



Weekly Management Report

September 25, 2020

- 1. Memo** Feasibility of Pre-Qualifying Manufactured Housing, Factory Built Housing and other Tiny Houses and Pre-Fabricated/Kit Houses as Accessory Dwelling Units
Community Development Department
- 2. Minutes** Burbank Water and Power Board Meeting on September 3, 2020
Water and Power
- 3. Report** August 2020 Operating Results
Water and Power


MEMORANDUM



COMMUNITY DEVELOPMENT

DATE: September 7, 2020

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director 
Fred Ramirez, Assistant Community Development Director-Planning
Ron Takiguchi, Assistant Community Development Director-Building

SUBJECT: **City Manager Tracking List Item #2257: First Step Report on the Feasibility of Pre-Qualifying Manufactured Housing, Factory Built Housing and other Tiny Houses and Pre-Fabricated/Kit Houses as Accessory Dwelling Units**

PURPOSE

At the October 15, 2019 City Council meeting, then Mayor Emily Gabel-Luddy requested a report to evaluate ways to increase access to various types of structures that could be used and potentially pre-qualified as an Accessory Dwelling Unit (ADU). The purpose of this report is twofold: identify those structures that can be prequalified as ADUs and those that cannot and therefore would require a standard plan check review and submittal. Consistent with state law streamlined review requirements, any structure allowed under the City's ADU regulations must be reviewed within the state-mandated 60-day review period.

BACKGROUND

Based on State and City requirements, state-approved manufactured homes and factory built housing as well as Shipping Containers can already be used as ADUs. These structures have been determined to be designed and built consistent with approved California Health & Safety Codes (H&SC) and local approved standards and verified by an established inspection process. These structures are in addition to the already allowed conversion of existing garages, accessory structures and additions to existing homes for ADUs and conversion of existing single-family floor spaces for Junior ADUs.

An alternate review process is necessary to “pre-qualify” all other structures. These types of structures can include Tiny Houses, Kit houses or one off structures that are designed initially to be used at one job site and subsequently intended to use the same basic design for multiple locations in the future. These structures will continue to be required to submit for City review and plan check in order to confirm that the materials being used for construction and the actual construction are consistent with applicable building and fire codes. If the City can confirm that these kit houses and individually designed structures meet applicable City building and fire codes then these structures and associated designs could be pre-qualified for future ADU submittals. If the City can pre-qualify a structure then it could create new opportunities for structures to be used as ADUs and potentially save an applicant time and money during the building permit review process.

DISCUSSION

As previously noted, any pre-qualification of buildings and structures are subject to ongoing compliance with H&SC requirements or processes allowed by the California Department of Housing and Community Development (HCD). HCD has existing processes to pre-qualify and confirm acceptance of a building to be used as a dwelling including an ADU. The type of HCD pre-qualified dwellings include: Manufactured Home (MH), Factory Built Housing (FBH), Recreational Vehicles (RV), and Park Trailers (PT). In addition, HCD’s process of acceptance varies with building types and their uses, some of which may be used as “tiny houses”.

The following section will analyze the various buildings that can be used as dwellings, which ones the State and/or City can pre-qualify, and those that are still required to be reviewed through the City’s normal processes of plan check review, permit issuance, and the ongoing construction inspections that occur at the various stages of construction (e.g., grading, foundation, framing, and the installation of mechanical, electrical, and plumbing fixtures and equipment).

ANALYSIS

Applicable City Regulations

In order to receive a building permit to construct an ADU, an applicant must comply with the City’s Municipal Code, Fire Code and the State Building Code. Per the Burbank Municipal Code (BMC) Table 10-1-602 (Permitted Uses in the R-1 and R-1-H Zones), ADUs like manufactured homes are permitted uses in the City’s residential zones. Manufactured homes, which includes Mobile Homes “means a dwelling unit built in a factory in one (1) or more sections, transported over the highways to a permanent occupancy site, and installed on the site either with or without a permanent foundation”. (Section 10-1-203: Definitions.) Therefore, the cargo container house and the prefabricated modular houses noted above would be viable options as ADUs in our current zoning code, subject to State pre-qualification process for these manufactured homes and houses made from cargo containers.

Pre-qualify via State Approvals.

The type of structures that can pre-qualify under HCD regulations as dwellings include: Manufactured Home (MH), Factory Built Housing (FBH), Recreational Vehicles (RV), and Park Trailers (PT). (See Attachment 1.) As previously noted, RVs and Park Trailers could not be used as ADUs in the City of Burbank.

In order to pre-qualify under HCD regulations, a MH, FBH, and PT requires that the design, materials and assembly of each structure comply with national safety standards and that they are inspected by a third-party. Once a pre-qualified structure "passes" inspection, an insignia or label attesting State approval is affixed to the structure. The insignia confirms that the structure can be used as a dwelling in California. Both MH and FBH may be used as ADUs.

As noted above, buildings that pre-qualify for use as a dwelling under HCD requirements are identified by specific name and definition. Although some manufacturers of pre-assembled housing may use similar names such as pre-fabricated and manufactured housing, to pre-qualify they must meet all of HCD's requirements for how the structure is constructed and the materials that are used and they must also be inspected by a State-approved third party inspectors.

Pre-qualify via City Approvals.

Based on HCD approvals and the recently adopted City Building Codes, the City can currently pre-qualify the following dwellings for use as an ADU: manufactured homes, factory built housing and shipping containers.

On October 29, 2019, the City Council adopted the 2019 California Building Standards Code. As part of the code adoption process, the City Council had the foresight to adopt significant code provisions that greatly contribute to increased housing options. Appendix Q Tiny Houses was adopted by City Council as a Burbank amendment to the California Residential Code. Council's adoption of the Tiny Houses Appendix allows design of Tiny Houses with greater flexibility. As previously noted, tiny houses can be used as ADUs. However, it is important to note that currently HCD has only approved MH to be used as a Tiny Houses.

City Council also adopted provisions for Intermodal Shipping Containers as a usable building material for buildings and houses. Although the standards for Intermodal Shipping Containers are found in a future edition of the International Building Code, City Council's advanced adoption allows shipping containers to now be designed and constructed as accessory dwelling units and other structures. As a result, a homeowner can now consider an Intermodal Shipping Container as an ADU option.

Structures to Monitor for Future Consideration.

In addition to the structures noted above that can be considered for ADUs the City may consider the following structures as possible ADU building alternatives.

1. *Pre-qualified individual plans.* When it comes to allowing individual plans to be pre-qualified, City staff would need to conduct an initial review of plans through the standard plan check process. Once the submitted building design is initially reviewed, then those plans can be filed with the City and therefore pre-qualify as plans that can be used on another site for plan check review and permit issuance. The anticipated reduced timeframe would be subject to the City conducting a review of the associated site plan and structural plans in order to ensure that the building's placement complies with applicable setbacks and other ADU standards. In addition, specific site conditions such as fire-protection in the Very High Fire Hazard Severity Zone would also need to be considered. Regardless of whether or not the plans have been pre-qualified or not, the City is still required to complete the plan check and permit issuance process for ADUs within the State-mandated 60-day planning application and permit submittal process.
2. *Pre-fabricated buildings or kit houses.* Many companies that promote themselves as a one-stop shops for design, permitting and building of tiny houses and kit houses say that they have "city pre-approved" plans. This is a generalization as many of these buildings may qualify as meeting wood-framed construction standards (especially the single story product type), but these submittals must still be reviewed and approved by the local building department. These pre-fabricated buildings or kit houses would have to include submittal of building plans and structural calculations and drawings for City review that confirm compliance with applicable structure, seismic, and fire codes. These requirements are not insurmountable, but nonetheless may be a cost above and beyond what is provided by the companies that design and build the tiny houses.

Park Trailers/Tiny Houses on Wheels as Permanent ADUs. A Park Trailer (PT) is a type of dwelling on a chassis with wheels and they are sometimes referred to "tiny house on wheels". Park Trailers are limited to a maximum size of 400 square feet. PTs can be constructed on a permanent raised foundation while either removing or leaving the wheels intact on the axel.

The City will continue to monitor State laws that may create future opportunity to use PTs as permanent tiny houses and ADUs. The City Los Angeles has adopted regulations that allow the use of PTs and Tiny Houses and ADUs. (Attachment 2.) In the case of the City of Los Angeles, their tiny house ordinance is entitled "Movable Tiny Houses as Accessory Dwelling Units" and contains very specific requirements. Although the City of Los Angeles ordinance has been filed with HCD, it is important to note that HCD currently only allows PTs to be used as temporary living quarters for recreational or seasonal use. Based on this HCD limitation, it is staff's assessment that PTs are not a viable option for an ADU.

CONCLUSION

Based on State and City requirements, state-approved manufactured homes and factory built housing as well as Shipping Containers can already be used as ADUs. As noted above, the City may also consider pre-qualified individual plans, and pre-fabricated

buildings or kit houses on a case-by-case basis as those project undertake the City's already established plan check review and building permitting process.

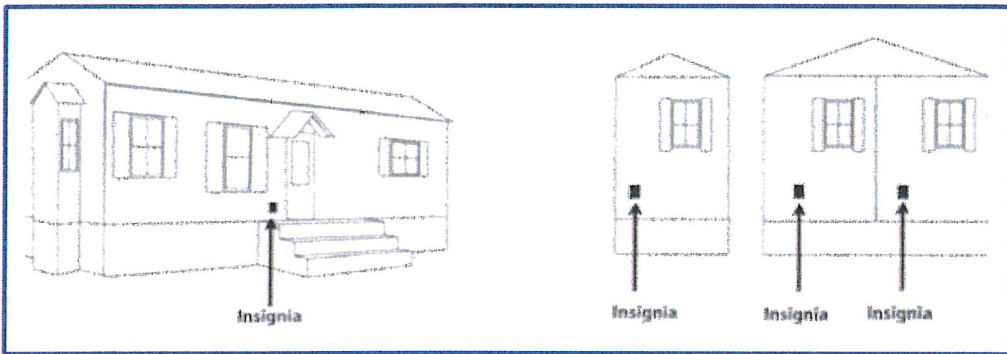
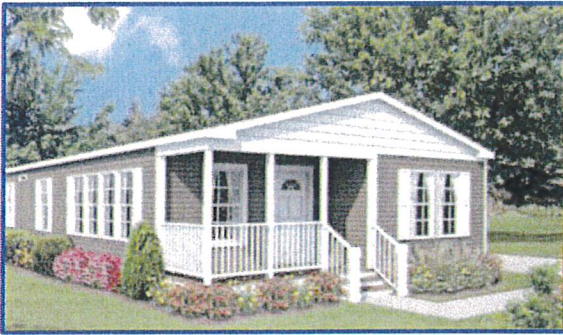
ATTACHMENTS

Attachment 1 – Examples of Manufactured Home (MH), Factory Built Housing (FBH), Recreational Vehicles (RV), Park Trailers (PT), Tiny Houses, Kit Houses and Movable Tiny Houses

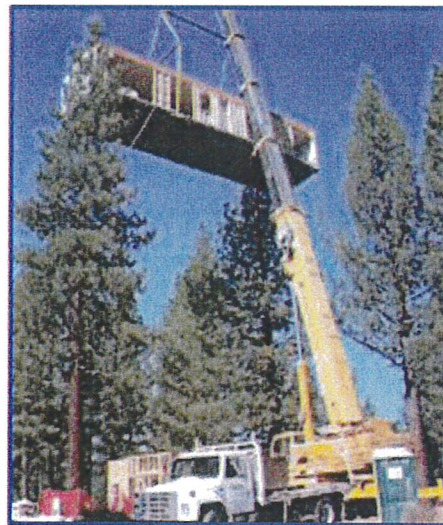
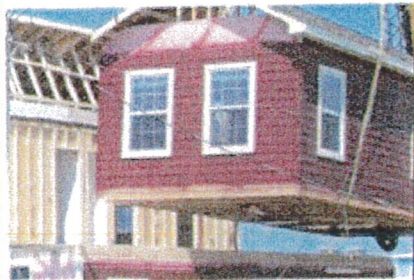
Attachment 2 – City of Los Angeles Ordinance Movable Tiny Houses as Accessory Dwelling Units

ATTACHMENT 1

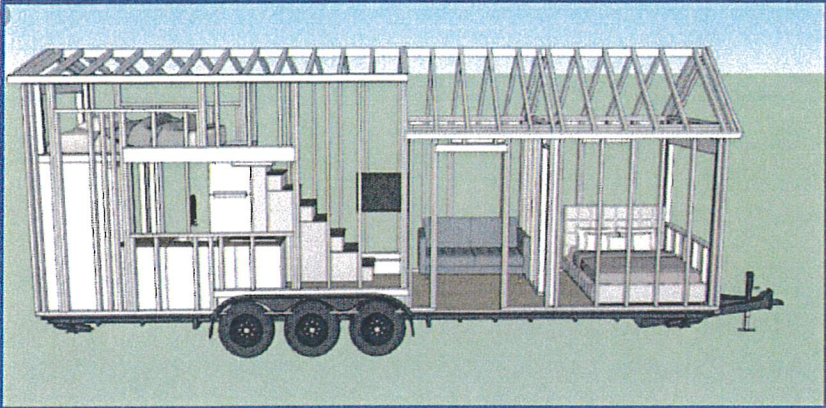
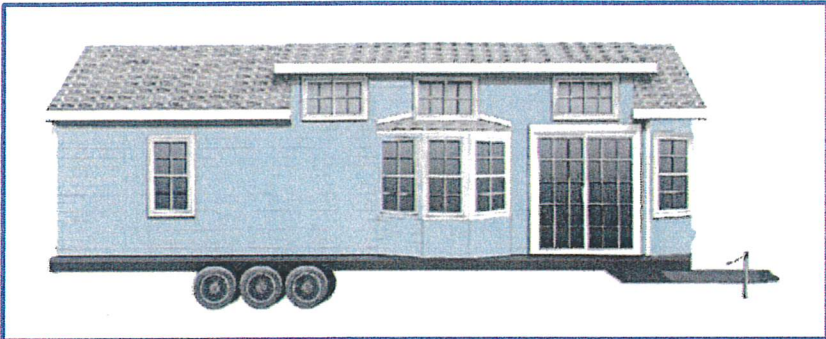
Manufactured Home (MH)



Factory Built Housing (FBH)



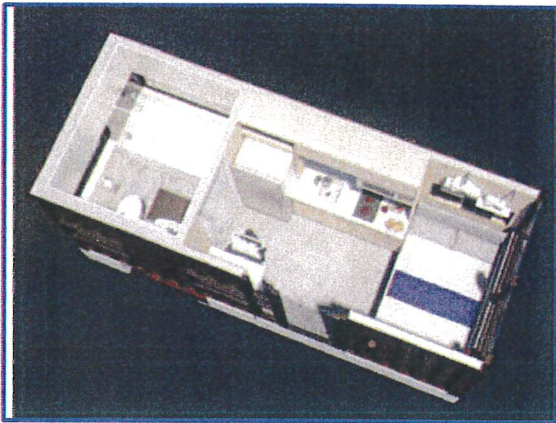
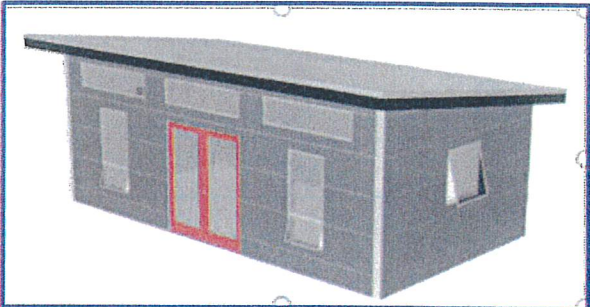
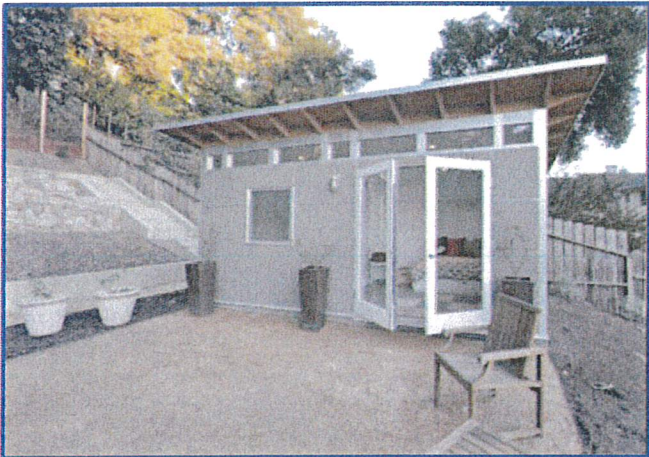
Park Trailers (PT)



Recreational Vehicle (RV)



Tiny House / Kit House



Various Pre-Fabricated and Kit Houses



ORDINANCE NO. 186481

An ordinance amending Sections 12.03, 12.22 and 12.33, and repealing portions of Section 12.24, of Chapter 1 of the Los Angeles Municipal Code for the purpose of regulating Accessory Dwelling Units and Junior Accessory Dwelling Units in accordance with State law.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section. 1. The following definitions are added to Section 12.03 of the Los Angeles Municipal Code in proper alphabetical order as follows:

ACCESSORY DWELLING UNIT (ADU). An attached or detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same lot as the single-family or multifamily dwelling is or will be situated. ADUs include efficiency units as defined in Section 17958.1 of the Health and Safety Code, manufactured homes as defined in Section 18007 of the Health and Safety Code, and Movable Tiny Houses.

JUNIOR ACCESSORY DWELLING UNIT (JADU). A unit that is no more than 500 square feet in size and contained entirely within a single-family residence. A Junior Accessory Dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.

MOVABLE TINY HOUSE. An enclosed space intended for separate, independent living quarters of one Family as defined in Section 12.03 of this Code and that meets all of the following:

- (a) Is licensed and registered with the California Department of Motor Vehicles;
- (b) Meets the American National Standards Institute (ANSI) 119.5 requirements or the National Fire Protection Association (NFPA) 1192 standards, and is certified for ANSI or NFPA compliance;
- (c) Cannot move under its own power;
- (d) Is no larger than allowed by California State Law for movement on public highways; and
- (e) Is no smaller than 150 and no larger than 430 square feet as measured within the exterior faces of the exterior walls.

Sec. 2. A new Subdivision 33 is added to Subsection A of Section 12.22 of the Los Angeles Municipal Code to read as follows:

33. Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU).

(a) **Purpose.** The purpose of this subdivision is to provide for the creation of ADUs and JADUs consistent with California Government Code Sections 65852.2 and 65852.22, as amended from time to time.

(b) **Applicability.** The following development standards shall apply:

(1) A detached ADU shall be approved if in compliance with all of the provisions provided in Paragraphs (c) and (d).

(2) An attached ADU shall be approved if in compliance with all of the provisions provided in Paragraphs (c) and (e).

(3) A Movable Tiny House (MTH) shall be approved if in compliance with all of the provisions in Paragraph (c), except for those provisions in Paragraph (c) which apply solely to buildings and structures; and all of the provisions in Paragraph (f).

(4) A JADU shall be approved if in compliance with all of the provisions provided in Sections 65852.2(e)(1)(A) and 65852.22 of the Government Code.

(5) An ADU described by Section 65852.2(e)(1)(A) or (C) of the Government Code shall be approved if in compliance with all of the applicable provisions in Section 65852.2(e) of the Government Code.

(6) An ADU described by Section 65852.2(e)(1)(B) or (D) of the Government Code shall be approved if in compliance with all of the applicable provisions in Section 65852.2(e) of the Government Code; and all of the applicable provisions of Paragraphs (c), (d) and (e) of this subdivision, except for those provisions which do not allow such an ADU otherwise in compliance with all applicable provisions in Section 65852.2(e) of the Government Code; and all of the provisions provided in Paragraph (g).

(c) **Development Standards.**

(1) Comply with all applicable objective provisions required pursuant to Chapter 1 of this Code, including provisions stated in the underlying applicable zone and height district, Specific Plan, Historic Preservation Overlay Zone, Community Planning Implementation Overlay

and other applicable zoning ordinances, policies or other documents established pursuant to Chapter 1, Article 3 of this Code. In any instance where there is conflict, this subdivision shall govern. Notwithstanding the prior two sentences and notwithstanding anything to the contrary in this Subdivision 33:

- (i) No minimum lot size requirement shall apply to an ADU;
- (ii) No minimum square footage requirement for either an attached or detached ADU shall apply that prohibits an efficiency unit;
- (iii) No other minimum or maximum size for an ADU, including size based upon a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, and minimum lot size, shall apply for either attached or detached dwellings that does not permit at least an 800 square foot ADU that is at least 16 feet in height with 4-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.

(2) An ADU which complies with this subdivision shall not require a discretionary planning approval. The ADU project shall be reviewed in a ministerial and administrative manner, limited to only considering the project's compliance with the applicable objective standards. An application to create an ADU shall be acted upon within 60 days from the date the City receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create an ADU unit is submitted with a permit application to create a new single-family dwelling on the lot, the City may delay acting on the permit application for the ADU until the City acts on the permit application to create the new single-family dwelling. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay.

(3) Except where otherwise prohibited by this subdivision, an ADU is permitted in all zones where residential uses are permitted by right.

(4) No ADU is permitted on any lot that is located in both a Very High Fire Hazard Severity Zone designated by the City of Los Angeles Fire Department pursuant to Government Code Section 51178 and a Hillside Area as defined by the Hillside Area Map pursuant to Section 12.03 of this Code, unless it meets one of the following exceptions:

(i) The ADU is located within the boundaries of either the Northeast Los Angeles Community Plan Area or the Silver Lake – Echo Park – Elysian Valley Community Plan Area; or

(ii) The ADU complies with all of the following requirements:

a. Notwithstanding Subparagraph (c)(10) below, the ADU is protected throughout with an approved automatic fire sprinkler system, in compliance with the Los Angeles Plumbing Code;

b. Notwithstanding Subparagraph (c)(12) below, one off-street parking space is provided for the ADU; and

c. The ADU is located on a lot fronting on a street that is improved with a roadway width of 20 feet or more in unobstructed width, as measured along the entire frontage of the subject property, after any associated dedication and improvement. In the event the ADU is located on a Through Lot or a Corner Lot, the lot must front on at least one street that is improved with a roadway width of 20 feet or more in unobstructed width after any associated dedication and improvement.

(5) Except as otherwise permitted by this subdivision, only one ADU is permitted per lot.

(6) An ADU may only be created on a lot that contains a proposed or existing dwelling. Other non-residential uses and accessory residential uses may be permitted on the lot, consistent with the uses permitted by the zone.

(7) No passageway for an ADU, nor space between buildings, as per LAMC 12.21.C.2 and LAMC 12.21 C.5(d), is required in conjunction with the construction of an ADU. Building Code separation requirements still apply.

(8) No additional setbacks shall be required for an existing living area or accessory structure, or a structure constructed in the same location and to the same dimensions as an existing structure, converted to an ADU or portion of an ADU. A setback of no more than 4 feet from the side and rear lot lines shall be required for an accessory dwelling unit that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.

(9) ADUs are required to comply with all applicable Building and Residential Codes for the proposed use.

(10) ADUs are not required to provide fire sprinklers if they are not required for the primary residence.

(11) ADUs located where a private sewage disposal system is being used, shall require approval by the local health officer.

(12) Parking Requirements:

(i) ADU Parking. One parking space is required for an ADU, except that no parking is required for an ADU that is:

a. Located within one-half mile walking distance of a public transit. For this purpose, public transit means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public; or

b. Located within one block of a designated pick-up and drop-off location of a car share vehicle; or

c. Located in an architecturally and historically significant district listed in or formally determined eligible for listing in the National Register of Historic Places or California Register of Historical Resources or located in any City Historic Preservation Overlay Zone; or

d. Part of the proposed or existing primary residence or an accessory structure.

(ii) ADU Parking Location. ADU parking is allowed in any yard area or passageway. When located in a required front yard, the parking must be located on an existing driveway. Parking may be provided through tandem parking where two or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another. Driveway access areas located in the required front yard shall not be expanded to provide required parking. Other objective parking and driveway standards in the LAMC apply, including those found in Sections 12.21 A.5 and 12.21 A.6. However, Section 12.21 A.6(d) of this Code shall not apply to parking required for an ADU.

(iii) **Replacement Parking.** No replacement parking shall be required when a garage, carport or covered parking structure is demolished in conjunction with the construction of an ADU or converted to an ADU.

(d) **Detached Accessory Dwelling Unit Requirements.** Detached ADUs, except those described in Paragraph (f), below, must comply with all provisions of Paragraph (c) and all of the following provisions provided in this Paragraph (d). In addition, Detached ADUs must comply with all applicable provisions of Section 12.21 C.5 that are not in conflict with these Paragraphs (c) and (d).

(1) The Floor Area for a detached ADU shall not exceed 1,200 square feet. Limits on Floor Area on a lot apply separately and may further limit allowable Detached ADU square footage, except as otherwise provided by this Subdivision 33.

(2) Structures containing a detached ADU shall not be greater than two stories.

(3) Detached ADUs shall not be located between a proposed or existing dwelling unit and the street adjoining the front yard, except in the following cases:

(i) Where the ADU is on a Through Lot and complies with LAMC Section 12.21 C.5(k); or

(ii) Where the ADU is being added to a lawfully existing garage or accessory structure building.

(e) **Attached Accessory Dwelling Unit Requirements.** Attached ADUs can be either attached to or completely contained within an existing or proposed dwelling, and must comply with all provisions in Paragraph (c) and all of the following provisions in this Paragraph (e):

(1) If there is an existing primary dwelling, the Floor Area of an attached ADU may not exceed 50 percent of the existing primary dwelling.

(2) Limits on Floor Area on a lot apply separately and may further limit allowable attached ADU square footage, except as otherwise provided by this Subdivision 33.

(3) Nothing in this subdivision shall prohibit an attached ADU with a Floor Area of less than 850 square feet, or less than 1,000 square feet for an attached ADU that provides for more than one bedroom.

(f) Requirements for Movable Tiny Houses as Accessory Dwelling Units. A Movable Tiny House must comply with all of the provisions provided in Paragraph (c) except for any provisions in Paragraph (c) which apply solely to buildings and structures; and this Paragraph (f):

(1) Only one Movable Tiny House is allowed to be located on a lot and no lot may be approved for more than one moveable tiny house in a twelve month period.

(2) When sited on a lot, the undercarriage (wheels, axles, tongue and hitch) shall be hidden from view.

(3) The wheels and leveling or support jacks must sit on a paved surface compliant with LAMC 12.21 A.6(c).

(4) Mechanical equipment shall be incorporated into the structure and not located on the roof.

(5) Movable Tiny Houses shall be connected to water, sewer and electric utilities.

(6) Moveable Tiny Houses are not required to have separate street addresses from the primary dwelling unit.

(7) Movable Tiny Houses are not required to have sprinklers, but shall follow the ANSI A119.5 or NFPA 1192 standards relating to health, fire and life-safety.

(8) Movable Tiny Houses shall have the following design elements:

(i) **Cladding and Trim.** Materials used on the exterior of a moveable tiny house shall exclude single piece composite, laminates, or interlocked metal sheathing.

(ii) **Windows and Doors.** Windows shall be at least double pane glass and labelled for building use, and shall include exterior trim. Windows and doors shall not have radius corners.

(iii) **Roofing.** Roofs shall have a minimum of a 12:2 pitch for greater than 50 percent of the roof area, and shall not be composed of wooden shingles.

(iv) **Extensions.** All exterior walls and roof of a moveable any tiny house used as an ADU shall be fixed with no slide-outs,

tip-outs, nor other forms of mechanically articulating room area extensions.

(9) Movable Tiny Houses shall not be greater than two stories.

(10) Movable Tiny Houses shall not be located between the proposed or existing single-family dwelling unit and the street adjoining the front yard, except where the Movable Tiny House is on a Through Lot and complies with LAMC 12.21 C.5(k).

(g) Accessory Dwelling Units Otherwise Required By State Law.

An application for a building permit shall be approved to create an ADU pursuant to Section 65852.2(e)(1)(B) or (D) of the Government Code within a residential or mixed-use zone, in compliance with all of the applicable provisions in Section 65852.2(e) of the Government Code; and all of the applicable provisions of Paragraphs (c),(d) and (e) of this subdivision, except for those provisions which do not allow such an ADU otherwise in compliance with all applicable provisions in Section 65852.2(e) of the Government Code; and all of the following requirements:

(1) An ADU created pursuant to Section 65852.2(e)(1)(B) of the Government Code shall have a Floor Area of not more than 800 square feet and a height of no more than 16 feet; and

(2) An ADU created pursuant to Section 65852.2(e)(1)(B) or (D) of the Government Code shall not be located on any lot that is located in both a Very High Fire Hazard Severity Zone designated by the City of Los Angeles Fire Department pursuant to Government Code Section 51178 and a Hillside Area as defined by the Hillside Area Map pursuant to Section 12.03 of this Code, unless it meets one of the exceptions stated in Subparagraph (4) of Paragraph (c) of this subdivision;

(h) General Provisions. The following general provisions apply to all ADUs, JADUs, and lots where any ADU or JADU is located.

(1) In the event where an ADU or JADU would be created as a result of a conversion of an entire existing dwelling unit, any newly constructed dwelling unit located between the ADU or JADU, and the rear lot line, shall not exceed 1,200 square feet.

(2) In cases where additional dwelling units are added to a lot after the creation of the ADU or JADU, an ADU and JADU will be counted towards the overall number of dwelling units as permitted by the zone.

(3) ADUs and JADUs may be rented but shall not be sold separate from the existing or proposed dwelling unit on the same lot. Movable Tiny Houses may be sold when removed from the lot.

(4) Applicants for ministerial approval of a permit application for the creation of an ADU or JADU shall not be required to correct nonconforming zoning conditions. For this purpose, nonconforming zoning condition means a physical improvement on a property that does not conform to current zoning standards.

(5) A certificate of occupancy for an ADU or JADU shall not be issued before a certificate of occupancy for the primary dwelling.

(i) **Zoning Administrator Authority.** It is the intent of the City to retain all portions of this subdivision regarding ADUs and JADUs not in conflict with state law. The Zoning Administrator shall have authority to clarify, amend or revoke any provision of this subdivision as may be necessary to comply with any state law regarding ADUs or JADUs.

(j) **Interpretation Consistent with State Law.** This subdivision is not intended to conflict with state law. This subdivision shall be interpreted to be compatible with state enactments.

(k) **California Coastal Act.** Nothing in this subdivision shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 [Division 20 (commencing with Section 30000) of the Public Resources Code], except that the Department shall not be required to hold public hearings for coastal development permit applications for ADUs or JADUs.

(l) **Enforcement.** Enforcement of building standards pursuant to Article 1 (commencing with Section 17960) of Chapter 5 of Part 1.5 of Division 13 of the Health and Safety Code for an ADU described in paragraph (1) or (2) below, upon request of an owner of an ADU, shall be delayed subject to compliance with Section 17980.12 of the Health and Safety Code:

(1) The ADU unit was built before January 1, 2020.

(2) The ADU was built on or after January 1, 2020, in a local jurisdiction that, at the time the ADU was built, had a noncompliant ADU ordinance, but the ordinance is compliant at the time the request is made.

Sec. 3. Subdivisions 43 and 44 of Subsection W of Section 12.24 of the Los Angeles Municipal Code are hereby repealed.

Sec. 4. Subsection C of Section 12.33 of the Los Angeles Municipal Code is amended to read as follows:

C. Subject Properties. All new residential dwelling units and joint living and work quarters shall be required to dedicate land, pay a fee or provide a combination of land dedication and fee payment for the purpose of acquiring, expanding and improving park and recreational facilities for new residents. For the purposes of this subsection, dwelling units, Accessory Dwelling Units, Junior Accessory Dwelling Units, and joint living and work quarters shall be referred to as "dwelling units" or "residential dwelling units."

Sec. 5. Paragraph (e) of Subdivision 3 of Subsection C of Section 12.33 of the Los Angeles Municipal Code is amended to read as follows:

(e) Accessory Dwelling Units and Junior Accessory Dwelling Units.

Sec. 6. Subdivision 4 of Subsection K of Section 12.33 of the Los Angeles Municipal Code is added to read as follows:

4. Any Accessory Dwelling Unit or Junior Accessory Dwelling Unit project where the park fee has not yet been paid and a Certificate of Occupancy has not been issued by the Department of Building and Safety prior to the effective date of this ordinance shall not be subject to a park fee.

Sec. 7. **SEVERABILITY.** If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this ordinance, which can be implemented without the invalid provisions and, to this end, the provisions of this ordinance are declared to be severable. The City Council hereby declares that it would have adopted each and every provision and portion thereof not declared invalid or unconstitutional, without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

Sec. 8. **URGENCY CLAUSE.** The City finds and declares that this ordinance is required for the immediate protection of the public peace, health, and safety for the following reasons: The City is currently in the midst of a housing crisis, with the supply of affordable options unable to support the demand for housing in the City. The US Census reports that vacancy rates for housing in the Los Angeles area are currently among the lowest of any major city. Housing options currently available and affordable for many in the City include Accessory Dwelling Units and Junior Accessory Dwelling Units. Additionally, while Accessory Dwelling Units and Junior Accessory Dwelling Units are assets in mitigating the housing crisis, Los Angeles is a very unique city for the amount of mountain terrain and hillside areas located within its boundaries. The City's hillside areas are often characterized by larger amounts of natural vegetation and substandard streets. They are typically far from public transit, services or jobs. Impacts

of new construction are often multiplied in hillside neighborhoods, with pronounced impacts on water and sewer services, congestion, parking availability, roadway degradation, and public safety due to construction vehicles and machinery forced to park and transverse narrow hillside streets. Hillside areas also have a higher fire and natural disaster risk, while the winding roads slow emergency response times. For these reasons the ordinance prohibits Accessory Dwelling Units located in both a Very High Fire Hazard Severity Zone designated by the City of Los Angeles Fire Department pursuant to Government Code Section 51178 and a Hillside Area as defined by the Hillside Area Map pursuant to Section 12.03 of this Code, unless they meets requirements deemed necessary to protect the public peace, health, and safety. Given their unique characteristics and development challenges, these areas have long had distinct zoning and land use policies, including the development regulations. Therefore, immediate action is necessary to bring the City's regulations into compliance with State law while preventing the development of Accessory Dwelling Units located in both a Very High Fire Hazard Severity Zone and Hillside Area unless they meets requirements deemed necessary to protect the public peace, health, and safety; and allow the regulated development of Accessory Dwelling Units. For all of these reasons, this ordinance shall become effective upon publication pursuant to Section 253 of the Los Angeles City Charter.

Sec. 9. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
STEVEN BLAU
Deputy City Attorney

Date 12/5/19

File No. 16-1468

[Document file path]

Pursuant to Charter Section 559, I **disapprove** this ordinance on behalf of the City Planning Commission and recommend that it not be adopted.


VINCENT P. BERTONI, AICP
Director of Planning

Date 12/5/19

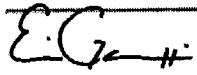
The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles, by a vote of not less than three-fourths of all its members.

CITY CLERK

MAYOR


Ordinance Passed _____

12/11/2019


Approved _____

12/13/2019

Published Date: 12/19/2019
Ordinance Effective Date: 12/19/2019
Council File No.: 16-1468



**BURBANK WATER AND POWER BOARD
MINUTES OF MEETING
SEPTEMBER 3, 2020**

Ms. LaCamera called the regular meeting of the Burbank Water and Power Board to order at 5:03 p.m. by video conference/teleconference. This online meeting was held pursuant to Executive Order N-29-20 issued by California Governor Gavin Newsom which suspends certain requirements of the Ralph M. Brown Act.

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

ROLL CALL

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

Board Absent: None

Staff Present: Mr. Somoano, General Manager, BWP; Mr. Chwang, Senior Assistant City Attorney; Mr. Liu, Chief Financial Officer; Mr. Ancheta, Assistant General Manager, Electrical; Mr. Bleveans, Assistant General Manager, Power Supply; Mr. Compton, Assistant General Manager, Chief Technology Officer; Mr. Tunnicliff, Assistant General Manager Customer Service and Marketing; Mr. Wilson, Assistant General Manager, Water; Mr. Recker, Manager Electrical Distribution; Mr. Recchia, Manager ECC; Mr. Mitchell, Manager Water Production/Operations; Mr. Sheikh, Principal Civil Engineer; Ms. Edwards, Manager Customer Service Operations; Mr. Flores, Marketing Manager; Ms. Kaczmarek, Manager Customer Service Operations; Ms. Sarkissian, Manager Customer Service Operations; Mr. Hernandez, Assistant Manager Customer Service Operations; Mr. Ortiz, Customer Service Supervisor; Mr. Oganessian, Manager Technology; Mr. Aquino, Administrative Officer; Ms. Titus, Legislative Analyst; Ms. Kramer, Recording Secretary

INTRODUCTION OF ADDITIONAL AGENDA ITEMS

None requested.

ORAL COMMUNICATIONS

Mr. Smith called for oral communications at this time. No one requested to speak.

BOARD AND STAFF RESPONSE TO ORAL COMMUNICATIONS

None.

ANNOUNCEMENTS

The General Manager announced that he will comment on the retirement of Cesar Ancheta, Assistant General Manager, Electric Services at the end of the meeting.

CONSENT CALENDAR

MINUTES

It was moved by Mr. Eskandar, seconded by Mr. Brody, noting one abstention from Ms. LaCamera who was absent from the August Board Meeting, and carried 6-0, to approve the meeting minutes of the regular meeting of August 06, 2020.

REPORTS TO THE BOARD

BWP OPERATIONS AND FINANCIAL REPORTS

Mr. Liu presented BWP's financial update and operating report for the month of July 2020.

Mr. Liu, Mr. Somoano, and Mr. Blevians responded to Board Member questions.

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

WILDFIRE MITIGATION PLAN INDEPENDENT EVALUATION

This item was pulled from the agenda and will be discussed at the next Board Meeting scheduled for October 1, 2020.

UPDATE TO BURBANK WATER AND POWER RULES AND REGULATIONS

Mr. Tunncliff presented proposed changes to the BWP Rules and Regulations Governing Utility Service to the Board.

Mr. Tunncliff, Mr. Wilson, Mr. Somoano, and Mr. Ancheta responded to Board Member questions.

It was moved by Mr. Smith, seconded by Mr. Brody and carried 7-0 that the BWP Board recommend the updated BWP Rules and Regulations Governing Utility Service for approval by the Council of the City of Burbank.

COVID-19 IMPACT UPDATE

Mr. Aquino provided an update regarding BWP's operations based on the COVID-19 pandemic. Ms. Kaczmarek presented an update on the number of customers in arrears and the status of associated debt. Staff continues to work with customers impacted by COVID-19 through payment plan arrangements.

Ms. Kaczmarek, Mr. Tunncliff, and Mr. Somoano responded to Board Member questions.

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

NEW \$1.5 MILLION PUBLIC BENEFIT FUND RESIDENTIAL COVID-19 ASSISTANCE PROGRAM FOR MUNICIPAL SERVICES CUSTOMERS

Mr. Flores presented the details of a new customer assistance program that will assist residential customers who have been directly impacted by COVID-19. Funding for the program will come from the Public Benefits Fund and will not exceed \$1.5 million. The program will start on November 1, 2020 and will continue until the funds are exhausted or June 30, 2021, whichever is sooner.

Mr. Flores, and Mr. Somoano responded to Board Member questions.

The Board discussed and voted on an amended recommendation from that which was originally proposed by staff.

It was moved by Mr. Herman, seconded by Mr. Brody, and carried 7-0 that the BWP Board endorse the City Council approve a new short-term \$1.5 million Public Benefits Fund residential customer low-income assistance program for customers who are experiencing unemployment or furlough due to COVID-19. The program will begin on November 1, 2020 and continue until funds are exhausted or June 30, 2021, whichever is sooner. To be amended with the following, the participants in the program are not required to enroll in online account manager, autopay, or paperless billing in order to receive the higher assistance amount. In addition, the staff will create a report on or before the end of next calendar year advising of the effectiveness of the program.

To clarify, this motion will allow all program participants to receive the higher tier assistance rate, regardless of enrolling in online account manager, autopay, or paperless billing.

The Chair called for a recess at 7:56 pm.

The Chair called the meeting back to order at 8:13 pm.

VALLEY PUMPING PLANT BOOSTER STATION REHABILITATION PROJECT UPDATE

Mr. Sheikh presented a project status update on the rehabilitation of the Valley Pumping Plant (VPP) Booster station.

Mr. Sheikh responded to Board Member questions.

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

INFORMATION FROM STAFF

CYBER SECURITY UPDATE

Mr. Oganessian presented an update on cyber security. Mr. Oganessian discussed the different types of potential cyber-attacks, newsworthy events, and BWP's mitigation measures and analysis techniques.

Mr. Oganessian and Mr. Compton responded to Board Member questions.

LEGISLATIVE UPDATE

Ms. Titus highlighted federal and state COVID-19 related legislation, and bills which BWP is monitoring.

Due to a city-wide computer update that required a computer restart, the Board took a brief recess at 9:15 pm.

The Chair called the meeting back to order at 9:20 pm.

WATER SUPPLY UPDATE

No new update was provided. Mr. Wilson reported on a recent main break which crews worked quickly to restore within 24 hours.

Mr. Wilson responded to Board Member questions.

POWER SUPPLY UPDATE

Mr. Recchia provided an update on Burbank's electrical grid during the recent heat wave. BWP reached a new peak for the year of 292 MWs on August 18, 2020. To prepare for the heat wave, BWP implemented various mitigation measures including declaring restricted maintenance operations, requesting customer conservations which were communicated through BWP's Customer Service and Marketing Division, holding crews over during peak times to reduce outage times, and implementing internal load reduction at BWP. More broadly, BWP worked closely with its balancing authority, Los Angeles Department of Water and Power, and other market participants throughout the heat wave to best ensure reliable operations. BWP continues to prepare for upcoming forecasted heat waves.

Mr. Recchia and Mr. Blevens responded to Board Member questions.

DISTRIBUTION SYSTEM UPDATE

Mr. Ancheta presented an update on how the Electrical Division, similar to Power Supply, prepares for summer heat waves in order to mitigate outages and maintain system reliability.

COMMENTS AND REQUESTS FROM BOARD MEMBERS

Mr. Bardin commented that the Board meetings are extremely informative, and he appreciates all the effort staff puts in to their presentations.

Mr. Brody also thanked staff for another series of excellent presentations. Mr. Brody appreciates his fellow Board Members and their perspectives, and the valuable discussions that occur. Mr. Brody inquired about the status of the General Manager recruitment.

Mr. Somoano responded that the City is in the process of setting up interviews, and that the BWP Board Chair has been contacted to participate in the interview process.

Mr. Ford hopes that we will be able to celebrate the retirement of Mr. Ancheta and Mr. Somoano in some way, in light of the restrictions on gatherings.

Mr. Herman echoed Mr. Ford's comments and congratulated Mr. Ancheta on his retirement.

Mr. Smith also congratulated Mr. Ancheta on his retirement. Mr. Smith also appreciates the collaboration between the Board Members and their ability to come to a mutual consensus. Mr. Smith requested an update on IPP discussions when possible. Mr. Smith emphasized the Board's responsibility to look out for the public's interest and uphold the values of the three legged stool.

Ms. LaCamera congratulated Mr. Ancheta on his retirement and thanked staff for the informative presentations.

Mr. Somoano recognized Mr. Ancheta, Assistant General Manager, Electric Services, on over 30+ years in the utility industry. Mr. Ancheta has helped his staff to grow and develop, and worked continuously to maintain and improve BWP's reliability. In Mr. Ancheta's honor, Mr. Somoano donated \$999.99 to the Volunteers of the Burbank Animal Shelter to reflect Cesar's love of animals and as a symbol of Burbank's reliability and the standards that Mr. Ancheta upheld.

ADJOURNMENT

The meeting was adjourned at 10:20 pm. The next scheduled Board meeting is October 1, 2020 and will be held by video conference/teleconference.

Lyndsey Kramer
Recording Secretary

Jorge Somoano
Secretary to the Board

Cynthia LaCamera, BWP Board Chair



CITY OF BURBANK BURBANK WATER AND POWER STAFF REPORT

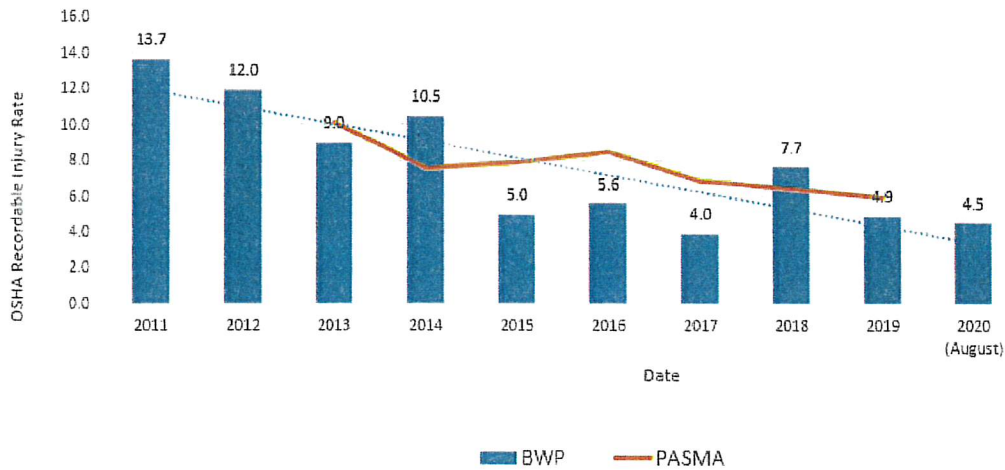
DATE: October 1, 2020
TO: BWP Board
FROM: Jorge Somoano, General Manager, BWP
SUBJECT: August 2020 Operating Results

***Please note that changes from last month's report are in BOLD**

SAFETY

For this reporting period BWP experienced one OSHA recordable injury. BWP's 12 month rolling rate is 4.5.

TOTAL RECORDABLE INJURY RATE (TRIR)



OSHA Recordable Injury Rate = No. of recordable cases per 100 full time employees. Current year expressed as 12 month rolling average
PASMA - Public Agency Safety Management Association (Utilities only Data)

Water Estimated Financial Results

For the month of August, Potable Water usage was on budget, even though Southern California experienced a heat wave during the month. Despite the heat wave, potable water demand was in line with the budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. Potable Water Revenues were \$126,000 better than budgeted. Recycled Water usage was 11% (12 million gallons) lower than budget and Recycled Water Revenues were \$18,000 worse than budgeted. August Water Supply Expenses were \$153,000 better than budgeted. August's Gross Margin was \$198,000 better than budgeted. Net Income was \$517,000, which was \$198,000 better than budgeted.

August fiscal-year-to-date (FYTD) Potable Water usage was 1% (15 million gallons) lower than budgeted, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. FYTD August Potable Water Revenues were \$239,000 better than budgeted. FYTD Recycled Water usage was 5% (12 million gallons) lower than budgeted and Recycled Water Revenues were \$23,000 worse than budgeted. FYTD Water Supply Expenses were \$300,000 better than budgeted. The FYTD August Gross Margin was \$357,000 better than budgeted. Operating Expenses were \$213,000 better than budgeted. Net Income was \$661,000, which was \$595,000 better than budgeted.

Electric Estimated Financial Results

For the month of August, electric loads were 1% lower than budgeted, even though Southern California experienced a heat wave during the month. Despite the heat wave, electric demand was below budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. Retail Sales were \$222,000 worse than budgeted. August Power Supply Expenses were \$391,000 better than budgeted. August's Wholesale Margin was \$2,817,000 better than budgeted. August's Gross Margin was \$2,452,000 better than budgeted. Net Income was \$4,240,000, which was \$2,452,000 better than budgeted.

FYTD August electric loads were 6% lower than budget, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. Retail Sales were \$2,922,000 worse than budgeted. FYTD Power Supply Expenses were \$1,936,000 better than budgeted primarily due to lower energy prices and economic dispatch (the managing and optimizing of resources to meet system load), lower than planned transmission expenses, and lower retail load. FYTD Wholesale Margin was \$3,318,000 better than budgeted. FYTD Gross Margin was \$1,561,000 better than budgeted. August FYTD Operating Expenses were \$703,000 better than budgeted. Net Income was \$3,424,000, which was \$2,311,000 better than budgeted.

COVID-19 “Safer at Home” Order Impacts

Financial Impacts

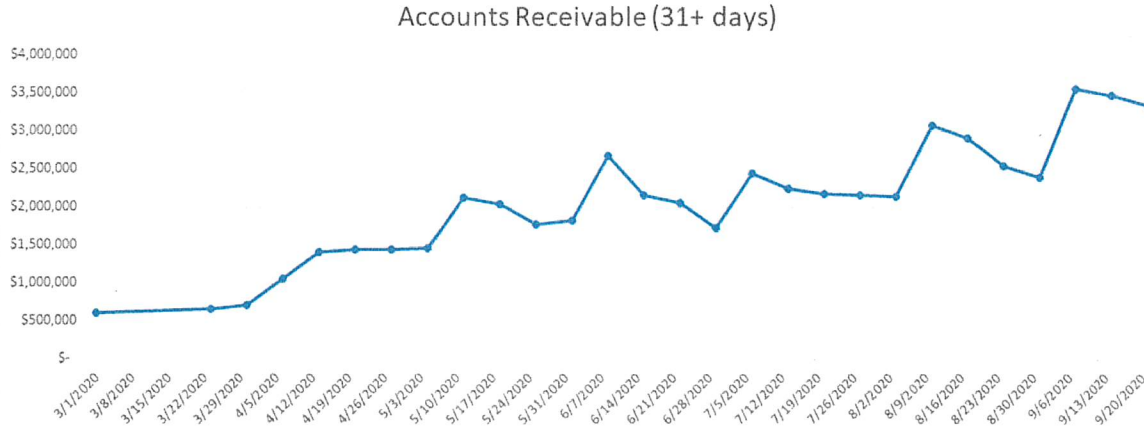
August’s results reflect the fifth month of the impacts resulting from the COVID-19 pandemic “Safer at Home” order (Order) issued on March 19, 2020. With many Burbank commercial enterprises being closed or curtailing operations, this order has, and is anticipated to continue to, significantly impact commercial demand for water and energy in Burbank.

The current year’s adopted budget, based on the estimated impacts of the Order at the time, reflects a 5% lower energy demand and a 3% lower potable water usage as compared to last year’s budget. Recent data has shown that the impact of COVID-19 has resulted in a significant reduction in electric demand than budgeted and the water demand has a slight reduction than budgeted demand. Along with the decrease in demand, there is an increase in customer receivables and uncollectibles.

For the Electric Fund, August energy demand was 1% below budget, even though Southern California experienced a tremendous heat wave during the month. The City of Burbank had 11 consecutive days where the temperature was 95.0° F or higher. The August average high temperature was 91.3°F, compared to the 15-year average high temperature of 88.4°F. The California Independent System Operator (CAISO) reported recent near record peak demand on their system. Despite the heat wave, electric demand was below budget. This demonstrates that COVID-19 has a tremendous negative impact on energy sales, especially when commercial customers account for approximately 75% of electric sales. Fiscal year- to- date, energy usage was 6% below the budgeted amount with retail revenue loss of \$2,922,000. However, electric fund gross margin was \$1,561,000 higher than budgeted, primary driven by our Wholesale asset utilization program.

For the Water Fund, August potable water demand was in line with the budgeted demand. An increase in residential customer demand (residents account for 75% of potable sales), primarily driven by warmer weather, fully offset the decrease in demand from commercial customers, directly related to COVID-19. Fiscal year- to- date, potable water demand was 1% below the budgeted amount with potable retail revenue \$239,000 and gross margin \$357,000 higher than budget.

The chart below shows the drastic increase for receivables that are over 31 days old for BWP's Electric and Water Funds.



*Excludes in-lieu and UUT

WATER DIVISION

State Water Project Update

On May 22, 2020, the Department of Water Resources (DWR) increased the State Water Project (SWP) Allocation Table A from 15% to 20% due to above-average precipitation in May. By contrast, last year's allocation ended at 75%.

Lake Oroville, the SWP's largest reservoir, is currently at 47% of capacity and 74% of average for this time of year. Shasta Lake, the Central Valley Project's (CVP) largest reservoir, is at 50% of capacity and 81% of average. In Southern California, SWP's Castaic Lake is at 90% of capacity and 112% of average.

A 20% allocation amounts to 843,696 acre-feet of water.

Burbank's Water Use

The table below shows water use in Burbank during August 2020 compared to August 2019 measured in gallons per capita per day (gpcd). Also shown is a comparison of Burbank's water use based on a 12-month rolling average.

	Average Monthly Use	Rolling 12-Month Average
August 2019	160 gpcd	130 gpcd
August 2020	160 gpcd	135 gpcd

These figures show annual water use is on target to be below 157 gpcd that must be met by the year 2020.

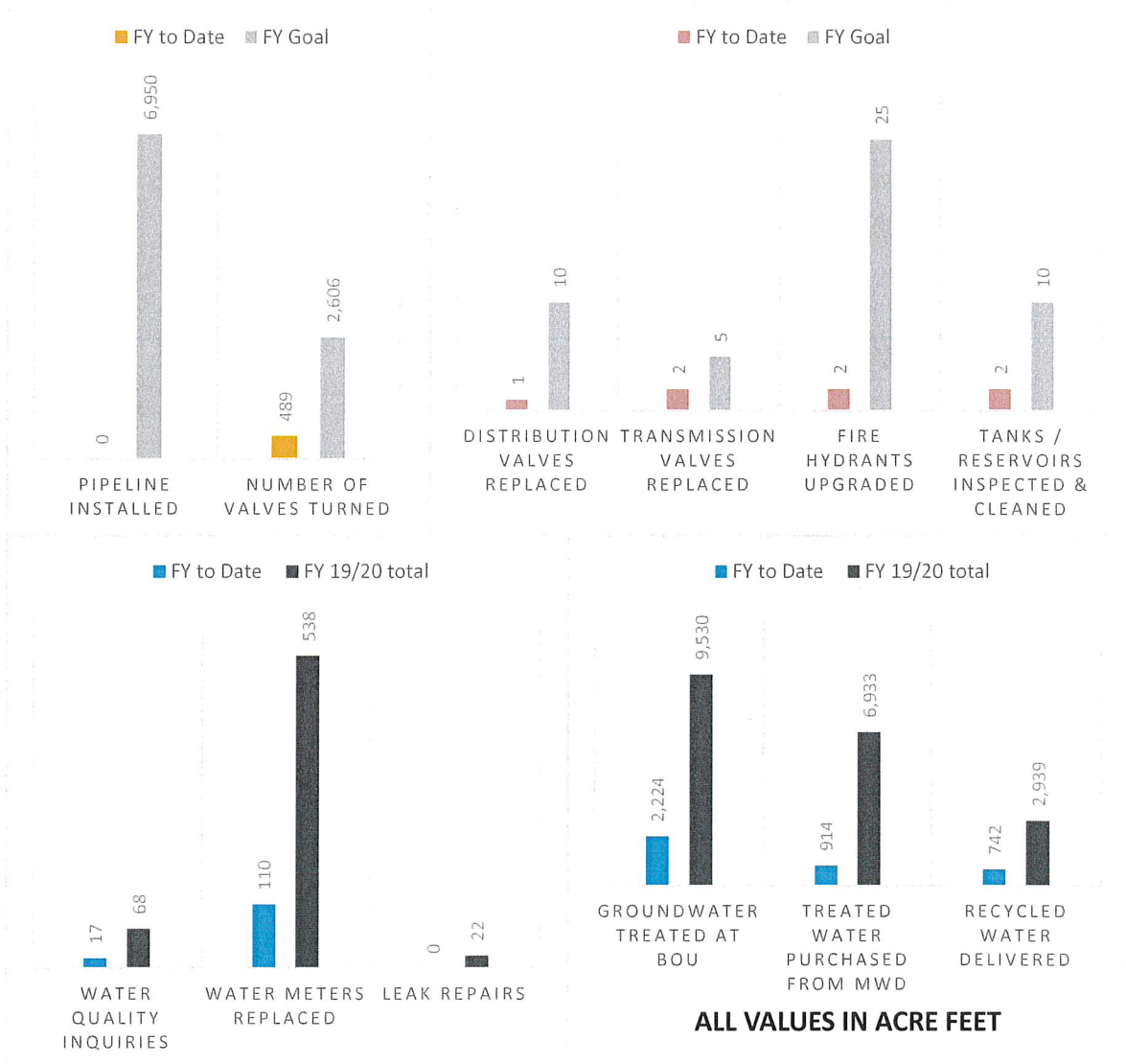
Burbank Operating Unit (BOU) Water Production

The table below provides the operational data for the BOU for the rolling quarter of June through August.

	Capacity Factor	Average Flow Rate (FY Total)
June 20	73.23%	6591 gpm
July 20	87.63%	7887 gpm
August 20	95.16%	8564 gpm

Key Performance Indicators

The graphs below illustrate the progress the Water Division has made on key performance measures.



Leak Alert Notifications

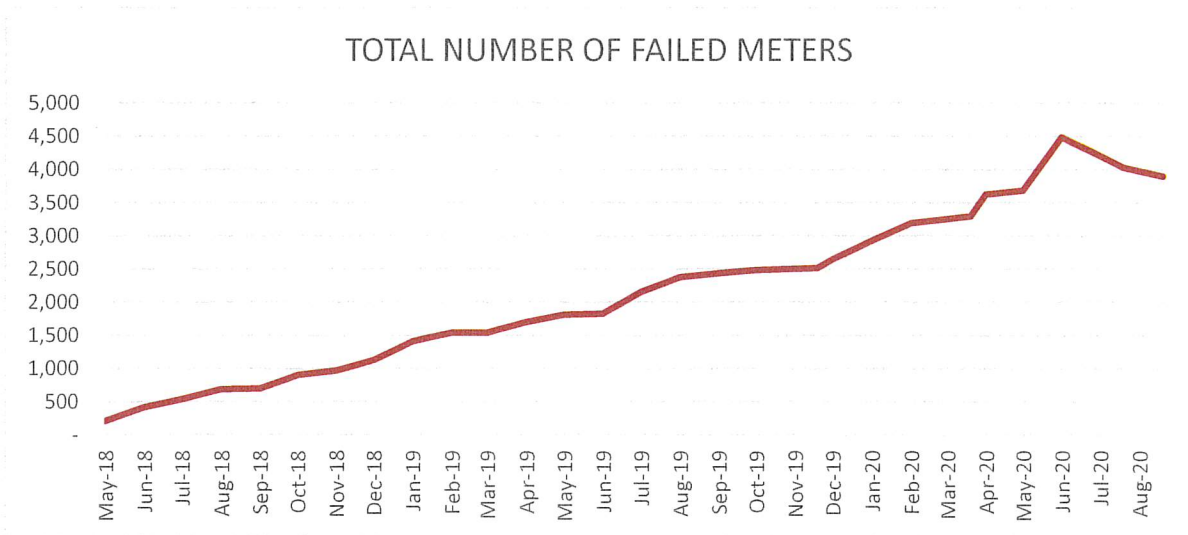
During the Fall of 2009, BWP began installing an Automated Metering Infrastructure (AMI) System by Itron. The system consists of endpoints that connect directly to the meter to get the meter read. The water use was transmitted by radio from the endpoints located in the meter box and received by 10 collectors stationed throughout the City. The data was “backhauled” or bundled using the Tropos radio system and delivered to database servers that accepted and processed the meter data. Full deployment of the system (approximately 26,000 endpoints) was completed in 18 months.

Benefits of AMI technology allow data to be collected rapidly and frequently and can be analyzed to find higher than normal usage and alert customers of leaks. BWP began providing Leak Alert service to residents who registered to receive notifications. This service, Water Smart, works by receiving hourly water usage from the meter and analyzes this data to determine if a leak might be present based on continuous usage. Since 2015, BWP has provided 11,756 leak alerts to

customers. Unfortunately, a high volume of communication modules are not working reliably and replacement units are no longer produced.

As of August 2020, 3,896 communication modules are not working properly out of 26,985 meters (about 14.5%). That is a decrease of 130 meters since last month. In July, a collector failed (that would account for the large number of meters not read) and BWP is checking the meter database for possible errors (the number of meters that were read increased since July).

BWP previously notified customers who participate in the Leak Alert Program that the failure of these communication modules prevents the sending of Leak Alert Notifications, and due to continued failures, BWP is now in the process of notifying additional customers.



Projects

Cypress and Glenoaks:

Pictured below is the construction crew saw cutting the pavement on Cypress between Glenoaks and Third Street in preparation for a new 12-inch water main. This water main will feed the new services for the planned Burbank AC Hotel at 550 N. Third Street.



ELECTRIC DISTRIBUTION

ELECTRIC RELIABILITY

In August 2020, BWP did not experience any sustained feeder outages. In the past 12 months, automatic reclosing has reduced customer outage time by approximately 1,426,488 customer minutes.

Reliability Measurement	September 2018 – August 2019	September 2019 – August 2020
Average Outages Per Year (SAIFI)	0.4136	0.3908
Average Outage Duration (CAIDI)	38.55 minutes	20.97 minutes
Average Service Availability	99.997%	99.998%
Average Momentary Outages Per Year (MAIFI)	0.3682	0.3407
No. of Sustained Feeder Outages	14	8
No. of Sustained Outages by Mylar Balloons	2	1
No. of Sustained Outages by Animals	0	1
No. of Sustained Outages by Palm Fronds	3	0

Burbank experienced its first summer heat wave from August 14 to August 21, 2020. During this period, the system experienced eight outages on circuits associated with some laterals and transformers serving primarily residential loads. This resulted in a total of 18,786 customer outage minutes.

After the heat wave, Electrical Engineering staff used data from its Advanced Grid Analytics (AGA) software and the Supervisory Control and Data Acquisition (SCADA) system to analyze the overall system performance during the heatwave. Staff issued work orders to BWP field crews to resolve several issues including 4 overloaded transformers above 150% in the Tier 2 fire zone, 11 overloaded transformers above 200%, an overloaded lateral, and load imbalance on 3 feeders.

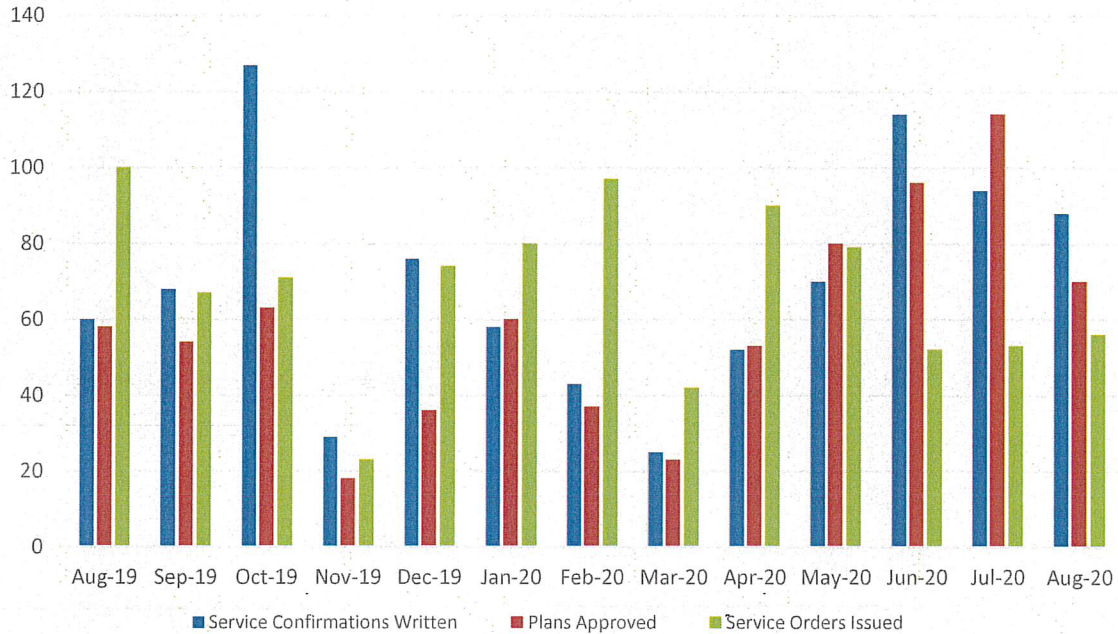
PROJECT UPDATES

Residential and Commercial Service Planning Activities

BWP provides our residential and commercial customers with the electrical power they need for new services or upgrades to their existing service. In order for a customer to obtain a Building Permit for their construction, BWP Service Planners must visit the customer's facility and fill out an Electric Service Confirmation form which details what type of service is required and how it will be served. After reviewing and approving a customer's electrical plans, BWP Service Planners

issue service orders to our field crews to carry out the inspections and electrical service work. The graph below summarizes monthly activity for our Residential and Commercial Service Planning group within the Electrical Engineering Section.

Residential and Commercial Service Planning Activity Summary
August 2019 - August 2020



* Nov-19 activity slow down is not representative of a typical November and was the result of a temporary deficiency in labor resources for the service planning group.
** Mar-20 activity slow down is due to the coronavirus pandemic.

Battery Replacement at Warner Substation

Substation batteries provide backup power for the control and protection equipment, performing a vital role in the reliable operation of the substation in case of a substation power outage. BWP maintenance crews conduct regular inspection and testing on the batteries to keep track of the battery’s conformance to established performance specifications to ensure substation reliability. Based on previous battery test results, it was recommended to replace the battery bank at Warner Substation.

Sixty new batteries, battery racks, spill containments, fusible disconnect switch and battery charger were recently installed at Warner Substation in August.



Battery Bank – Before Installation



Battery Bank - Installation

Digital Fault Recorder and Time Synchronization Installation at Lincoln Substation

Over the last five years, BWP has installed technology at many of our electrical substations that remotely retrieves digital records from our substations and sends them to relay test technicians and engineers when an abnormal system condition exists or an electrical fault occurs. Each digital record also carries a time stamp from a high accuracy GPS clock which “synchronizes” relay fault records and other data to one universal time clock and helps staff understand the sequence of events during troubleshooting. Software is used to remotely collect digital fault records from substation protective relays and automatically alert engineering staff, which has helped BWP on a few occasions to detect and solve problems before it caused an outage.

This data time synchronization and digital fault recorder technology was recently installed at Lincoln Substation, which is one of the two remaining distribution and switching substations without this technology. The implementation required BWP to install a new GPS clock, new communication cables, and a new communication processor. Design, installation, and configuration of the system was performed by several BWP groups including Operations Technology, Relay Test, Substation Maintenance and Construction, and Substation Engineering.

STREET LIGHTING

LED Replacement Program

In accordance with the Street Lighting Master Plan, BWP is replacing high-pressure sodium (HPS) streetlight luminaires with light-emitting diode (LED) luminaires. Replacement is carried out on a maintenance basis, and LEDs are installed daily as the HPS luminaires burn out. The LED replacements consume approximately

60% less energy. To date, 66.23% of the total streetlight luminaires have been converted to LEDs, which translates to an annualized energy savings of 3,486 MWh or a 37.61% reduction in energy consumption. LED conversions have also reduced evening load by 796 kW, which shortens the “neck of the duck curve” and reduces the amount of energy generation that BWP needs.

CUSTOMER SERVICE

Customer Service Operations

Customer Service and Marketing recently began mailing informational letters to customers regarding COVID-related resources. The letters are being sent to both commercial and residential customers that have accounts in arrears and who may benefit from these resources and flexible payment arrangements during the crisis. BWP anticipates an increase in the number of payment arrangements in the following months.

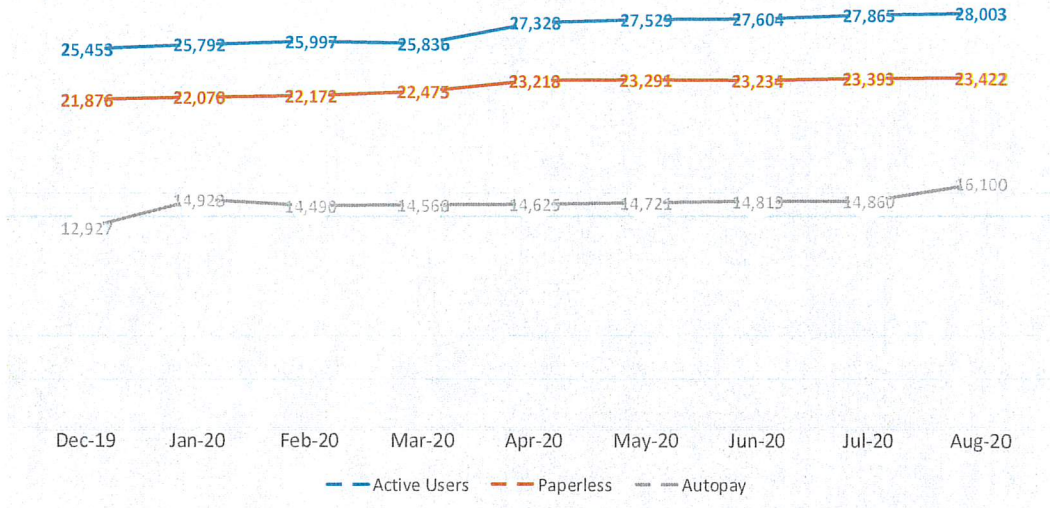
Call Types	% of Calls
Balance	19%
Residential Stop Service	9%
Residential Start Service	8%
Account#/PIN	6%
Solid Waste	5%

	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	% Inc/Dec
Call Volume	5,192	4,675	5,374	4,330	5,389	4,778	4,337	4,320	3,543	3,392	3,582	4,055	3,812	-6.0%

Online Account Manager

The enrollment in the Online Account Manager (OAM) is currently at **54%** of all active accounts; increase in enrollments have also been on the rise since the COVID-19 pandemic. Of all registered accounts, about **80%** are paperless customers helping BWP reduce costs and reduce carbon emissions. BWP will continue its efforts to drive customers to the OAM, paperless, and auto pay. These initiatives will continue to drive down costs. BWP’s second milestone is to have 80% of all active accounts registered on the OAM by the end of 2021. Below is the chart outlining activity for the OAM:

OAM ADOPTION

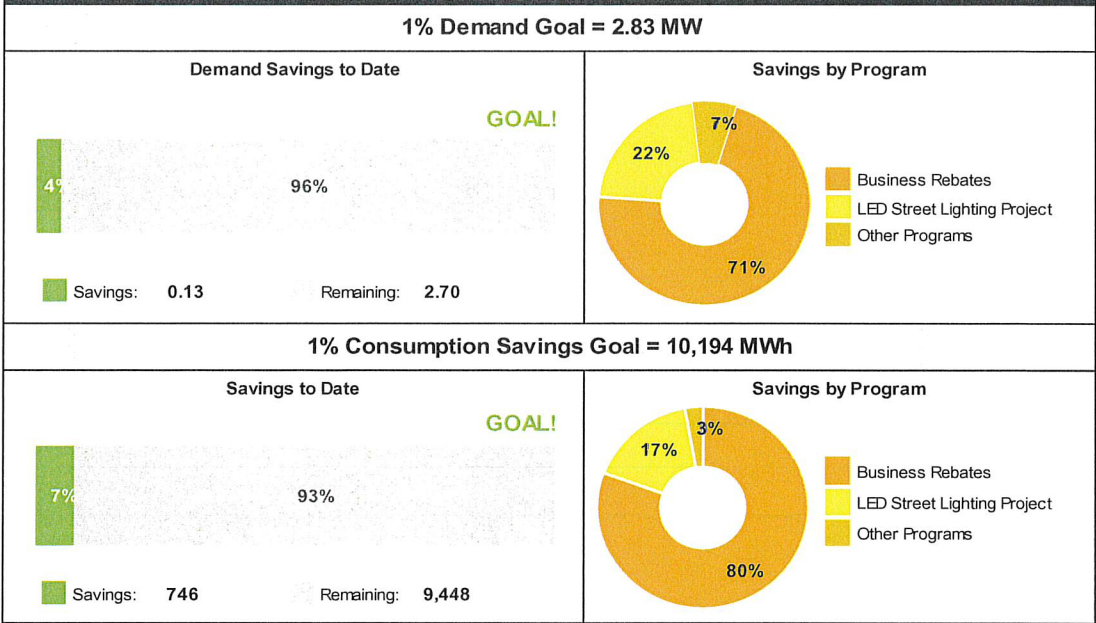


	Active	% of Total Active Accounts
Active Users	28,003	54%
Paperless	23,422	45%
Autopay	14,819	28%

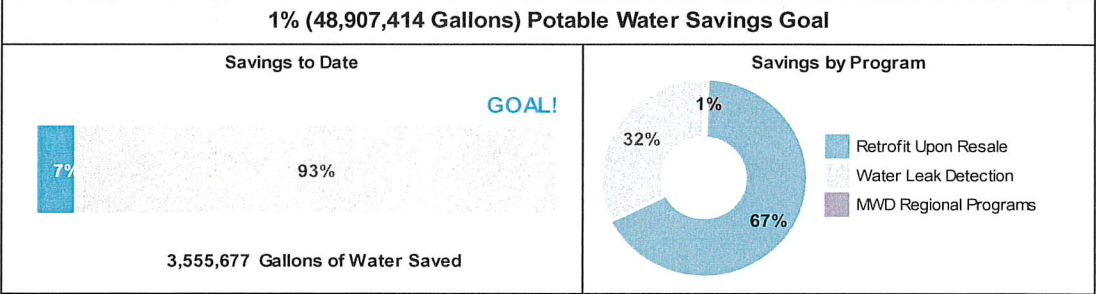
BWP’s Energy Efficiency and Water Savings – Fiscal Year to August 31, 2020

To comply with State and Local COVID-19 orders, energy efficiency programs that required home visits were suspended through **August 2020 during the current fiscal year. As a result of the continued program suspensions due to COVID-19, program activities continued to be significantly reduced for the month of August 2020.** However, commercial program participation continues to significantly contribute to the reported savings for the month of **August 2020**, mostly from the BWP Business Rebates program utilized by some of the largest commercial customers. Incentives for large projects have incentive caps but yield total project efficiency savings.

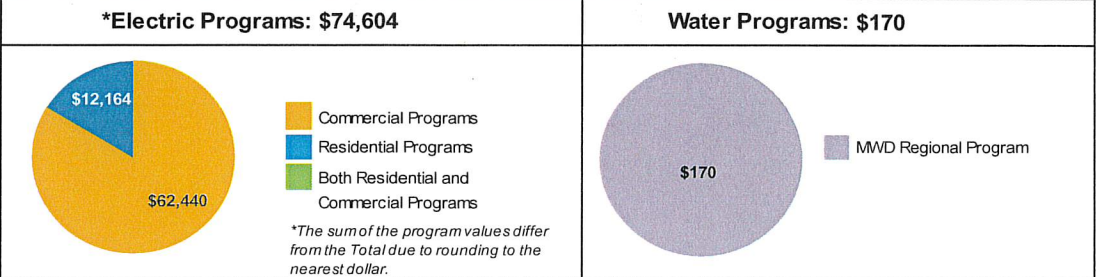
Energy Efficiency Savings FYTD 2020-2021 Period ending on 08/31/2020



Water Savings Goal FYTD 2020-2021



Efficiency Investments FYTD 2020-2021

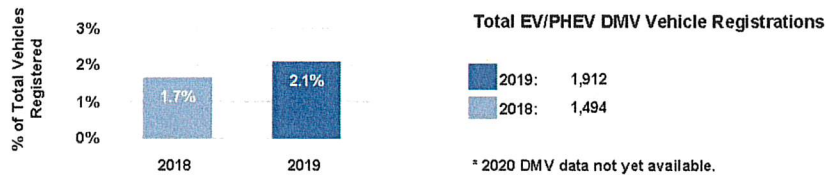


Electric Vehicle (EV) Charging Program

Forty-seven public EV charging ports are installed in Burbank, including 2 DC Fast Chargers and 18 curbside chargers. As of June 1, 2020, pricing for public EV charging is \$0.3069 per kilowatt-hour (kWh) from 4PM to 7PM and \$0.1753 per kWh for all other hours for Level 1 and Level 2. For the DC Fast Chargers, the charging rate is \$.4980 per kWh from 4PM to 7PM and is \$0.2817 per kWh for all other hours. Reduced public charger usage can likely be attributed to the shelter-in-place order issued in March.

Transportation Electrification 2020-2021 Period ending on 08/31/2020

EV Growth in Burbank*



Transportation Electrification Initiatives for FY 2020-2021

Used EV Rebates

Goal: 83

GOAL!

100%

Given: 0 Remaining: 83

EV Charger Rebates

Goal: 150

GOAL!

100%

Residential: 0 Remaining: 38
Commercial: 0

Public Charging Ports


Goal: 80

GOAL!

100%

Installed: 0 Remaining: 80

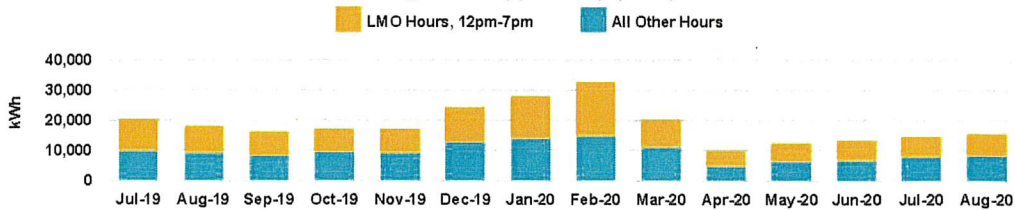
Public Charging Port Statistics



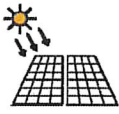
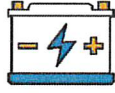
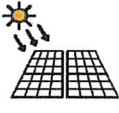
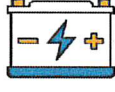
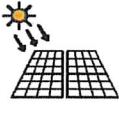
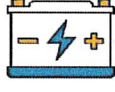
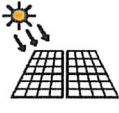
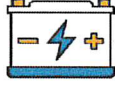
	Public Charging Ports		Total Sessions	Total Energy	Total Revenue	Total GHG Reduced*	Peak Charging Sessions
	Total Ports	Total Available					
August:	47	47	1,657	15,276	\$3,197	8,800	19%
Average:	47	47	1,605	14,764	\$3,025	8,504	18%
FY Total:	47	N/A	3,209	29,527	\$6,049	17,009	N/A

* Source: U.S. Dept of Energy Alternative Fuels Data Center (AFDC) values used to calculate GHG savings. GHG values revised using AFDC data as of 06/09/2020.

Load Management Opportunity (LMO) Hours



Rooftop Solar and Battery Installations

Customer Rooftop Solar Installations					
August 2020					
 Solar Installations	6	6.89	0.04	 Battery Installations	2
	Residential	Avg. Size (kW)	Installed Capacity (MW)		Total Installations
 Solar Installations	0	0.00	0.00	 Battery Installations	15
	Commercial	Avg. Size (kW)	Installed Capacity (MW)		Power (kW)
30.5 Energy (kWh)					
Total Installations in Burbank (All Time)					
 Solar Installations	871	5.17	4.50	 Battery Installations	19
	Residential	Avg. Size (kW)	Installed Capacity (MW)		Total Installations
 Solar Installations	50	87.00	4.35	 Battery Installations	140
	Commercial	Avg. Size (kW)	Installed Capacity (MW)		Power (kW)
377.0 Energy (kWh)					

TECHNOLOGY

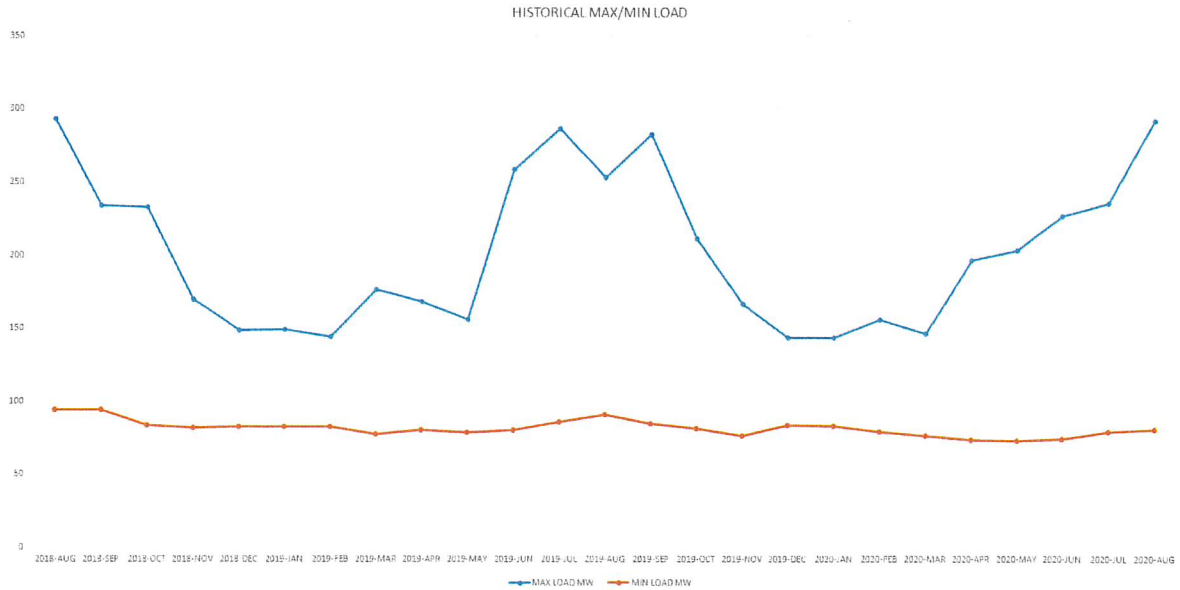
Broadband Services (ONE Burbank)

	August 2020 New Orders	Revenues for August 2020	FYTD 2020-21 Revenues	FYTD Budget
Lit	2	\$121,075	\$239,237	\$263,333
Dark	0	\$193,165	\$387,330	\$395,000
Total	2	\$314,240	\$626,567	\$658,333

POWER SUPPLY

BWP SYSTEM OPERATIONS:

The maximum load for August 2020 was 292.3 MW at 3:22 PM on August 18, and the minimum load was 81.6 MW at 6:43 AM on August 9.



Minimum load values corrected for Sept & Dec 2018.

YEAR	MAX LOAD	MAX DATE
2020	292.3 MW	18-August-20 15:22:41
2019	282.66 MW	04-Sep-19 15:31:17
2018	306.3 MW	06-Jul-18 16:41:28
2017	322.1 MW	31-Aug-17 16:02:52
2016	308.52 MW	20-Jun-16 16:46:20

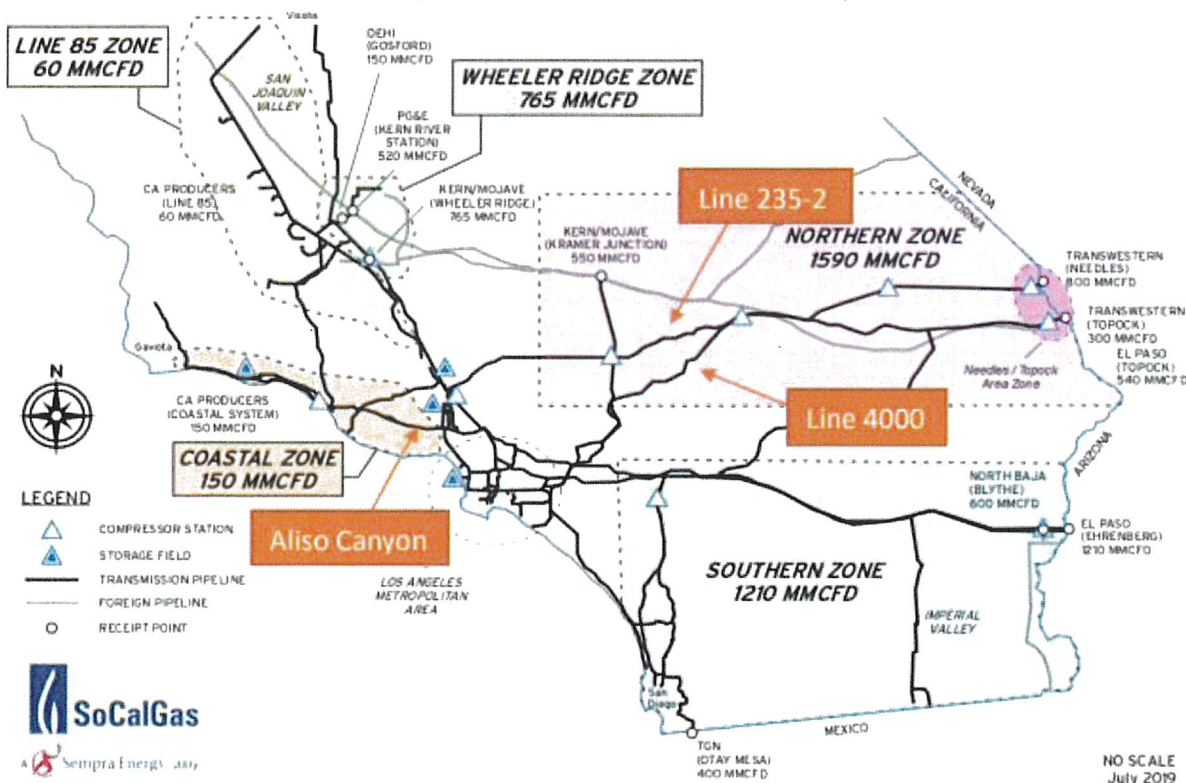
The Burbank power system did experience an extreme heat wave but did not experience any natural gas supply issues for August 2020.

From August 14 to August 21 there was a significant heat wave. Many utilities throughout the West called Energy Emergency Alerts and the CAISO had rolling

blackouts on two separate days. BWP did not experience any blackouts or other operational issues during this heat wave.

Southern California continues to experience natural gas reliability and affordability challenges because of supply and demand mismatches. SoCal Gas' system capacity and supply are primarily a function of two components: (1) transmission pipelines, which bring gas into and then transport it throughout the system; and (2) underground natural gas storage connected to transmission pipelines near system load. While one component of the system's limited supply is the transmission pipeline reductions and outages, the other critical component is storage operating constraints from the CPUC restricting the use of the Aliso Canyon Storage Facility. The current effective withdrawal protocol is restrictive but is less restrictive than the previous protocol, in that Aliso Canyon was only allowed to be withdrawn from if curtailment was imminent, but now can occur under less acute circumstances.

Image 1: Receipt Points & Transmission Zone Firm Capacities



Line 235-2

Line 235-2 (largely a 1957 vintage pipeline) SoCal Gas used two vendors to perform In-line Inspections (ILI) in October 2019. The ILI reports showed the repairs needed to be made to the line. Those repairs are now complete, and the current return to service date

in ENVOY is September 1, 2020. The re-pressurization process is currently progressing without delays. **SoCal Gas has not made any updates to this work since August.**

Line 4000

Following the Line 235-2 rupture, SoCal Gas reduced the pressure of Line 4000 (largely a 1960 vintage pipeline) because it is in the same “family” of pipelines as Line 235-2. SoCal Gas lowered the pressure to increase the factor of safety on the pipeline until SoCal Gas can conduct further analysis of Line 4000 based on what is learned from Line 235-2. In addition, this increased safety margin reduced the safety risk to employees working on Line 235-2, which is in close proximity to Line 4000 for the first 5-6 miles.

ELECTRICITY GENERATION:

BWP Generating Facilities

Unit	Availability	Operating Hrs	MWH (Net)	Net Heat Rate (Btu/kWh)	Starts
Olive 1	0%	0	0	0	0
Olive 2	0%	0	0	0	0
Lake 1	100%	155	5,701	10,598	18
MPP	100%	744	137,736	7,626	0

Olive 1 and 2 remained in dry storage, with a 120-day notice required to restart. Olive 1 and 2 have been in dry storage since 2011 and 2012, respectively. **Lake One was placed online eighteen times during the month of August.**

Magnolia Power Project (MPP)

	August	FYTD	YTD
Availability	100%	100%	82%
Unit Capacity Factor (240 MW)	77%	77%	60%

There were no plant trips or other outages at MPP during the month of August. Preparations are underway for the September 11-14, 2020 planned outage. The main purpose of the outage is to perform an offline water wash of the combustion turbine compressor. Other preventative maintenance items will also be addressed during the outage.

Tieton Hydropower Project (Tieton)

Generation began April 6, 2020 with a single generation unit due to limited water flow controlled by the United States Bureau of Reclamation (USBR). On August 27,

water flow increased enough to operate both generation units concurrently and both units have been in operation since. Rimrock Reservoir, which supplies water to Teton, is at 72% full and the USBR water management goal remains storage control. This status will fluctuate reservoir output depending on the desired reservoir level as well as the rate of water input resulting from snowmelt and other contributing sources.

ENVIRONMENTAL

Air Quality

There are no air quality updates at this time.

Storm Water

The State Water Resources Control Board Industrial General Permit requires industrial facilities to collect, at a minimum, four storm water samples per reporting year (July 1-June 30) and compare them to statewide regulatory limits. BWP has not taken any storm water samples during the new reporting year of 2020/2021. The sample analytical results for the previous reporting year continue to indicate elevated levels of zinc. BWP has completed most of the environmental review process for the storm water improvement project to address the BWP campus storm water compliance issues. The environmental review process will be finalized when the project goes to City Council for approval. BWP has hired MNS Engineers to prepare the final 100% design plans, as well as provide ancillary engineering support for the storm water improvement project. BWP has received 60% draft engineering plans which are currently under review. After the final design is completed, a bid package will be prepared.

PROJECT UPDATES:

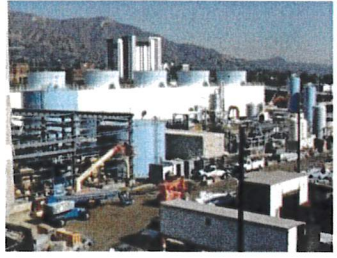
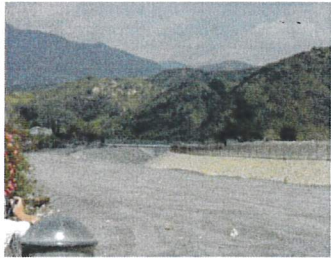
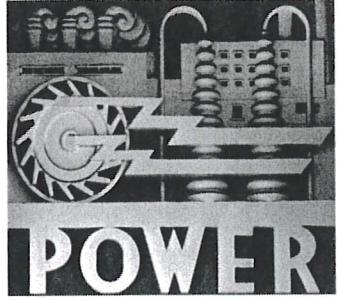
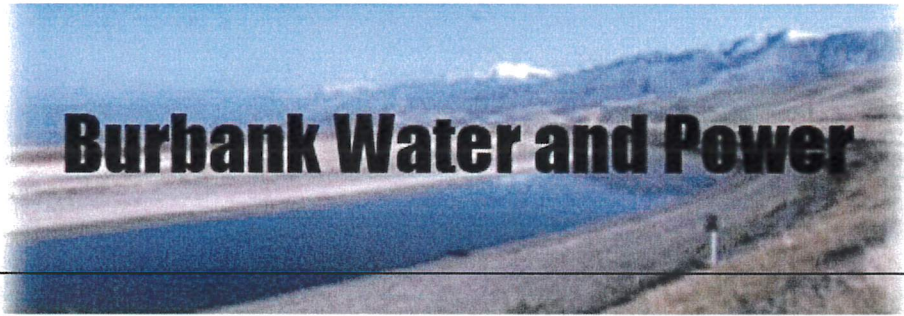
Power Resources

Transmission Update

Negotiations with LADWP regarding the renewal of several existing Transmission Service Agreements (TSA), including those associated with Hoover and IPP, are ongoing. An amendment for a one-year extension of the existing Hoover TSA was approved by consent by City Council on April 28, 2020. This amendment extended the Hoover TSA through September 30, 2021. The IPP related TSA expires in 2027.

Intermountain Power Project (Delta, UT) Renewal Progress

LADWP, BWP and GWP (the IPP repowering participants) are working together to create a detailed roadmap for green hydrogen production, storage, and power generation at IPP. In the medium-term, the participants are targeting 30% green hydrogen combustion by July 2025, when the repowered project is scheduled to come on-line.



**Estimated Financial Report
August-20**

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD August 2020
(\$ In 000's except MWh Sales)**

MTD FY 20-21	MTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance
110,765	112,217	(1,452)	(1%) ^(a)	NEL MWh	207,765	221,300	(13,535)	(6%) ^(A)
				Retail				
\$ 16,930	\$ 17,162	\$ (222)	(1%)	Retail Sales	\$ 31,492	\$ 34,414	\$ (2,922)	(8%)
89	622	(533)	(86%) ^(b)	Other Revenues ⁽³⁾	473	1,244	(771)	(62%) ^(B)
10,601	10,992	391	4% ^(c)	Retail Power Supply & Transmission	19,860	21,796	1,936	9% ^(C)
6,418	6,782	(364)	(5%)	Retail Margin	12,105	13,862	(1,757)	(13%)
				Wholesale				
8,439	7,311	1,127	15%	Wholesale Sales	11,150	14,835	(3,685)	(25%)
5,476	7,165	1,689	24%	Wholesale Power Supply	7,535	14,538	7,003	48%
2,963	146	2,817	1926%	Wholesale Margin	3,615	297	3,318	1118%
9,380	6,928	2,452	35%	Gross Margin	15,720	14,159	1,561	11%
				Operating Expenses				
976	976	-	0%	Distribution	1,962	2,021	59	3%
110	110	-	0%	Administration/Safety	321	227	(94)	(42%) ^(D)
223	223	-	0%	Finance, Fleet, & Warehouse	418	455	37	8%
525	525	-	0%	Transfer to General Fund for Cost Allocation	1,047	1,049	2	0%
476	476	-	0%	Customer Service, Marketing & Conservation	744	947	203	21% ^(E)
487	487	-	0%	Public Benefits	853	977	124	13%
215	215	-	0%	Security/Oper Technology	484	429	(56)	(13%) ^(F)
35	35	-	0%	LCFS	50	70	20	29%
110	110	-	0%	Telecom	191	243	52	22% ^(G)
187	187	-	0%	Construction & Maintenance	295	374	79	21% ^(H)
1,781	1,781	-	0%	Depreciation	3,285	3,562	277	8%
5,125	5,125	-	0% ^(d)	Total Operating Expenses	9,651	10,354	703	7%
\$ 4,256	\$ 1,804	\$ 2,452	136%	Operating Income/(Loss)	\$ 6,069	\$ 3,805	\$ 2,264	60%

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets ^{(1) (2) (5)}
MTD and FYTD August 2020**

(\$ in 000's)

MTD FY 20-21	MTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance
\$ 4,256	\$ 1,804	\$ 2,452	136%	Operating Income/(Loss)	\$ 6,069	\$ 3,805	\$ 2,264	60%
				Other Income/(Expenses)				
142	142	-	0%	Interest Income	319	284	35	12%
126	126	-	0%	Other Income/(Expense) ⁽⁴⁾	(2,396)	(2,407)	12	0%
(284)	(284)	-	0%	Bond Interest/ (Expense)	(568)	(568)	-	0%
(16)	(16)	-	0%	Total Other Income/(Expenses)	(2,645)	(2,692)	47	2%
4,240	1,788	2,452	137%	Net Income	3,424	1,113	2,311	208%
1,054	1,054	-	0%	Capital Contributions (AIC)	1,243	2,109	(866)	(41%) ⁽¹⁾
<u>\$ 5,294</u>	<u>\$ 2,842</u>	<u>\$ 2,452</u>	<u>86%</u>	Net Change in Net Assets	<u>\$ 4,667</u>	<u>\$ 3,222</u>	<u>\$ 1,445</u>	<u>45%</u>

1. This report may not foot due to rounding.
2. () = Unfavorable.
3. Other Revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees.
4. Other Income/(Expense) includes a one-time payment to CalPERS (for pension) and miscellaneous revenue from the sale of scrap materials, inventory, and assets, as well as BABS subsidy.
5. MTD is estimated for August 2020; FYTD reports July 2020 actuals.

Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
MTD August 2020
(\$ in 000's)

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
a.	Electric Usage in MWh	110,765	112,217	(1,452)	- NEL is 1% lower than budget, even though Southern California experienced a tremendous heat wave during the month. Despite the heat wave, electric demand was below budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. The August average high temperature was 91.3°F, compared to the 15 year average high temperature of 88.4°F. MTD CDD were 399 versus the 15 year average of 333.
b.	Other Revenues	89	622	(533)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
c.	Retail Power Supply & Transmission	10,601	10,992	391	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 5 for additional details.
d.	Total Operating Expenses	5,125	5,125	-	- Expenses for August 2020 are estimated at budgeted values.

**Burbank Water and Power
Electric Fund (496)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD August 2020
(\$ in 000's)**

Foot-note #	Accounts/Description	Actual	Budget	Variance to Budget	Explanation
A.	Electric Usage in MWh	207,765	221,300	(13,535)	- NEL is 6% lower than budget, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. FYTD actual average high temperature was 89.1°F, compared to the 15 year average high temperature of 88.9°F. FYTD CDD were 667 versus the 15 year average of 655.
B.	Other Revenues	473	1,244	(771)	- Other revenues include transmission, telecom and internet revenues as well as other items such as damaged property recovery, connection fees, late fees, and tampering fees which tend to fluctuate.
C.	Retail Power Supply & Transmission	19,860	21,796	1,936	- The favorable variance is attributable to various components within Retail Power Supply & Transmission. Please refer to page 6 for additional details.
D.	Administration / Safety	321	227	(94)	- The unfavorable variance is attributable to timing of expenditures on membership dues, and software & hardware, partially offset by the timing of expenditure on other professional expenses.
E.	Customer Service, Marketing & Conservation	744	947	203	- The favorable variance is primarily attributable to timing of expenditures on other professional services and software & hardware.
F.	Security/Oper Technology	484	429	(56)	- The unfavorable variance is primarily attributable to higher than planned expenditures on software & hardware, partially offset by lower than planned spending on other professional services.
G.	Telecom	191	243	52	- The favorable variance is primarily attributable to timing of expenditures on private contractual services and other professional services.
H.	Construction & Maintenance	295	374	79	- The favorable variance is primarily attributable to timing of expenditures on custodial services, and building grounds maintenance & repair.
I.	Capital Contributions (AIC)	1,243	2,109	(866)	- The unfavorable variance is primarily attributable to the timing of AIC projects.

Estimated August 2020 Budget to Actual P&L Variance Highlights - Electric Fund
(\$ in 000's)

	Variance Month-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>MTD NET INCOME/(LOSS): \$4,240</u>	\$ 2,452		\$ 2,452
<u>MTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(222)	(222)
Power Supply and Transmission			
- Economic dispatch offset up higher energy prices	195		195
- Lower retail load	31		31
- Lower transmission	165		165
- Lower than planned renewables			-
Other Revenues & Other income/(Expenses)		(533)	(533)
Wholesale Margin	2,817		2,817
Total	<u>\$ 3,208</u>	<u>\$ (755)</u>	<u>\$ 2,452</u>

Estimated August 2020 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/(LOSS): \$3,424</u>	\$ 2,311		\$ 2,311
<u>FYTD GROSS MARGIN VARIANCE</u>			
Retail Sales		(2,922)	(2,922)
Power Supply and Transmission			
- Economic dispatch offset up higher energy prices	1,235		1,235
- Lower than planned transmission expenses	317		317
- Lower retail load	284		284
- Lower than planned renewables and other	100		100
Other Revenues		(771)	(771)
Wholesale Margin	3,318		3,318
Total	<u>\$ 5,254</u>	<u>\$ (3,693)</u>	<u>\$ 1,561</u>
<u>FYTD O&M AND OTHER VARIANCES</u>			
Distribution	59		59
Administration/Safety		(94)	(94)
Finance, Fleet, & Warehouse	37		37
Customer Service, Marketing & Conservation	203		203
Public Benefits	124		124
Security/Oper Technology		(56)	(56)
Telecom	52		52
Construction & Maintenance	79		79
Depreciation expense	277		277
All other	69		69
Total	<u>\$ 900</u>	<u>\$ (150)</u>	<u>\$ 750</u>

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

	Aug-20	Jul-20	Jun-20	Mar-20	Dec-19	Sep-19	Jun-19	Recommended Reserves	Minimum Reserves
Cash and Investments									
General Operating Reserve	\$ 58,815	\$ 48,161 ^(b)	\$ 52,397 ^{(a)(b)}	\$ 63,968	\$ 67,481	\$ 62,047	\$ 67,320 ^(b)	\$ 52,010	\$ 37,570
Capital & Debt Reduction Fund	10,000	10,000	10,000	10,000	10,000	10,000	10,000	21,000	5,200
BWP Projects Reserve Deposits at SCPPA	8,250 ^(b)	12,804 ^(b)	17,163	17,062	17,014	16,912	16,817		
Sub-Total Cash and Investments	77,064	70,966	79,560	91,029	94,495	88,959	94,137	73,010	42,770
Customer Deposits	(1,702)	(1,643)	(1,811)	(6,300)	(6,632)	(4,822)	(5,641)		
Public Benefits Obligation	(7,608)	(7,238)	(6,990)	(6,849)	(7,125)	(6,607)	(6,069)		
Pacific Northwest DC Intertie	(48)	(48)	(62)	(255)	(655)	(1,389)	(2,218)		
Low Carbon Fuel Standard ^(c)	(3,396)	(3,397)	(3,642)	(2,267)	(2,267)	(2,267)	(2,267)		
Cash and Investments (less Commitments)	<u>64,311</u>	<u>58,639</u>	<u>67,055</u>	<u>75,360</u>	<u>77,615</u>	<u>73,874</u>	<u>77,942</u>	<u>73,010</u>	<u>42,770</u>

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

^(b) Includes a \$3.95M loan to the Water Fund for the purchase of cyclic storage water.

^(c) Denotes funds reserved related to the sale of Low Carbon Fuel Standard (LCFS) credits, net of Electric Vehicle charger infrastructure expenditures.

^(d) Includes early redemption of the 2010A Electric Bonds (\$7.63M).

^(e) Includes a \$2.5M loan to the Water Fund for the purchase of cyclic storage water.

^(f) Includes a one-time payment to CalPERS (for pension) in the amount of \$2.75M.

^(g) Includes a \$4.4M drawdown to pay SCPPA for June and July power invoices.

^(h) Includes a \$4.5M drawdown to pay SCPPA for July and August power invoices.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets ⁽¹⁾⁽²⁾⁽⁵⁾
MTD and FYTD August 2020
(\$ in 000's except Gallons)**

MTD FY 20-21	MTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance		FYTD FY 20-21	FYTD Aug-20 Budget	\$ Variance ⁽²⁾	% Variance
525	526	(2)	(0%) ^(a)	Water put into the system in Millions of Gallons	1,033	1,047	(15)	(1%) ^(A)
103	115	(12)	(11%) ^(b)	Metered Recycled Water in Millions of Gallons	213	225	(12)	(5%) ^(B)
Operating Revenues								
\$ 2,861	\$ 2,736	\$ 126	5% ^(c)	Potable Water	\$ 5,688	\$ 5,449	\$ 239	4% ^(C)
450	468	(18)	(4%)	Recycled Water	895	918	(23)	(3%)
60	122	(62)	(51%) ^(d)	Other Revenue ⁽³⁾	85	244	(159)	(65%)
3,371	3,326	46	1%	Total Operating Revenues	6,667	6,611	56	1%
1,144	1,297	153	12% ^(e)	Water Supply Expense	2,281	2,581	300	12% ^(D)
2,227	2,029	198	10%	Gross Margin	4,386	4,029	357	9%
Operating Expenses								
746	746	-	0%	Operations & Maintenance - Potable	1,395	1,494	99	7%
139	139	-	0%	Operations & Maintenance - Recycled	250	279	29	10% ^(E)
203	203	-	0%	Allocated O&M	355	416	61	15% ^(F)
175	175	-	0%	Transfer to General Fund for Cost Allocation	350	350	-	0%
355	355	-	0%	Depreciation	686	710	24	3%
1,619	1,619	-	0% ^(f)	Total Operating Expenses	3,036	3,249	213	7%
609	410	198	48%	Operating Income/(Loss)	1,350	780	569	73%
Other Income/(Expenses)								
21	21	-	0%	Interest Income	43	43	0	0%
45	45	-	0%	Other Income/(Expense) ⁽⁴⁾	(429)	(441)	12	3%
(158)	(158)	-	0%	Bond Interest/(Expense)	(303)	(317)	14	4%
(92)	(92)	-	0%	Total Other Income/(Expenses)	(689)	(715)	26	4%
517	318	198	62%	Net Income/(Loss)	661	66	595	906%
94	94	-	0%	Aid in Construction	116	187	(71)	(38%) ^(G)
\$ 610	\$ 412	\$ 198	48%	Net Change in Net Assets	\$ 777	\$ 253	\$ 524	207%

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 a one-time payment to CalPERS (for pension) and miscellaneous revenue from the sale of scrap materials, inventory, and assets.

5. MTD is estimated for August 2020; FYTD reports July 2020 actuals.

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
MTD August 2020
(\$ 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	525	526	(2)	- Potable water demand was in line with budget, even though Southern California experienced a tremendous heat wave during the month. Despite the heat wave, potable water demand was in line with budget which is driven primarily by the closing of businesses within Burbank due to COVID-19. The August average high temperature was 91.3°F, compared to the 15 year average high temperature of 88.4°F. MTD CDD were 399 versus the 15 year average of 333.	
b.	Recycled Water Usage in Millions of Gallons	103	115	(12)	- Recycled water demand was lower than budget. Please refer to footnote (a).	
c.	Potable Water Revenue	2,861	2,736	126	- The WCAC impact decreased potable water revenues by \$92k MTD. Without this adjustment, potable water revenues would be favorable by 8%.	
						MTD Actual
					WCAC Revenue	<u>\$1,236</u>
					WCAC Expenses	\$1,144
					WCAC revenue deferral/(accrual)	<u>\$92</u>
d.	Other Revenue	60	122	(62)	- Other revenues include items such as damaged property recovery, connection fees, late fees, and tampering fees, which tend to fluctuate.	
e.	Water Supply Expense	1,144	1,297	153	- The favorable variance was a result of using more Valley/BOU water which is cheaper to produce than imported MWD water.	
f.	Total Operating Expenses	1,619	1,619	-	- Expenses for August 2020 are at budgeted values.	

**Burbank Water and Power
Water Fund (497)
Estimated Statement of Changes in Net Assets - Footnotes
FYTD August 2020
(\$ 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	1,033	1,047	(15)	- FYTD Potable water sales were lower than budget, which is driven primarily by the closing of businesses within Burbank due to COVID-19, partially offset by warmer August temperatures. FYTD actual average high temperature was 89.1°F, compared to the 15 year average high temperature of 88.9°F. FYTD CDD were 667 versus the 15 year average of 655.								
B.	Metered Recycled Water in Millions of Gallons	213	225	(12)	- FYTD Recycled water sales are lower than budget. Please refer to footnote (A).								
C.	Potable Water	5,688	5,449	239	- The WCAC impact increased potable water revenues by \$122k YTD. Without this adjustment, potable revenues would be unfavorable by 7%								
					<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="text-align: right; border-top: 1px solid black;">FYTD Actual</td> </tr> <tr> <td>WCAC Revenue</td> <td style="text-align: right;">\$2,403</td> </tr> <tr> <td>WCAC Expenses</td> <td style="text-align: right;">\$2,281</td> </tr> <tr> <td>WCAC revenue deferral/(accrual)</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$122</td> </tr> </table>		FYTD Actual	WCAC Revenue	\$2,403	WCAC Expenses	\$2,281	WCAC revenue deferral/(accrual)	\$122
	FYTD Actual												
WCAC Revenue	\$2,403												
WCAC Expenses	\$2,281												
WCAC revenue deferral/(accrual)	\$122												
D.	Water Supply Expense	2,281	2,581	300	- The favorable variance was a result of using more Valley/BOU water which is cheaper to produce than imported MWD water.								
E.	Operations & Maintenance - Recycled	250	279	29	- The favorable variance is attributable to timing of expenditures on other professional services, and general equipment maintenance & repair .								
F.	Allocated O&M	355	416	61	- Allocated O&M is lower than budget due to favorable variances in allocated expenses (Administration, Safety, Finance, Customer Service, Marketing, Construction and Maintenance) from the Electric Fund.								
G.	Aid in Construction	116	187	(71)	- The unfavorable variance is primarily attributable to the timing of AIC projects.								

Estimated August 2020 Budget to Actual P&L Variance Highlights - Water Fund
(\$ in 000's)

	Variance Month-to-Date		
	<u>Favorable Items</u>	<u>Unfavorable Items</u>	<u>Budget to Actual Variance</u>
<u>MTD NET INCOME (LOSS): \$517</u>	\$ 198		\$ 198
<u>MTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	126		126
Recycled Revenues		(18)	(18)
Other Revenue		(62)	(62)
Water Supply Expense	<u>153</u>		<u>153</u>
Total	<u><u>278</u></u>	<u><u>\$ (80)</u></u>	<u><u>\$ 198</u></u>

Estimated August 2020 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: \$661</u>	\$ 595		\$ 595
<u>FYTD GROSS MARGIN VARIANCE</u>			
Potable Revenues	239		239
Recycled Revenues		(23)	(23)
Other Revenue		(159)	(159)
Water Supply Expense	300		300
Total	\$ 539	\$ (182)	\$ 357
<u>FYTD O&M AND OTHER VARIANCES</u>			
Potable O&M	99		99
Recycled Water O&M	29		29
Allocated O&M	61		61
Depreciation Expense	24		24
All Other	26		26
Total	\$ 238	\$ -	\$ 238

Water Fund (497)
Estimated Statement of Changes in Cash and Investment Balances ^(a)
(\$ In 000's)

	<u>Aug-20</u>	<u>Jul-20</u>	<u>Jun-20</u>	<u>Mar-20</u>	<u>Dec-19</u>	<u>Sep-19</u>	<u>Jun-19</u>	<u>Recommended Reserves</u>	<u>Minimum Reserves</u>
Cash and Investments									
General Operating Reserves	\$ 9,901	\$ 8,173 ^(a)	\$ 8,637 ^{(c)(d)}	\$ 8,826	\$ 16,341	\$ 13,174	\$ 11,555 ^(b)	\$ 12,630	\$ 8,070
Capital Reserve Fund	2,220	2,220	2,220	2,220	2,220	2,220	2,220	5,200	1,300
Sub-Total Cash and Investments	12,121	10,393	10,857	11,046	18,561	15,394	13,775	17,830	9,370
Customer Deposits	(1,073)	(1,172)	(1,227)	(1,504)	(1,650)	(1,252)	(1,454)		
Cash and Investments (less commitments)	<u>\$ 11,048</u>	<u>\$ 9,221</u>	<u>\$ 9,630</u>	<u>\$ 9,543</u>	<u>\$ 16,911</u>	<u>\$ 14,142</u>	<u>\$ 12,321</u>	<u>\$ 17,830</u>	<u>\$ 9,370</u>

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

^(b) Includes a \$3.95M loan from the Electric Fund for the purchase of cyclic storage water.

^(c) Includes early redemption of the 2010A Water Bonds (\$2.07M).

^(d) Includes a \$2.5M loan from the Electric Fund for the purchase of cyclic storage water.

^(e) Includes a one-time payment to CalPERS (for pension) in the amount of \$440k.