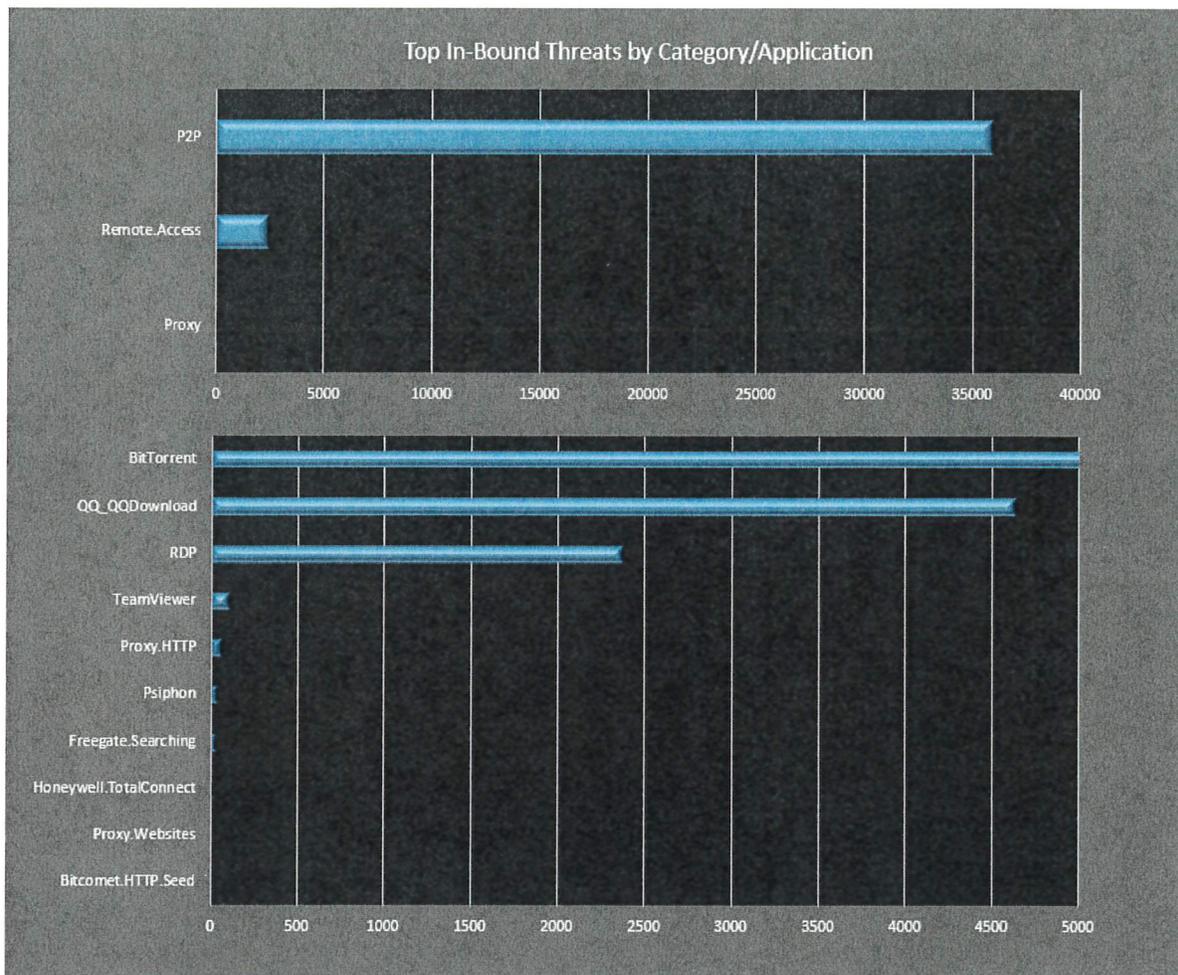
Currently, we are making significant technology, process, and security changes to BWP systems which may impact the data collected and reported, and the way it is presented in the months to come.

Cyber Security Update – September 2018

The BWP cyber security risk factor is 2.4 out of 5.0 for the month of September. Operational Technology successfully prevented over 279 million cyber security threats of which over 70% 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

BWP SYSTEM OPERATIONS:

The maximum load for September 2018 was 228.8 MW at 15:50 pm on Monday, September 10 and the minimum load was 84.3 MW at 07:10 am on Sunday, September 30.

The Burbank power system did not experience extreme heat or natural gas supply issues for September. Copper Mountain Solar 3 experienced normal cloud cover during the month and thus, normal levels of intermittency in its output.

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%	11	341	72
MPP	100%	720	129,631	5,456

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 one time during the month for a total online time of 11 hours for RATA testing.

Magnolia Power Project (MPP)

	September	FYTD	YTD
Availability	100%	95%	97%
Unit Capacity Factor (240 MW)	75%	71%	73%

There were no plant trips or other outages during September 2018.

Tieton Hydropower Project Tieton

On September 7, both Tieton units tripped due to a substation current differential relay. Immediately following this event, the Tieton automatic controls system did not function as designed resulting in a change of downstream river level (maintaining river level is a regulatory requirement); manual intervention by the plant operator corrected the condition. To optimize generation, a plant operator remained onsite for manual control of the river level until controls repairs were complete on September 21.

Tieton Unit 2 experienced trips on September 8, 10, 11, and 12 due to wicket gate shear pin failures in multiple locations. These were brief outages, and repairs involved replacing shear pins. However, this is a symptom of worn parts. Required components were ordered and will be replaced during this coming maintenance outage for a long-term fix.

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 grew to over 5,400 acres in September and was 50% contained. There was no operational impact to Tieton because of this fire.

Tieton generated 8,897 MWh total in September 2018.

ENVIRONMENTAL

Performance

There were no permit violations issued to BWP or MPP during the month of September 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:

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
	New OATT rates	Old OATT Rates		
BAASA Regulation & Frequency Response	\$871,952	\$604,350	(\$267,602)	44.3%
BAASA Contingency Reserves	\$3,462,962	\$3,224,186	(\$238,776)	7.4%
	\$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 developing its next Integrated Resource Plan (IRP) which, pursuant to new requirements embedded in Senate Bill 350, is due January 1, 2019. Staff expects an initial draft of the IRP to be available for review by BWP's Board and the public, in October 2018. Per SB 350, the IRP must be approved by the City Council by the January 1, 2019 due date.

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 held 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. The feedback received from the town hall meetings and the online survey help inform the policy recommendations in the IRP.

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 by the Council and has been filed with the CEC, which will consider it (along with similar filings from the other California participants in IPP repowering) shortly. 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:

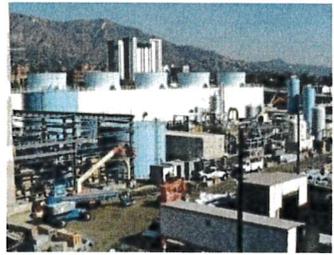
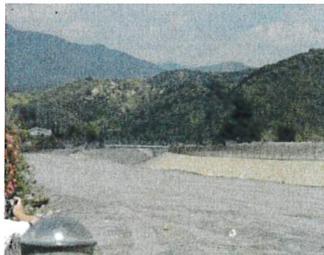
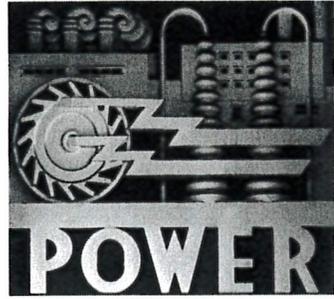
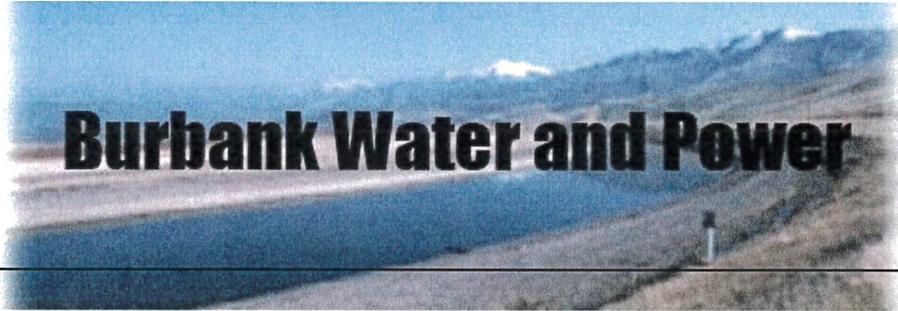
Construction for the Fleet Services Building (FSB) Modification Project remains on schedule. Rough electrical and plumbing work is complete throughout the facility, including the recycled water point of connection for the new Indirect Evaporative Cooling System (Climate Wizards). Interior finishes, such as ceramic tile and painting, are underway. Installation of doors, frames and hardware are about 85% complete. Insulation of all new occupied spaces is complete. New cabinetry has been fabricated and is on-site ready for installation. Substantial completion of construction efforts is scheduled for December 2018, with final project close out in January 2019.



New Break Room/Kitchen



Climate Wizard with Recycled Water Connection



**Estimated Financial Report
September 2018**

UNAUDITED

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

MTD FY 18-19	MTD Sep-18 Budget	\$ Variance ⁽³⁾	% Variance	FYTD FY 18-19	FYTD Sep-18 Budget	\$ Variance ⁽³⁾	% Variance
100,453	109,321	(8,868)	(8%) ^(a)	350,604	341,086	9,518	3% ^(A)
NEL MWh							
Retail							
\$ 15,665	\$ 16,215	\$ (550)	(3%)	\$ 52,807	\$ 50,722	\$ 2,085	4% ^(B)
595	595	-	0% ^(b)	1,544	1,786	(242)	(14%) ^(C)
9,818	10,771	953	9% ^(c)	35,163	32,612	(2,551)	(8%) ^(D)
6,442	6,039	403	7%	19,188	19,896	(708)	(4%)
Wholesale							
841	3,741	(2,900)	(78%)	6,276	18,515	(12,239)	(66%)
784	3,647	2,863	79%	5,752	18,052	12,300	68%
57	94	(37)	(39%)	524	463	61	13%
6,499	6,133	366	6%	19,712	20,359	(647)	(3%)
Operating Expenses							
977	977	-	0%	2,819	2,814	(5)	(0%)
113	113	-	0%	293	333	41	12%
274	274	-	0%	651	817	166	20% ^(E)
499	499	-	0%	1,498	1,498	-	0%
392	392	-	0%	1,319	1,413	94	7%
448	448	-	0%	1,376	1,403	26	2%
184	184	-	0%	510	508	(2)	(0%)
109	109	-	0%	267	327	60	18% ^(F)
166	166	-	0%	379	497	118	24% ^(G)
1,567	1,567	-	0%	4,528	4,700	172	4%
4,730	4,730	-	0% ^(d)	13,640	14,310	670	5%
\$ 1,769	\$ 1,403	\$ 366	26%	\$ 6,072	\$ 6,049	\$ 23	0%

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

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	100,453	109,321	(8,868)	NEL is 8% lower than budget primarily due to conversation and slightly due to cooler than normal temperatures. For the month of September average high temperature was 86.7°F and the 15 year average high temperature was 87.5°F. MTD CDD were 264 versus the 30 year average of 277.
b.	Other Revenues	595	595	-	Other revenues have not closed for September 2018 and are estimated at budgeted values.
c.	Retail Power Supply & Transmission	9,818	10,771	953	The favorable variance is attributable to various components within Retail Power Supply & Transmission, including lower load and receiving less renewable energy than planned. Please refer to page A-6 for additional details.
d.	Total Operating Expenses	4,730	4,730	-	Expenses have not closed for September 2018 and are estimated at budgeted values.

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

Foot- note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	350,604	341,086	9,518	- NEL is 3% higher than budget due to warmer than normal temperatures. FYTD CDD were 1,115 versus the 30 year average of 918.
B.	Retail Sales	52,807	50,722	2,085	- Retail revenues correspond with the demand.
C.	Other Revenues	1,544	1,786	(242)	- 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	35,163	32,612	(2,551)	- The unfavorable variance is attributable to various components within Retail Power Supply & Transmission, including higher load and energy prices; higher energy prices were primarily driven by natural gas constraints in the system. Please refer to page A-7 for additional details.
E.	Finance, Fleet, & Warehouse	651	817	166	- The favorable variance is primarily attributable to timing of expenditures for software & hardware and professional services.
F.	Telecom	267	327	60	- The favorable variance is primarily attributable to timing of expenditures for private contractual services and professional services.
G.	Construction & Maintenance	379	497	118	- 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)	236	443	(208)	- 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)**

	Sep-18	Aug-18	Jul-18	Jun-18	Jun-17	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserve	\$ 75,191	\$ 75,340	\$ 75,476	\$ 78,993	\$ 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 SCPPA	16,525	16,525	16,496	16,492	15,787		
Sub-Total Cash and Investments	<u>101,716</u>	<u>101,865</u>	<u>101,972</u>	<u>105,485</u>	<u>96,358</u>	<u>73,010</u>	<u>42,770</u>
Capital Commitments	(5,530) ^(b)	(5,639)	(6,014)	(6,740)	(16,446)		
Customer Deposits	(3,339)	(4,870)	(5,186)	(5,432)	(4,533)		
Public Benefits Obligation	(6,341)	(6,155)	(5,857)	(5,549)	(4,520)		
Pacific Northwest DC Intertie	(6,406)	(6,406)	(7,455)	(7,455)	(8,765)		
Low Carbon Standard Fuel ^(c)	(1,242)	(1,251)	(1,251)	(1,251)	-		
Cash and Investments (less Commitments)	<u>78,858</u>	<u>77,545</u>	<u>76,210</u>	<u>79,059</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 September 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): \$1,714</u>	\$ 366		\$ 366
 <u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(550)	(550)
Power Supply and Transmission			
- Lower retail load	447		447
- Receiving less renewable energy than planned	273		273
- Economic dispatch, managing and optimizing of resources to meet system load	149		149
- Lower than planned transmission expenses	84		84
Wholesale Margin		(37)	(37)
Total	953	(587)	366

Estimated September 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: \$5,928</u>	44		44
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales	2,085		2,085
Power Supply and Transmission			
- Higher retail load		(1,363)	(1,363)
- Higher energy and fuel prices		(671)	(671)
- A ten day unplanned outage at IPP		(630)	(630)
- A seven day unplanned outage at MPP		(531)	(531)
- Receiving less renewable energy than planned	387		387
- Lower than planned O&M expenses	222		222
- Lower than planned transmission expenses	35		35
Wholesale Margin	61		61
Other Revenues		(242)	(242)
Total	<u>2,790</u>	<u>(3,437)</u>	<u>(647)</u>
<u>FYTD EXPENSE AND OTHER VARIANCES</u>			
Finance, Fleet, & Warehouse	166		166
Construction & Maintenance	118		118
Telecom	60		60
Customer Service, Marketing & Conservation	94		94
Depreciation expense	172		172
All other	81		81
Total	<u>691</u>	<u>-</u>	<u>691</u>

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

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

MTD FY 18-19	MTD Sep-18 Budget	\$ Variance ^(a)	% Variance	FYTD FY 18-19	FYTD Sep-18 Budget	\$ Variance ^(a)	% Variance
495	529	(34)	(6%)	1,570	1,557	13	1% ^(A)
97	117	(20)	(17%) ^(a)	315	330	(15)	(5%) ^(B)
Operating Revenues							
\$ 2,660	\$ 2,922	\$ (262)	(9%) ^(b)	\$ 8,477	\$ 8,524	\$ (47)	(1%)
369	469	(100)	(21%) ^(c)	1,263	1,321	(57)	(4%) ^(C)
76	62	14	22%	173	182	(9)	(5%)
3,105	3,453	(348)	(10%)	9,913	10,027	(114)	(1%)
1,152	1,213	61	5% ^(d)	3,655	3,574	(82)	(2%) ^(D)
1,953	2,240	(287)	(13%)	6,258	6,453	(195)	(3%)
Operating Expenses							
602	602	-	0%	1,735	1,823	88	5% ^(E)
149	149	-	0%	411	442	31	7%
195	195	-	0%	510	619	109	18% ^(F)
169	169	-	0%	502	507	5	1%
348	348	-	0%	1,033	1,044	11	1%
1,464	1,464	-	0% ^(e)	4,191	4,435	244	6%
Other Income/(Expenses)							
16	16	-	0%	52	47	5	11%
44	44	-	0%	133	133	-	0%
(160)	(160)	-	0%	(478)	(479)	1	0%
(99)	(99)	-	0%	(293)	(299)	6	2%
390	677	(287)	(42%)	1,774	1,719	55	3%
28	28	-	0%	141	83	58	69% ^(G)
\$ 418	\$ 705	\$ (287)	(41%)	\$ 1,915	\$ 1,802	\$ 113	6%
Net Change in Net Assets (Net Income)							

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 September 2018
(\$ in 000's except Gallons)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Recycled Water Usage in Millions of Gallons	97	117	(20)	- Recycled water sales are lower partially due to unmetered non-potable well water supplied to MPP due to the Beachwood Sewage Lift Station pumps' failure.
b.	Potable Water Revenue	2,660	2,922	(262)	- MTD Potable water revenues correspond with demand.
c.	Recycled Water Revenue	369	469	(100)	- MTD Recycled water revenue corresponds with the demand.
d.	Water Supply Expense	1,152	1,213	61	- Water supply expense is lower because of lower demand.
e.	Total Operating Expenses	1,464	1,464	-	- Expenses, other than water supply expense, have not closed for September 2018 and are estimated at budgeted values.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD September 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	1,570	1,557	13	- FYTD Potable water sales are higher due to higher demand for landscaping irrigation, which is driven by warmer than normal summer temperatures. FYTD CDD were 1,115 versus the 30 year average of 918.
B.	Recycled Water Usage in Millions of Gallons	315	330	(15)	- FYTD Recycled water sales are lower partially due to unmetered non-potable well water supplied to MPP due to the Beachwood Sewage Lift Station pumps' failure and a seven day unplanned outage at MPP during the month of August.
C.	Recycled Water Revenue	1,263	1,321	(57)	- FYTD Recycled water revenue corresponds with the demand.
D.	Water Supply Expense	3,655	3,574	(82)	Water supply expense is higher because of higher demand and using more MWD purchased water than planned. More MWD water is required due to lower than planned production of groundwater by the BOU.
E.	Operations & Maintenance - Potable	1,735	1,823	88	- The favorable variance is attributable to the timing of expenditures for professional services, special departmental supplies, and private contractual services.
F.	Allocated O&M	510	619	109	- The favorable variance is attributable to lower than planned allocated expenses (Finance, Customer Service, and Construction & Maintenance) from the Electric Fund.
G.	Aid in Construction	141	83	58	- The favorable 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)**

	Sep-18	Aug-18	Jul-18	Jun-18	Jun-17	Recommended Reserves	Minimum Reserves
Cash and Investments							
General Operating Reserves	\$ 12,700	\$ 11,538	\$ 10,587	\$ 10,925	\$ 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>14,920</u>	<u>13,758</u>	<u>12,807</u>	<u>13,145</u>	<u>11,762</u>	<u>17,830</u>	<u>9,370</u>
Customer Deposits	(1,084)	(1,055)	(649)	(607)	(786)		
Capital Commitments	(140) ^(b)	(140)	(140)	(140)	(228)		
Cash and Investments (less commitments)	<u>13,697</u>	<u>12,563</u>	<u>12,019</u>	<u>12,397</u>	<u>10,749</u>	<u>17,830</u>	<u>9,370</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 September 2018 Budget to Actual P&L Variance Highlights - Water Fund
(in 000's)

	Variance Month-to-Date		Budget to Actual Variance
	Favorable Items	Unfavorable Items	
<u>MTD NET INCOME (LOSS): \$390</u>		(287)	(287)
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues		(262)	(262)
Recycled Revenues		(100)	(100)
Other Revenue	14		14
Water Supply Expense		61	61
Total	14	(301)	(287)

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

	Variance Fiscal Year-to-Date		
	Favorable Items	Unfavorable Items	Budget to Actual Variance
<u>FYTD NET INCOME: \$1,774</u>	55		55
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues		(47)	(47)
Recycled Revenues		(57)	(57)
Other Revenue		(9)	(9)
Water Supply Expense		(82)	(82)
Total	<u>-</u>	<u>(195)</u>	<u>(195)</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable Water O&M	88		88
Recycled Water O&M	31		31
Allocated O&M	109		109
Depreciation Expense	11		11
All Other	11		11
Total	<u>250</u>	<u>-</u>	<u>250</u>



Burbank Water and Power

STAFF REPORT

DATE: November 1, 2018

TO: Burbank Water and Power Board

FROM: Jorge Somoano, General Manager, Burbank Water and Power

SUBJECT: REQUEST FOR BURBANK WATER AND POWER (BWP) BOARD FEEDBACK ON BWP'S DRAFT PROPOSED 2019 INTEGRATED RESOURCE PLAN (IRP) IN ANTICIPATION OF BWP SEEKING COUNCIL ADOPTION OF A FINAL PROPOSED IRP

RECOMMENDATION

Burbank Water and Power (BWP) Staff seeks Board feedback on BWP's draft proposed 2019 Integrated Resource Plan (Draft IRP) in anticipation of BWP seeking Council adoption of a final proposed IRP.

BACKGROUND

Burbank adopted its last IRP, the 2015 IRP, in January 2017. Since that time, the utility industry in general, and the California utility industry and BWP in particular, have seen significant changes since BWP's 2015 IRP. These significant changes include:

- Renewable procurement requirements increasing and accelerating as a result of Senate Bill 100 (SB100);
- Increasing planning clarity on the repowering of Intermountain Power Project (IPP), including a reduction in the replacement power plant's size from 1,200 megawatts (MW) to 840 MW; and
- Closer to home, increasing adoption of electric vehicles and associated charging infrastructure.

In addition, Senate Bill 350 (SB350) now requires that electric utilities like BWP file IRPs with the California Energy Commission every five years, starting on January 1, 2019. BWP's 2019 IRP is therefore both a key planning document and a key compliance document for BWP.

The IRP is a long-term planning document designed to provide policy guidance for BWP's electric supply to its customers over the next twenty years, from 2019 through 2038. The IRP, like all long-term planning, is ***directional rather than determinative***. In other words, the IRP helps Burbank see the broad contours of its energy future and the general

direction Burbank should head to reach that future; it is not a roadmap for decision-making beyond the near-term.

The utility industry is undergoing dramatic change and this IRP reflects it. Concerns for climate change, the growth of cost-effective renewable energy and energy storage, and the pending retirement of one of BWP's primary legacy energy sources, a coal-fired generation plant called Intermountain Power Project (IPP), are all elements in the mix.

At the same time, the IRP is informed by public input: what are the perspectives of Burbank residents, businesses, and other stakeholders with respect to Burbank's energy future? BWP had a robust interaction with the public for this IRP, focused on major issues impacting BWP's provision of **reliable, affordable, and sustainable** electric service to Burbank.

As a long-term planning document, the IRP is necessarily based on significant assumptions about the future: this carries inherent uncertainty, especially with the utility industry undergoing dramatic change. This IRP must make significant assumptions about a variety of key aspects of BWP's business over the next 20 years, from federal and state policy direction to the availability of cost-effective renewable energy generation and electric transmission resources to the growth of electric demand in Burbank.

BWP, working with expert consultants, used those assumptions, public input, and legislative and policy framework to create illustrative views of Burbank's energy future over the next 20 years. This complex analysis, referred to as "modeling", yielded a number of major implications for Burbank's energy future:

- BWP should pursue cost-effective energy efficiency and demand response programs to fulfill State requirements and place additional emphasis on peak demand reduction.
- BWP's share of IPP coal-fired generating plant will be retired in 2025.
- In accordance with SB100, procurement of additional renewable energy resources to increase BWP's current 32% of retail sales in 2017 to 60% by 2030 and increasing thereafter. By the end of the planning period in 2038, BWP would have renewables equivalent to a 67% Renewable Portfolio Standard (RPS) – approximately double the current level.
- Additional quantities of fast-ramping energy storage and other resources would be needed to address the intermittency of renewable resources.
- BWP's greenhouse gas emissions should be dramatically reduced by about 87% over the planning period, consistent with California Air Quality Board targets.
- While IRP results depend on the future outcomes of many currently-uncertain assumptions, BWP should maintain future electric rate increases at or below the long-run rate of inflation.

Through the IRP process, BWP has found that, while the business of providing Burbank with reliable, affordable, and sustainable electric service is changing rapidly, the policy guidelines for its business remain largely the same as approved in the 2015 IRP.

1. BWP should continue to meet electricity demand growth from energy efficiency and conservation, then renewables. BWP does not plan any new fossil-fueled power generation, except as needed to cost-effectively integrate renewable energy and maintain reliability.
2. BWP should optimize cost-effective energy efficiency and conservation programs.
3. BWP should add renewable energy to the extent needed.
4. BWP should plan to achieve greenhouse gas emissions reductions consistent with state goals.
5. BWP should maintain low cost of service, including striving to maintain rate increases at or below the long-run rate of inflation.

To fulfill the policy direction of the IRP, certain primary Action Items are planned:

- a. Rate Design. Design time-varying rates that encourage customers to shift their consumption away from higher cost periods to lower cost periods.
- b. Demand Response. Consider cost-effective BWP customer demand response programs.
- c. Beneficial Electrification. Enhance and extend BWP efforts to encourage growth in beneficial electrification that reduces greenhouse gas emissions, including electric vehicles.
- d. Disadvantaged Communities. Develop and implement a program to target disadvantaged communities with selected BWP energy efficiency, demand response, and beneficial electrification programs.
- e. IPP Coal Replacement. Work with Los Angeles Department of Water and Power (LADWP) and other IPP participants to determine resources that will replace IPP coal plant when it is retired in 2025. Particular focus should be given to BWP's share in the Southern Transmission System (STS) transmission line.
- f. Transmission Delivery for Renewables. Identify options and costs for transmission delivery of large quantities of renewable energy.
- g. Solar Over-Generation. Work to mitigate the impact of solar generation such that reliability and affordability are maintained.
- h. EIM Participation. Evaluate possible participation in the California Independent System Operator's Energy Imbalance Market (EIM) if and when BWP's Balancing Authority, LADWP, joins the EIM.
- i. Resource Positioning. Position BWP's resources to work with the Duck Curve to the greatest extent possible to minimize costs and maximize reliability for Burbank. In this connection, evaluate further improvement in the operational flexibility of the Magnolia Power Project.

A copy of the draft proposed 2019 IRP is attached for review as Exhibit A.

CONCLUSION

BWP Staff seeks Board feedback on BWP's draft proposed 2019 Integrated Resource Plan (Draft IRP) in anticipation of BWP seeking Council adoption of a final proposed IRP.

EXHIBIT

Exhibit A. Burbank Water and Power 2019 Integrated Resource Plan (BWP Board Draft)



memorandum

DATE: October 23, 2018
TO: Ron Davis, City Manager
FROM: Patrick Prescott, Community Development Director
SUBJECT: Planning Board Actions of October 22, 2018

for P. Prescott

At the regular meeting of October 22, 2018, the Planning Board discussed the following items:

Hearing

1. **Project No. 17-0003291 (Administrive Use Permit and Conditional Use Permit Amendment) | 1105 Riverside Drive**

The Board was presented with a request to increase the allowed student enrollment at Lycee International de Los Angeles (LILA) from 350 to 450 students. The Board discussed in length the concerns of the flow of traffic going in and out of the project site. The Board added a condition to the project indicating that the City Traffic Engineer will work with Planning Staff to ensure that the driveway entrance and onsite queing will be maximized to ensure the most queing possible with the safest ingress and egress on the property. The Board approved the project with 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 November 6, 2018.

2. **Project No. 18-0002476 (Conditional Use Permit) | 1723 N. Victory – Blaze Pizza Restaurant**

The Board was presented with a Conditional Use Permit (CUP) to allow on-site consumption of beer and wine at the Blaze Pizza Restaurant in the Burbank Empire Center. The Board approved the CUP by a 5-0 vote.

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 November 6, 2018.

Attendance

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

Absent:



**CITY OF BURBANK
CITY MANAGER'S OFFICE
MEMO**

DATE: October 26, 2018
TO: Honorable Mayor and City Council Members
FROM: Justin Hess, Assistant City Manager *JH*
Erika DeLeon, Administrative Analyst II
SUBJECT: City Manager Tracking List

Per City Council request, attached is the most current City Manager Tracking List.

The City Manager Tracking List is a task list of items requested by the City Council during "Additional Agenda Items" at a Council meeting. Items are removed from the tracking list once they have been completed, either through a Memo distributed on the Weekly Management Report or through a Report at a Council meeting.

The Tracking List consists of an item number, the request date, the responsible department, the request description, and a status. All tasks are constantly being reviewed and updated by the City Manager's Administrative Analyst.

Exhibit:

A – City Manager Tracking List

City Manager Tracking List

Updated 10/25/18

Date Requested/ Item #	Responsible Department(s)	Item	Status
1/28/14 1520	Simone McFarland	Prepare a Social Media policy and Strategic plan, covering the various social media programs and applications across City Departments.	This is currently underway. Simone McFarland will work with the PIO Liaison Committee.
10/14/14 1672	Patrick Prescott Marnell Gibson	At a future City Council meeting, address future use of the remaining, unallocated revenue from the sale remnant property to the Talaria project.	City Council directed staff to proceed with the Alameda North NPP Work Plan on 9/1/15. Staff is still working on the "cul-de-sac" element of the Talaria mitigation. Decision on use of the remaining revenue should be deferred until this is completed.
1/27/15 1736	Patrick Prescott	Return to City Council to rezone the parcel where the Dr. David Burbank Art piece sits.	
6/2/15 1775	Kevin Gray	Following the hiring of the Information Security and Compliance Officer, provide a memo on their background, job duties and goals.	
9/15/15 1807	Ron Davis	Look into disabled access at the east side of John Burroughs High School	Discussion is ongoing with BUSD officials who are trying to locate a space on school property.
9/24/15 1812	Scott LaChasse	Prepare a memo on Parking Enforcement operations and staffing levels.	Staff is working through alternatives in discussion with the City Manager. The changes to the Preferential Permit Parking ordinance may require some changes in parking enforcement equipment and staffing.
11/2/15 1827	Amy Albano	Provide a report to Council on how the Airport Authority determined the final sale price of the Trust property.	Staff has obtained a copy of the sales agreement. There is no discussion in the document of the basis for determining final price. Staff will make further inquiry.
2/23/16 1840	Justin Hess Amy Albano Cindy Giraldo	Report to Council new Council Travel Policy	Pending
9/13/16 1919	Patrick Prescott Matt Hill (BUSD)	Council directed COB to work with BUSD on solutions for Stevenson Elementary drop off.	
9/27/16 1925	Patrick Prescott	Provide explanation of current noise ordinance.	
1/10/2017 1950	Patrick Prescott	Provide a memo regarding the definition of a bedroom and the ability to divide rooms.	
1/24/2017 1957	Patrick Prescott	Provide a memo that evaluates City's current whole house tear down provisions.	
3/28/2017 1978	Cindy Giraldo	Follow up on Council budget suggestions i.e. Measure H, Measure M, Park Bond, economic development.	
4/18/2017 1985	Marnell Gibson	Provide Council with potential city incentives for "green contractors" to do business in Burbank, specifically the cost impact.	
4/18/2017 1987	Patrick Prescott Scott LaChasse	Provide Council with information on filming permits and a re-look at the model film ordinance.	Pending (late 2018, early 2019)
4/18/2017 1988	Patrick Prescott	Report back to Council the policy regarding rights of Multi-family lots and single family lots.	

City Manager Tracking List

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Date Requested/ Item #	Responsible Department(s)	Item	Status
6/13/2017 2025	Justin Hess Erika De Leon Scott La Chasse Kevin Gray	As appropriate, bring back other non-charter policy considerations as recommended by the Charter Citizen Committee. This includes Selection of Mayor, Commission on the Status of Women, Police Oversight and Information Technology Security (citizen privacy).	
6/27/2017 2029	Patrick Prescott	Request for staff to provide an update on enforcement of amplified street performers.	
8/8/2017 2042	Jorge Somoano Judie Wilke Patrick Prescott Marnell Gibson	Consider the installation a Service Club welcome monument/fixture when entering into the City of Burbank. Add to list of unfunded capital projects.	Added a "New" unfunded needs list; preliminary estimate of \$100k.
8/15/17 2045	Patrick Prescott	Request for an update on the enforcement of development requirements as it relates to landscaping/tree canopies.	
9/12/17 2049	Patrick Prescott	Discuss the process to receive input from Boards, Commissions, and Committee members as it relates to the design-process.	
9/12/17 2051	Patrick Prescott	Add information to City website about current and projected levels of service concerning traffic intersections.	
9/26/17 2067	Patrick Prescott Marnell Gibson	Request for a report on buildings that have received earthquake retrofitting.	
10/17/17 2071	Eric Garcia	Request to bring back report on emergency services.	
12/5/17 2080	Marnell Gibson	Report to Council on cool seal street pavement in comparison to traditional method – bring back with overall pavement report	Will report out as part of Pavement Management Plan
12/5/17 2081	Patrick Prescott	After researching Enhanced infrastructure financial districts (EIFD) in the Golden State area, bring back report on its potential usefulness as a financing tool	
12/12/17 2083B	Patrick Prescott	Report back to council on Glendale's action on cannabis sales/dispensaries.	CDD staff will include information is the upcoming staff report to City Council in March 2019. Will add Pasadena to report.
1/9/18 2090	Marnell Gibson	Provide report back to Council on Styrofoam and potential ban	
2/6/18 2095	Amy Albano	One step - provide Council with potential solutions for aggressive panhandling	
2/13/18 2098	Patrick Prescott Marnell Gibson	Provide first-step report regarding a potential Transportation Study Session (the future of transportation in Burbank)	
3/6/18 2108	Patrick Prescott Marnell Gibson	Provide a report to Council regarding the Downtown Metrolink parking lot (who uses it, who enforces it, does the City have authority over it).	

City Manager Tracking List

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Date Requested/ Item #	Responsible Department(s)	Item	Status
3/13/18 2111	Patrick Prescott Marnell Gibson	Provide a report to Council on the placement of bike hoops (where are they now and possibility of replacing to other businesses/restaurants)	
3/27/18 2115	Patrick Prescott	Memo to CM on potential ways to consider ADUs very low or low income level housing when calculating RHNA allocation	
4/3/18 2117	Patrick Prescott Scott LaChasse	Bring back a Council step 2 report with their direction on gun safety, considering: - Bring back number and type of current firearm dealers in Burbank - Look into segregating firearm merchandise in stores - Bring back recent crime activity for Burbank gun stores	Pending report
4/3/18 2118	Jorge Somoano	As part of the BWP conservation program update, consider MWD turf rebate participants a second opportunity at rebate for those who installed rock and plants died.	
4/17/18 2120	Marnell Gibson	Bring back a report to Council on Burbank parking permit process (administration, tags vs stickers, qty, etc)	
4/17/18 2123	Patrick Prescott	Provide an update report to Council on the Single Family design guidelines (how it's working, lessons learned, adjustments)	
4/17/18 2124	Marnell Gibson	Bring back an update on Hyperion Water Reclamation Plant (what is it, billing dispute, resolved?, negotiations)	
4/24/18 2125	Patrick Prescott Marnell Gibson	Bring back a report on bicycle and pedestrian safety	
5/8/18 2130	Patrick Prescott	Look into making Uber/Lyft fees similar to taxi fees	
5/15/18 2134	Eric Garcia	Review alternative service delivery model that impact cost but not service levels (ex: Fire EMT on ambulances) Long term goal	
5/15/18 2135	Amy Albano Simone McFarland	Bring back a formal Council Meeting Video Policy	Scheduled for November 27 2018
5/15/18 2136	Marnell Gibson Patrick Prescott	Provide a video on the closure plans for the Burbank Bridge.	
5/22/18 2137	Marnell Gibson Patrick Prescott	Provide a report to Council on Verdugo Ave (ie cars in bike lane, right hand turns, and speed limits)	
6/12/18 2139	Patrick Prescott	Provide a report back to Council regarding bus stop criteria and shelter design (shelter customization, similar design across the City). Example: Burbank and San Fernando bus stop	

City Manager Tracking List

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Date Requested/ Item #	Responsible Department(s)	Item	Status
6/12/18 2140	Kevin Gray Ron Davis Amy Albano	Report back to Council regarding mitigating/eliminating residential cut through traffic caused by the Waze app (or similar apps). Research technology solutions or possible future legislation.	Add legislation goal to 2019 Legislative Platform
6/26/18 2142	Patrick Prescott	Bring back the Olive/Verdugo/Sparks intersection improvement project with additional design options to include community input.	
6/26/18 2143	Patrick Prescott	Proceed with creating a relocation assistance ordinance (similar to Pasadena) for multi-family at 140% or less of Burbank median income.	First Step Presented in June 2018. Second step with draft ordinance on the forecast for early 2019.
6/26/18 2144	Patrick Prescott	Provide an update memo on number and type of cases heard by Landlord/Tenant Commission over past 12 months.	Memo being drafted as of 8/23/18
6/26/18 2145	Simone McFarland	Look at providing closed captioning for City Council Meetings.	
7/17/18 2146	Patrick Prescott	Look into 4 am Starbucks deliveries on Olive/Verdugo/Sparks	
7/17/18 2148	Patrick Prescott	Look into how to regulate shared mobility devices, (i.e. electric scooter rentals) - FYI Beverly Hills is suspending electric scooters for 6 months until an ordinance is considered. LA has suspended the use of them.	
7/24/18 2150	Patrick Prescott	Bring back a report on Burbank's housing goals	Tentatively scheduled for CC in October 2018.
7/24/18 2151	Patrick Prescott Marnell Gibson	Bring back a report on Burbank's parking study (Magnolia Park September 2018)	
7/31/18 2153	Amy Albano Erika De Leon	Bring back a policy on how the Council may represent an official City position. (to also include Boards and Commissions)	Will be incorporated into 2019 Legislative Platform report
8/14/18 2154	Patrick Prescott Judie Wilke	Bring back a report on parking lot trees (include options for tree protection ordinance and recommendations for future street trees)	
8/14/18 2156	Patrick Prescott	Consider extending or moving the Burbank Car show hours (maintain streets closed longer)	
8/21/18 2158	Marnell Gibson Patrick Prescott	Look into the lack of traffic management at Talaria site and the City's practice in working with developers traffic management consultants for future arrangements	
8/21/18 2162	Judie Wilke	Provide a six-month update on warning track without chemical herbicide	
9/11/18 2163	Amy Albano	Provide a report to Council on "pink vans" (maid advertisement)	
9/25/18 2164	Patrick Prescott Amy Albano	Bring back a report reconsidering the BHA changes and verification of the FPPC investigation results	

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Date Requested/ Item #	Responsible Department(s)	Item	Status
9/25/18 2165	Simone McFarland	Bring back report on AT&T broadcasting issues	
9/25/18 2166	Patrick Prescott	Bring back a one-step report on current restrictions of AirBnB in Burbank	
10/9/18 2169	Erika De Leon	Provide a Certification of Recognition for Ashley Erikson and North Evergreen St neighborhood	Scheduled for December 11, 2018
10/9/18 2170	Jorge Somoano	Provide modeling (simple cost estimate) for (nearly) 100% Renewable Energy as part of IRP report	
10/9/18 2171	Erika De Leon	Request to add photo of Will Rogers in Chamber. How many Council Members have deceased while in office?	
10/16/18 2172	Jorge Somoano	Provide a memo to Council on current status of PACE in Burbank	