

Budget Authority by Fund

(\$ in 000's)	FY 2020-21 Adopted	FY 2021-22 Proposed	Decrease / (Increase) in Budget
Electric Fund (496)	\$259,948	\$269,770	(\$9,822)
Water Fund (497)	\$39,545	\$45,621	(\$6,076)
MPP Operating Fund (483)	\$22,713	\$22,731	(\$18)
Tieton Hydro Operating (133)	\$3,580	\$2,388	\$1,192
Street Lighting Fund (129)	\$2,841	\$2,808	\$33
Communications Fund (535)	\$3,762	\$6,986	(\$3,224)
Total Authority	\$332,390	\$350,304	(\$17,914)

CITY OF BURBANK WATER AND POWER 4

Budget Authority Changes Since 2/4

(\$ in 000's)	FY 2021-22 Proposed as of 2.4.21	FY 2021-22 Proposed as of 3.4.21	Decrease / (Increase) in Budget
Electric Fund (496)	\$267,175	\$269,770	(\$2,595)
Water Fund (497)	\$45,434	\$45,621	(\$187)
MPP Operating Fund (483)	\$22,731	\$22,731	\$0
Tieton Hydro Operating (133)	\$2,388	\$2,388	(\$0)
Street Lighting Fund (129)	\$2,809	\$2,808	\$1
Communications Fund (535)	\$6,956	\$6,986	(\$30)
Total Authority	\$347,493	\$350,304	(\$2,811)



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Proposed Pension Funding Plan

Fund	Electric	Water
Total 4-Year Commitment	\$11,685,800	\$1,870,000
FY 2019-20	\$3,437,000	\$550,000
FY 2020-21	\$2,749,600	\$440,000
FY 2021-22	\$2,749,600	\$440,000
FY 2022-23	\$2,749,600	\$440,000
Interest Savings	\$12,326,588	\$1,972,541
Pay-off Period	20 Years	20 Years

Annual PERS payment is \$9.4 million for Electric and \$1.6 million for Water



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Electric Fund Rate Increases

Historical Rate Increases

Effective Date	Overall System
1/1/2010	5.75%
1/1/2011	2.90%
7/1/2012	1.75%
7/1/2013	1.75%
7/1/2014	2.90%
7/1/2015	2.10%
7/1/2016	2.10%
7/1/2017	0.00%
7/1/2018	0.00%
7/1/2019	1.00%
7/1/2020	0.00%

Projected Rate Increases

Effective Date	Overall System
10/1/2021	1.24%
4/1/2022	1.24%
7/1/2022	2.80%
7/1/2023	2.80%
7/1/2024	2.80%
7/1/2025	2.80%



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Proposed 2.5% Electric Rate Increase

- ▶ 1.24% in October
- ▶ 1.24% in April



- ▶ Apartments/Condos (350 KWh/month) bill impact:
 - \$0.65/ per month effective October 1
 - \$0.66/ per month effective April 1
 - \$1.31/per month in total
- ▶ Single family home (550 KWh/month) bill impact:
 - \$1.08/ per month effective October 1
 - \$1.09/ per month effective April 1
 - \$2.17/per month in total



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Water Fund Rate Increases

Historical Rate Increases

Effective Date	Overall System
7/1/2010	13.50%
7/1/2011	4.90%
7/1/2012	4.50%
7/1/2013	4.75%
7/1/2014	4.75%
7/1/2015	3.40%
7/1/2016	3.40%
7/1/2017	3.40%
7/1/2018	4.90%
7/1/2019	4.90%
7/1/2020	0.00%

Projected Rate Increases

Effective Date	Overall System
10/1/2021	1.96%
1/1/2022	1.96%
4/1/2022	1.96%
7/1/2022	6.00%
7/1/2023	6.00%
7/1/2024	6.00%
7/1/2025	6.00%



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Proposed 6.0% Water Rate Increase

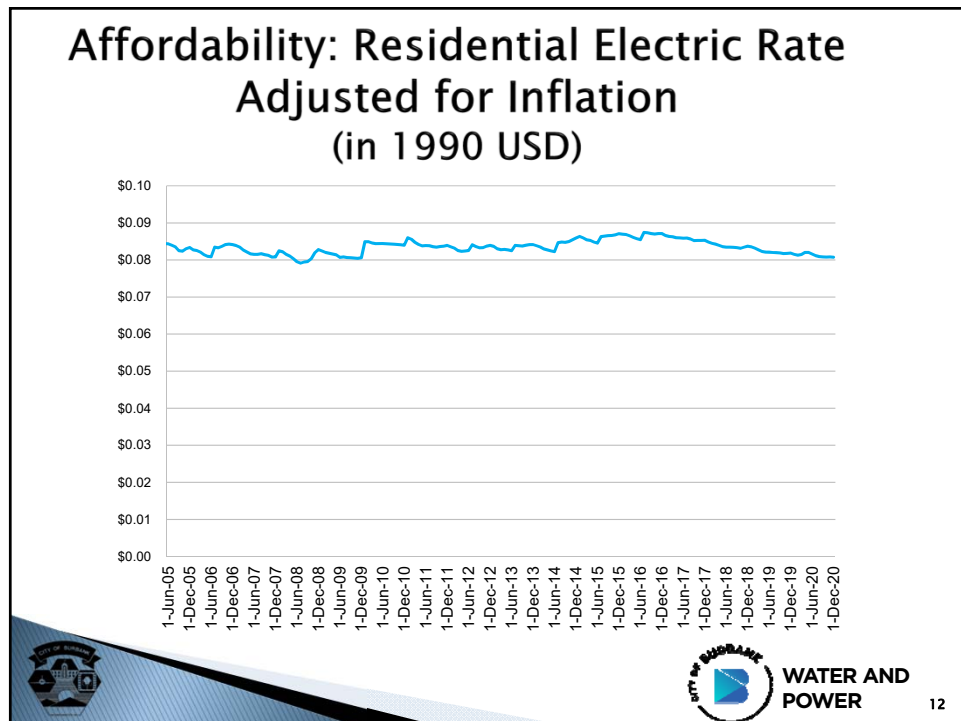
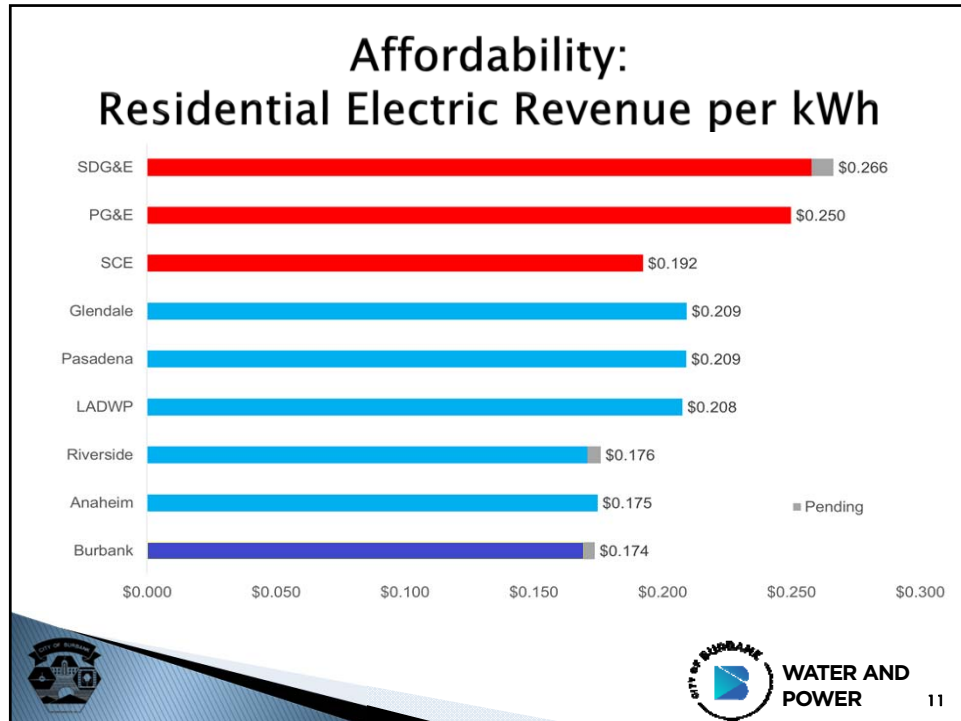
- ▶ 1.96% in October
- ▶ 1.96% in January
- ▶ 1.96% in April

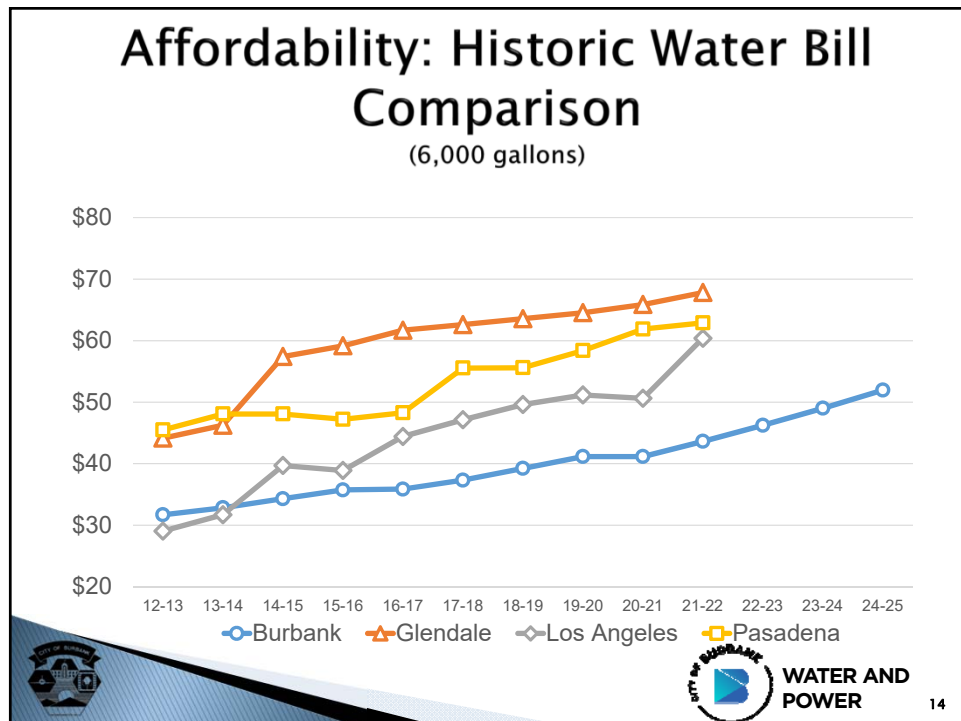
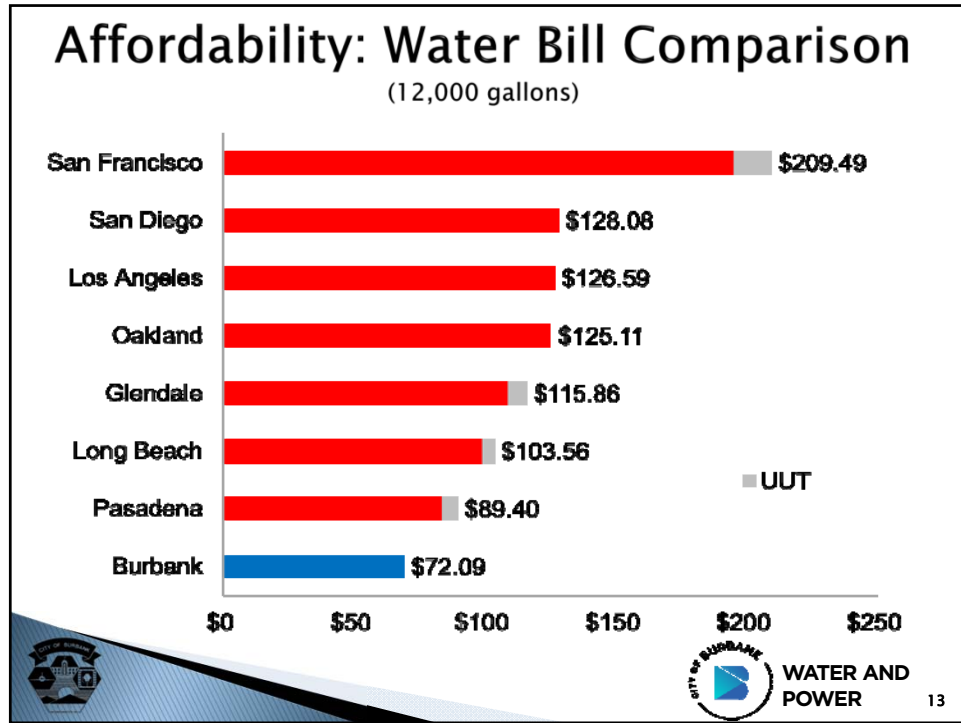


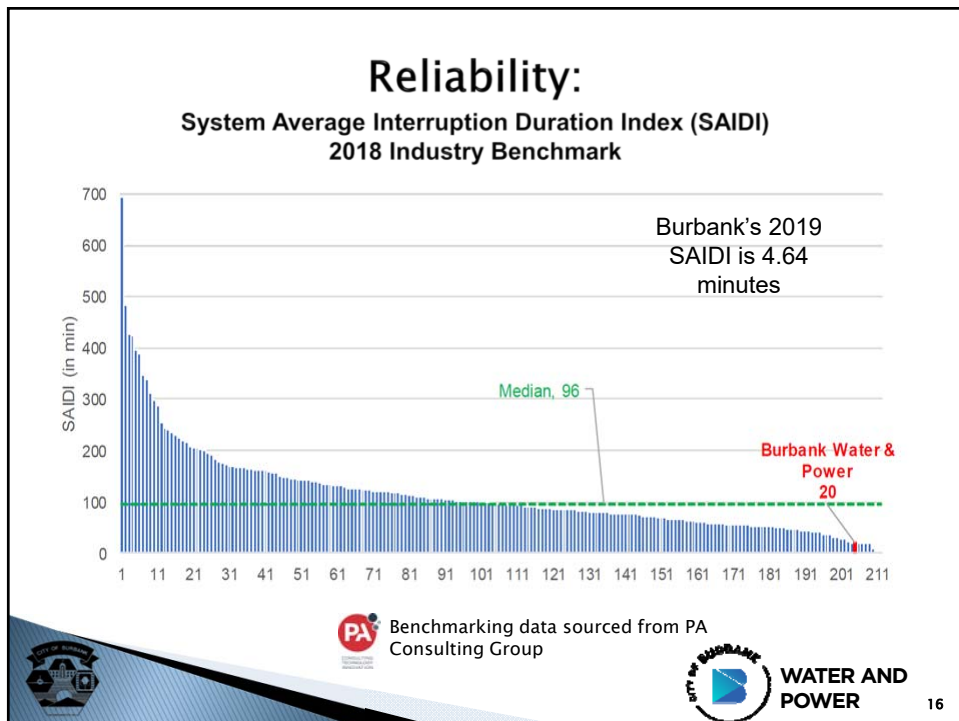
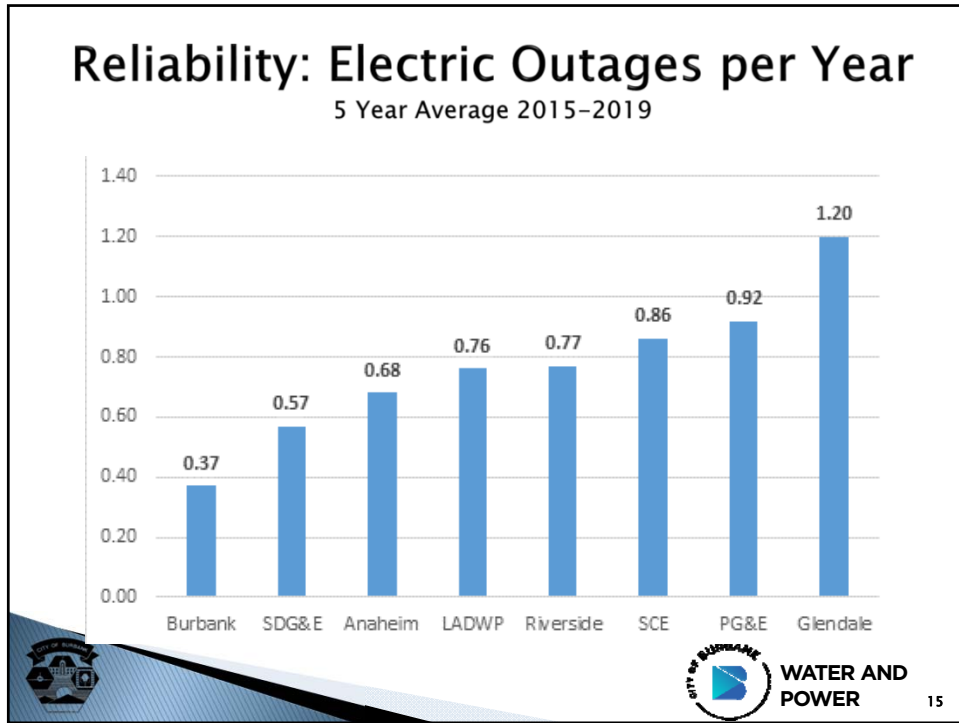
- ▶ Small family residential (6,000 gallons) bill impact:
 - \$0.81 / per month effective October 1
 - \$0.82 / per month effective January 1
 - \$0.84 / per month effective April 1
 - \$2.47 / per month in total
- ▶ Medium family residential (12,000 gallons) bill impact:
 - \$1.33 / per month effective October 1
 - \$1.36 / per month effective January 1
 - \$1.39 / per month effective April 1
 - \$4.08 / per month in total



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Reliability: Water

- ▶ 99.999% reliable
- ▶ Asset management required
 - Valley Pumping plant – pump replacement
 - In use since WWII
 - Maintained impeccably
 - 30 miles of pipe > 100 years old
 - In use before the Great Depression
 - Well maintained



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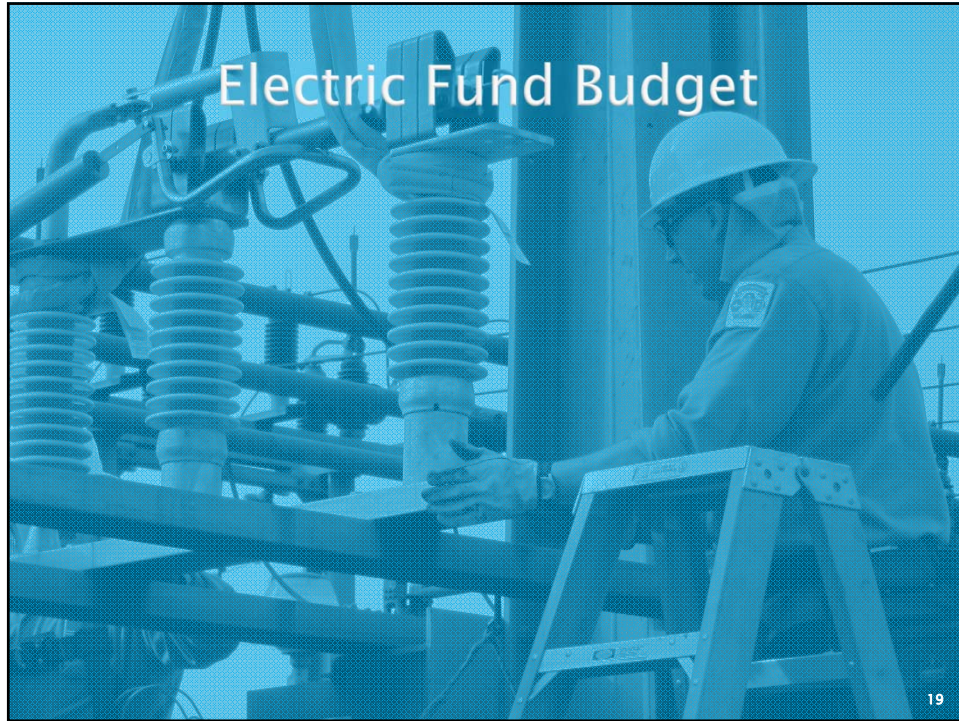
Sustainability

- ▶ Electric Vehicle (EV) charging stations
- ▶ Planning for solar+storage installations
- ▶ Be at or ahead of state guidelines on renewables
- ▶ Recycled water
- ▶ Ground water contamination clean up
- ▶ Automated meter infrastructure
 - Electric– demand response and time of use rates
 - Water – leak prevention = decreased water waste



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Electric Rate Drivers (21–22)

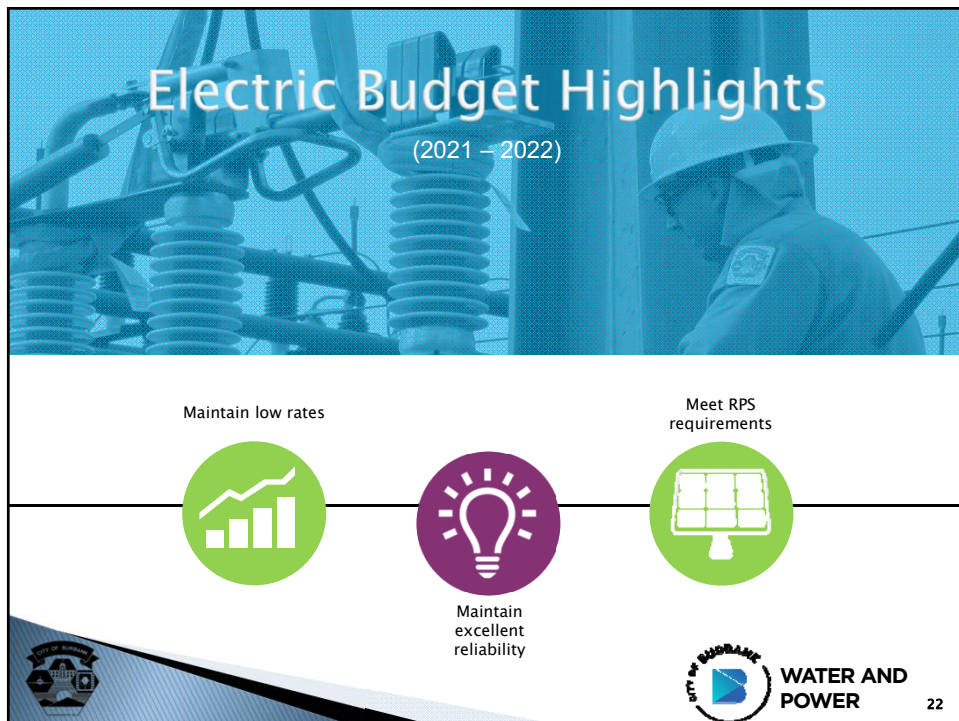
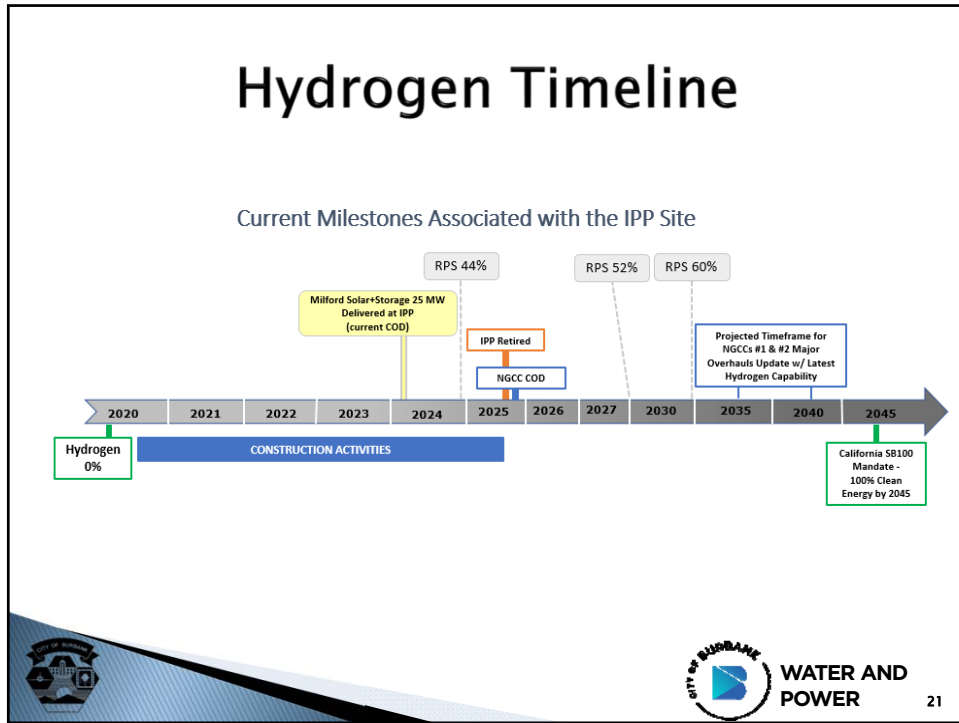
(\$ in 000's)

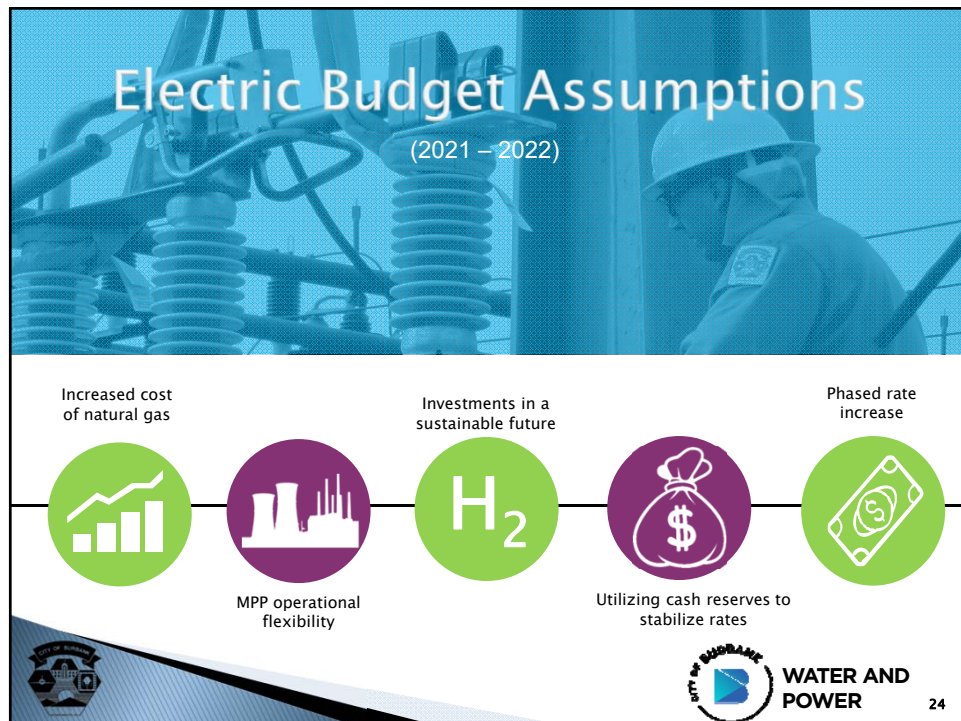
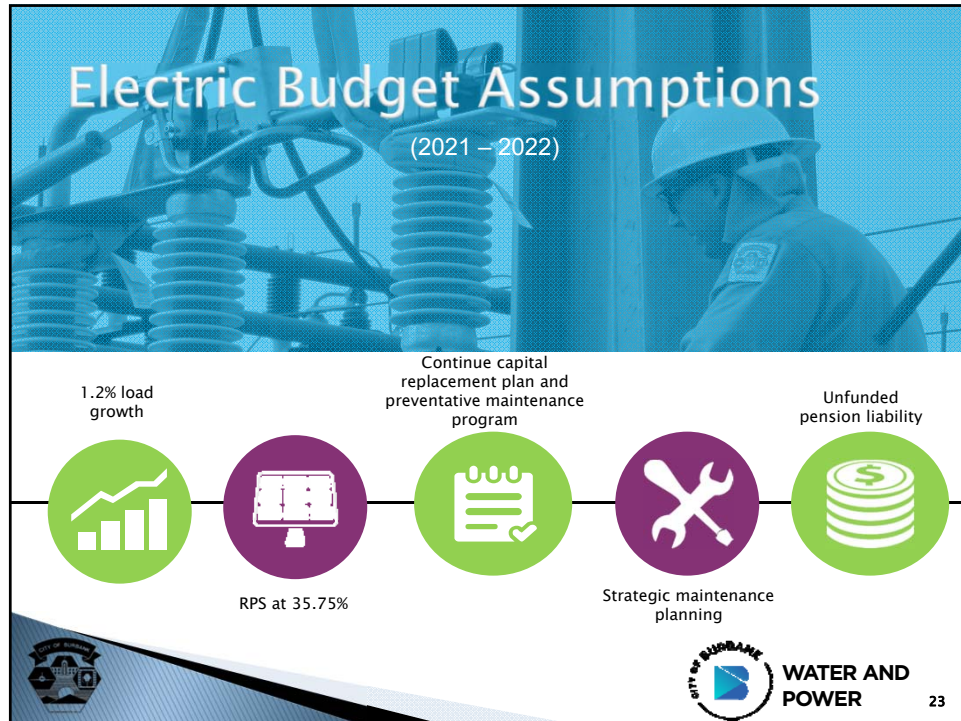
	\$	% of Oper. Rev.
2020-21 Carry-over to 2021-22	\$9,687	5.84%
Higher Operating Expenses	\$4,015	2.42%
IPP demolition and hydrogen betterment funding plan	\$2,250	1.36%
2021-22 Rate requirement	\$15,952	9.61%
Lower Power Supply	(\$6,522)	-3.93%
Higher retail load	(\$1,470)	-0.89%
2021-22 Rate increase	(\$1,212)	-0.73%
2021-22 Carry-over to 2022-23	\$6,748	4.06%

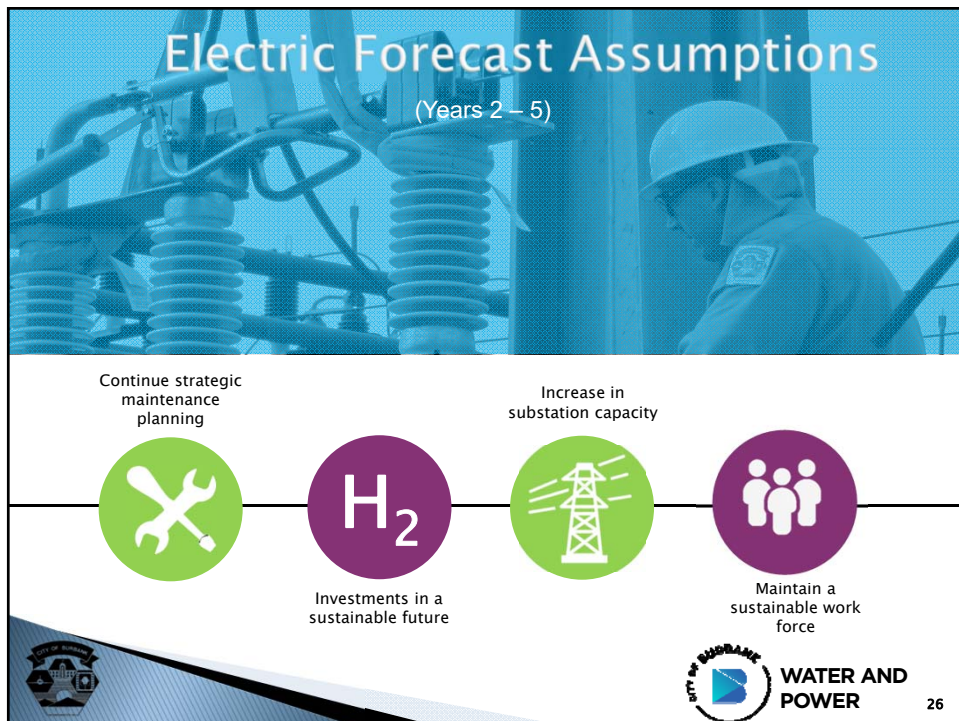
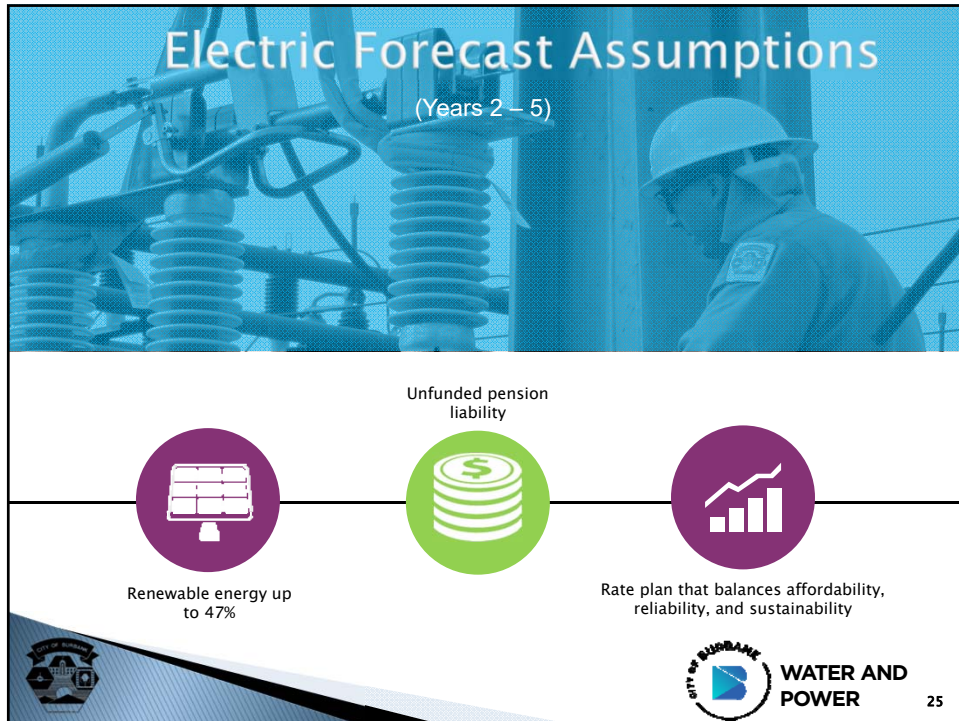


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Electric Forecast Assumptions

- ▶ FY 21 /22 load reduced by 2% from pre-COVID-19 forecast, offset by new developments.
- ▶ FY 21 /22 based on the year prior to COVID-19.
- ▶ Next ten years assumes slight growth due to new commercial and housing developments.

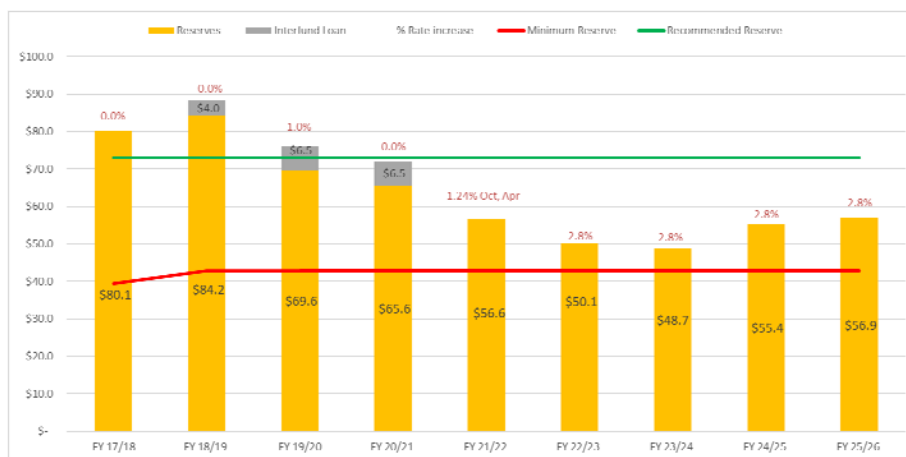


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Electric Cash Reserves

(\$ in millions)

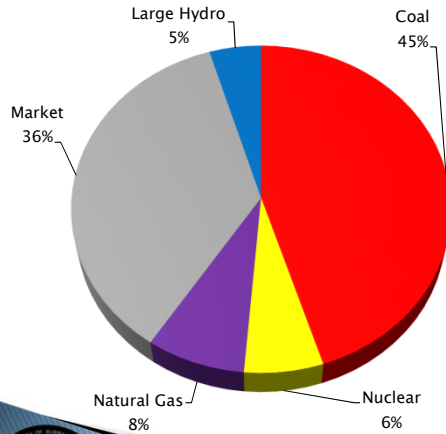


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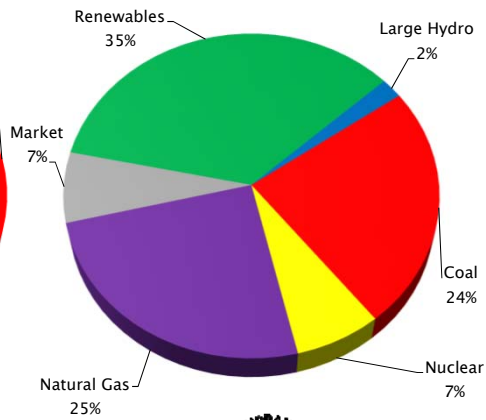
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Energy Planning

FY 2001-2002



FY 2021-2022



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Electric Income Statement

(\$ in thousands)

	Adopted Budget FY 20-21	Proposed Budget FY 21-22 2.4.2021	Proposed Budget FY 21-22 3.4.2021
Total Operating Revenues	\$ 220,780	\$ 222,775	\$ 222,800
Total Power Expenses	\$ 161,650	\$ 155,768	\$ 158,048
Gross Margin	\$ 59,130	\$ 67,007	\$ 64,752
Total Operating Expenses (incl. Depreciation)	\$ 60,644	\$ 63,355	\$ 63,670
Operating Income/(Loss)	\$ (1,514)	\$ 3,652	\$ 1,082
Other Income / (Expense)	\$ (2,852)	\$ (3,699)	\$ (3,699)
Net Income (before AIC)	\$ (4,366)	\$ (47)	\$ (2,617)

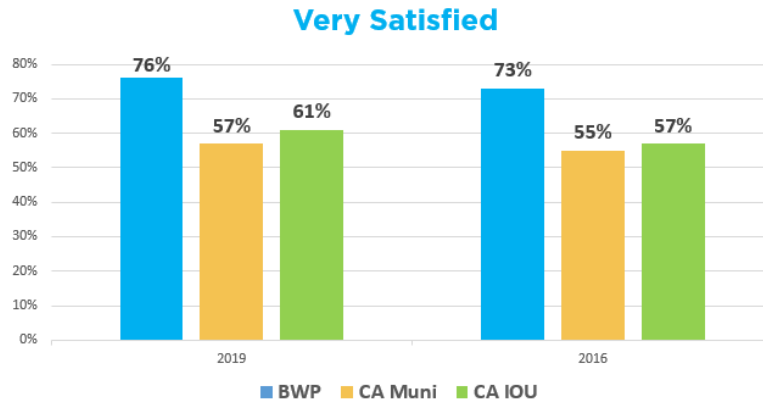


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Residential Customer Satisfaction

2019 Independent Survey of Residential Customer Satisfaction

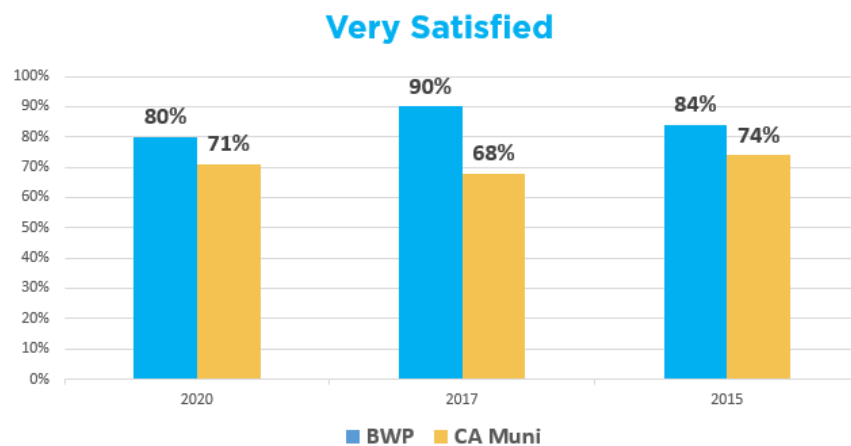


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Commercial Customer Satisfaction

2020 Independent Survey of Commercial Customer Satisfaction



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Financial Assistance Programs



BWP COVID-19 Job Loss Bill Credit Program

- Provides four equal bill credits to residents totaling \$200 (multi-family) or \$300 (single-family)



Low Income Home Energy Assistance Program (LIHEAP)

- Federally funded program that provides low-income households with a one-time financial credit towards their utility bill annually
- Free energy-efficiency upgrades
- Administered by PACE and Maravilla Foundation depending on the applicant's customer's ZIP code



Pandemic Unemployment Assistance (PUA)

- Helps unemployed Californians who are not usually eligible for regular unemployment insurance benefits



BWP Project Share

- Payment assistance of up to \$100 in the form of a bill credit to income-qualified customers



BWP Lifeline Program

- Offers income-qualified customers a reduced rate as well as exemptions from the monthly customer service charge and the Utility Users Tax (about a 40% discount)

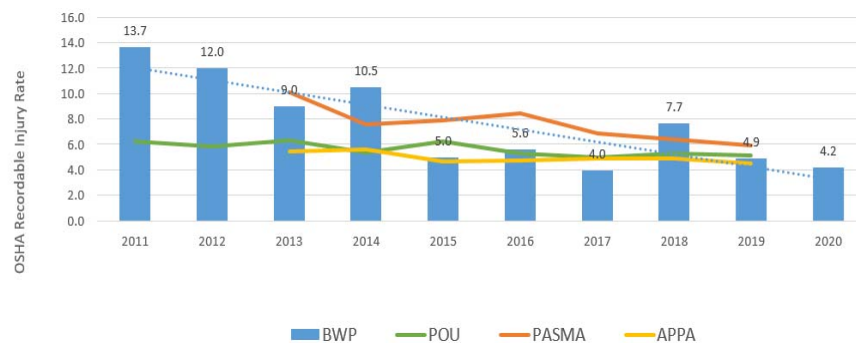


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Safety

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)
- POU - Publicly Owned Utilities - Bureau of Labor Statistics
- APPA - American Public Power Authority - Average recordable injury rate, all respondents



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Electric Fund 5 Year Capital Plan

	2021-22	2022-23	2023-24	2024-25	2025-26	FY 2021-22 to FY 2025-26
	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast
Power Supply Improvement Projects	3,712,526	240,000	1,250,000	3,850,000	1,800,000	10,852,526
Operations Technology	1,400,000	-	-	-	-	1,400,000
Distribution Expansion Projects	2,528,725	6,121,839	7,315,760	9,384,524	4,953,313	30,304,162
Distribution Replacement Projects	18,378,987	26,150,002	11,659,322	9,409,213	9,544,053	75,141,578
Facility Renovations	340,600	583,400	344,100	343,900	320,610	1,932,610
ONE Burbank	1,360,194	462,803	408,748	414,693	419,852	3,066,290
Finance, Warehouse and Fleet Facility	-	200,000	123,750	600,000	-	923,750
Customer Service	-	600,000	950,000	-	8,000,000	9,550,000
Security	-	75,000	100,000	-	100,000	275,000
Water Fund's share of common projects	(200,169)	(119,466)	(184,053)	(39,549)	(735,870)	(1,279,106) (A)
Total CIP	\$ 27,520,863	\$ 34,313,578	\$ 21,967,628	\$ 23,962,782	\$ 24,401,958	\$ 132,166,809
New Customer Projects/AIC	11,164,153	3,581,413	2,583,855	2,569,712	2,594,191	22,493,324
Total AIC	11,164,153	\$ 3,581,413	\$ 2,583,855	\$ 2,569,712	\$ 2,594,191	\$ 22,493,324
Total	\$ 38,685,016	\$ 37,894,991	\$ 24,551,483	\$ 26,532,494	\$ 26,996,149	\$ 154,660,133

Note:

(A) Includes 20% for Safety, 12.5% for Customer Service, and 11.5% for Operations Technology, Facilities, and Finance when applicable.



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Electric Fund Capital Improvements (21-22)

Project (In 000's)	FY 21-22 Proposed
Media District 12kV Capacity	\$4,725
4 kV to 12 kV Conversions	\$4,683
Golden State Substation Rebuild	\$3,786
Lake NOx Emission System Retrofit	\$2,000
Replace Deteriorated Overhead Electrical Dist. Lines	\$1,569
Replace Deteriorated Underground Electrical Dist. Lines	\$1,015
Ethernet Switched Services Network Infrastructure Replacement	\$704
Electric Vehicle Charging Program	\$702
Data Center Hardware	\$550
Upgrade Circuit M-2 Overhead Lines	\$542
Replace Burbank Station Distribution Getaways	\$536
Other Remaining Projects	\$6,709
Sub Total Electric Fund CIP Projects	\$27,521



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Electric Fund Capital Improvements (21-22) (cont.)

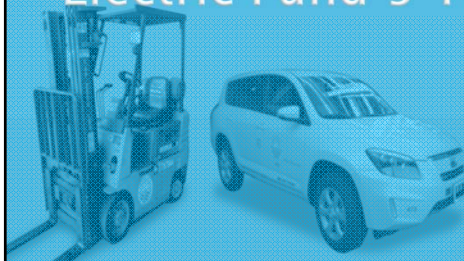
Project (In 000's)	FY 21-22 Proposed
Media District 12kV Capacity	\$5,614
Build Service to Large Project Over 1 MVA	\$2,514
Build Facilities for Avion Burbank Development	\$2,000
Build New Customer Transformer Stations, 750 kVA & Under	\$821
Other Remaining Projects	<u>\$215</u>
Sub Total Electric Fund AIC Projects	\$11,164
Grand Total Electric Fund CIP Projects	<u>\$38,685</u>



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Electric Fund 5 Year Capital Outlay



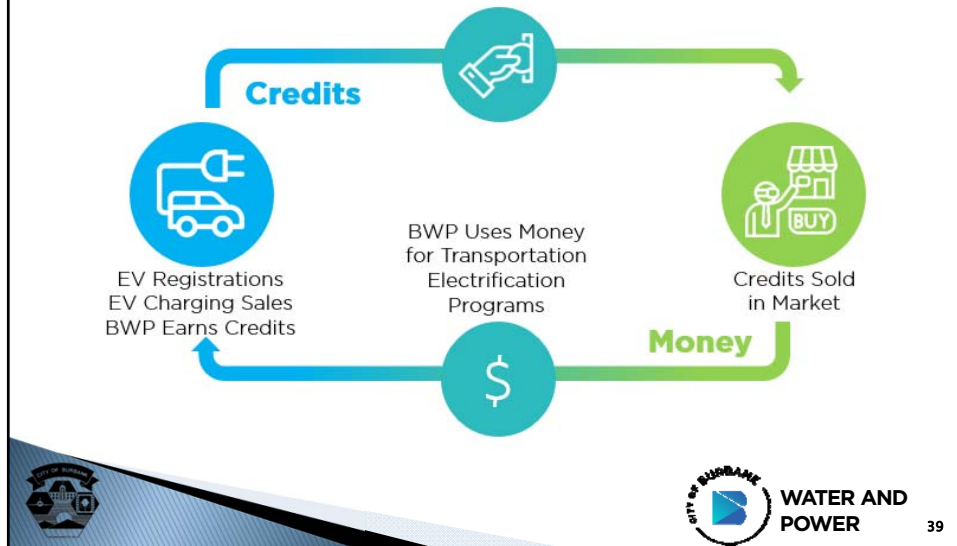
	2021-22 Proposed	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	FY 2021-22 to FY 2025-26 Forecast
Capital Outlay	2,514,480	1,888,020	1,925,780	1,964,296	2,003,582	10,296,158
Information Technology	197,000	64,605	177,000	154,875	150,000	743,480
Master Fleet Plan	643,550	3,119,650	2,849,750	1,894,500	1,503,025	10,010,475
Total Capital Outlay	\$ 3,355,030	\$ 5,072,275	\$ 4,952,530	\$ 4,013,671	\$ 3,656,607	\$ 21,050,113



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Low Carbon Fuel Standard (LCFS) Program Funds



Electric Fund Staffing Summary

Division	FY 2020-21 Approved Staffing Plan	FY 2020-21 Mid-year Adjustments	FY 2021-22 Proposed Adjustments	FY 2021-22 Proposed Staffing Plan
Administration and Safety	6	0	3 (a), (h)	9
Customer Service, Electric and Water Public Benefits, and Marketing	50	0	-1 (a), (b), (c), (d)	49
Electric Distribution	100	0	-1 (b), (d), (h)	99
Power Systems, and Construction and Maintenance	85	0	0 (f)	85
Operations Technology and Security	17.5	0	0.5 (g)	18
Finance, Fleet and Materials	27.5	0	0	27.5
Total - Electric Fund	286	0	1.5	287.5

(a) Transfer of two Field Service Rep II's from Customer Service to Admin / Safety for upgrades to an Environmental, Health & Safety Officer and a Senior Administrative Analyst (Z).

(b) Transfer of a Redevelopment Project Manager from Electric Distribution for a downgrade to a Marketing Associate in Public Benefits.

(c) New Sustainability Coordinator position in Customer Service with 25% funding from Community Development Department, Public Works and Parks & Recreation.

(d) Transfer of a Customer Service Rep II from Customer Service for an upgrade to an Electric Engineering Associate II in Electric Distribution.

(f) Upgrade of a Metal Worker to a Power Production Engineer.

(g) Upgrade of an Administrative Technician to an Administrative Analyst II (M). Increase of an Engineering Aide from PT to FTE, funded by the revenue growth of ONEBurbank.

(h) Transfer of a Utility Line Mechanic - G from Electric Distribution to Safety.

MPP Joint Power Authority Budget

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MPP Joint Power Authority Budget

(\$ in 000's)

Description	FY 20-21 Adopted Budget	FY 21-22 Proposed Budget
Est. Net Generation in MWh	1,231,200	1,362,424
Operating and Maintenance Expenses	\$21,838	\$22,591
Capital Expenditures	\$875	\$140
Operating Agent Budget (Fund 483)	\$22,713	\$22,731



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Tieton Joint Power Authority Budget

(\$ in 000's)

Description	FY 20-21 Adopted Budget	FY 21-22 Proposed Budget
Est. Generation in MWh	48,400	47,612
Operating and Maintenance Expenses	\$3,264	\$2,094
Transmission Expenses	\$93	\$93
Capital Expenditures	\$224	\$202
Operating Agent Budget (Fund 133)	\$3,580	\$2,388



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Street Lighting (Fund 129) Budget

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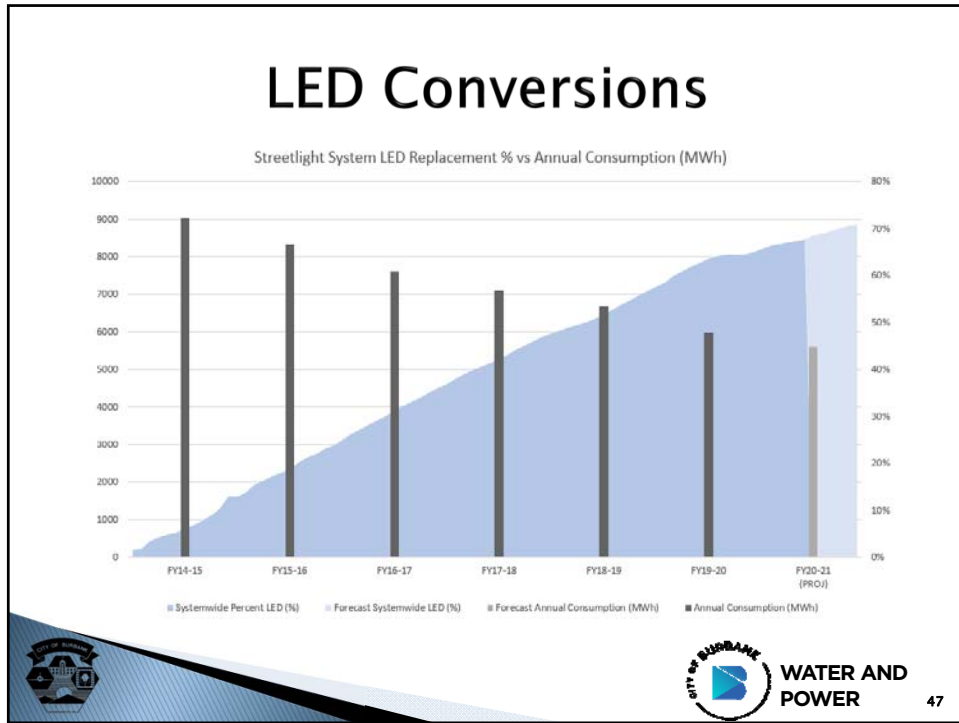
Street Lighting (Fund 129)

(\$ in 000's)

	Adopted Budget FY 20-21	Proposed Budget FY 21-22
Transfers	\$ 2,515	\$ 2,556
Transfers	\$ 2,515	\$ 2,556
Operating Expenses		
Utilities	\$ 1,078	\$ 1,006
Street Light Maintenance	\$ 495	\$ 495
Other Operating Expenses	\$ 214	\$ 193
Total Operating Expenses	\$ 1,787	\$ 1,694
Other Income	\$ 728	\$ 863
Interest / Other Income and (Expense)	\$ 45	\$ 66
Aid in Construction	\$ 185	\$ 285
Total Other Income	\$ 230	\$ 351
Net Change in Net Assets (Net Income)	\$ 958	\$ 1,214
Capital Expenditures	\$ 1,054	\$ 1,114
Cash Balance at June 30	\$ 834	\$ 934


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ONE Burbank Customers

- ▶ Animation Guild
- ▶ Buddy's All Stars
- ▶ Burbank Studios
- ▶ BUSD
- ▶ Cast & Crew
- ▶ Catalina Media
- ▶ CBS
- ▶ Century Link
- ▶ Critical Content
- ▶ Deluxe
- ▶ Digital Preservation Labs
- ▶ Disney
- ▶ Entertainment Partners
- ▶ Estrella Media
- ▶ FotoKem
- ▶ Hasbro
- ▶ Keycode Media
- ▶ Mobeon Media
- ▶ Moviola
- ▶ Music Express
- ▶ NBC Universal
- ▶ New Wave Entertainment
- ▶ Ole Music Publishing
- ▶ Pixelogic Media
- ▶ Producers/Writers Guild
- ▶ SAG
- ▶ Sohonet
- ▶ Technicolor
- ▶ Viacom Inc. (Nickelodeon)
- ▶ Warner Brothers
- ▶ Worthe Real Estate

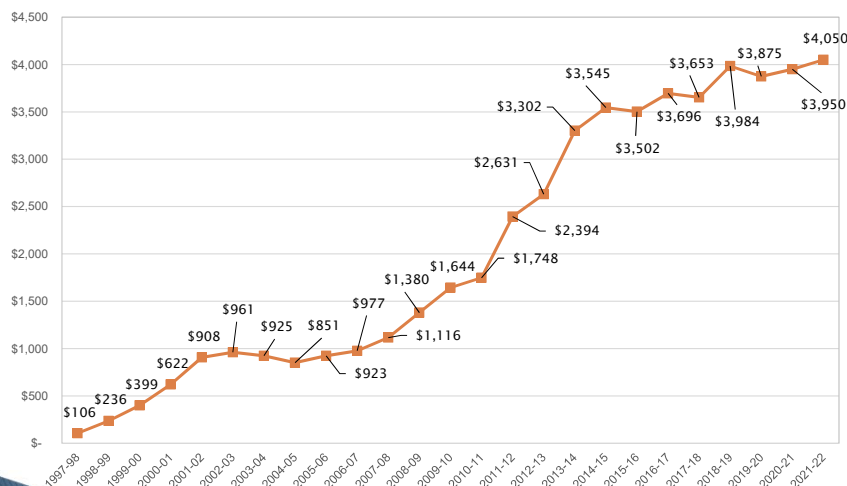


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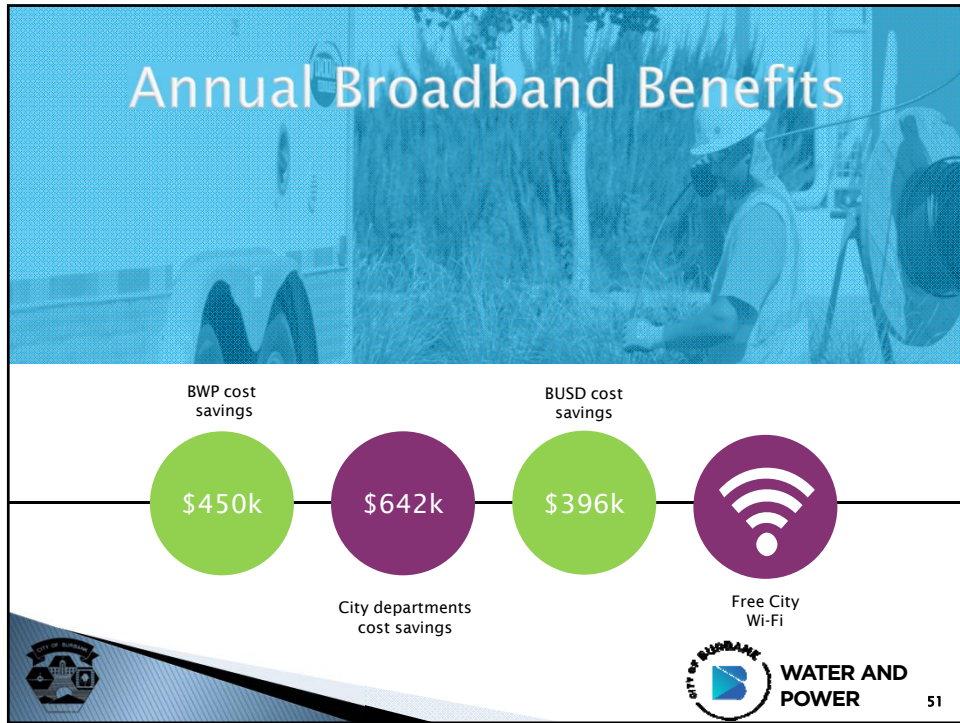
ONE Burbank Revenues

(\$ in 000's)



**WATER AND
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Communications (Fund 535)

(\$ in 000's)

	Adopted Budget FY 20-21	Proposed Budget FY 21-22
Revenues		
Charges for Services	\$ 3,065	\$ 3,064
Total Operating Revenues	\$ 3,065	\$ 3,064
Operating Expenses		
Operations and Maintenance	\$ 2,660	\$ 2,827
Depreciation	\$ 896	\$ 839
Total Operating Expenses	\$ 3,556	\$ 3,666
Operating Income (Loss)	\$ (491)	\$ (602)
Interest & Other Income	\$ 142	\$ 71
Total Operating Income (Loss)	\$ (349)	\$ (532)
Extraordinary Expenses		
Pension Repayment Plan	\$ (56)	\$ (56)
Net Change in Net Assets (Net Income)	\$ (405)	\$ (588)
Capital Expenditures	\$ 150 ^(a)	\$ (3,264) ^(b)

^(a) Fire Department VHF BK mobile radio lifecycle replacement^(b) P-25 Phase II Infrastructure Lifecycle Replacement @ \$2,650k; Fire Department UHF radio lifecycle replacement @ \$350k; Phone system resiliency @ \$250k; miscellaneous @ \$14k.
**WATER AND
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Water Fund Budget



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Water Rate Drivers (21–22)

(\$ in 000's)

	\$	% of Oper. Rev.
2020-21 Carry-over to 2021-22	\$2,808	9.74%
Higher operating expenses	\$24	0.08%
Higher water supply costs	\$706	2.45%
Aging infrastructure new financing	\$1,224	4.25%
2021-22 Rate requirement	\$4,762	16.53%
Higher water sales	(\$117)	-0.41%
2021-22 Rate increase	(\$997)	-3.46%
2021-22 Carry-over to 2022-23	\$3,648	12.66%



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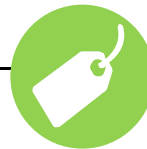
Water Budget Highlights

(2021 – 2022)

Increased
utilization of BOU



Competitive
rates

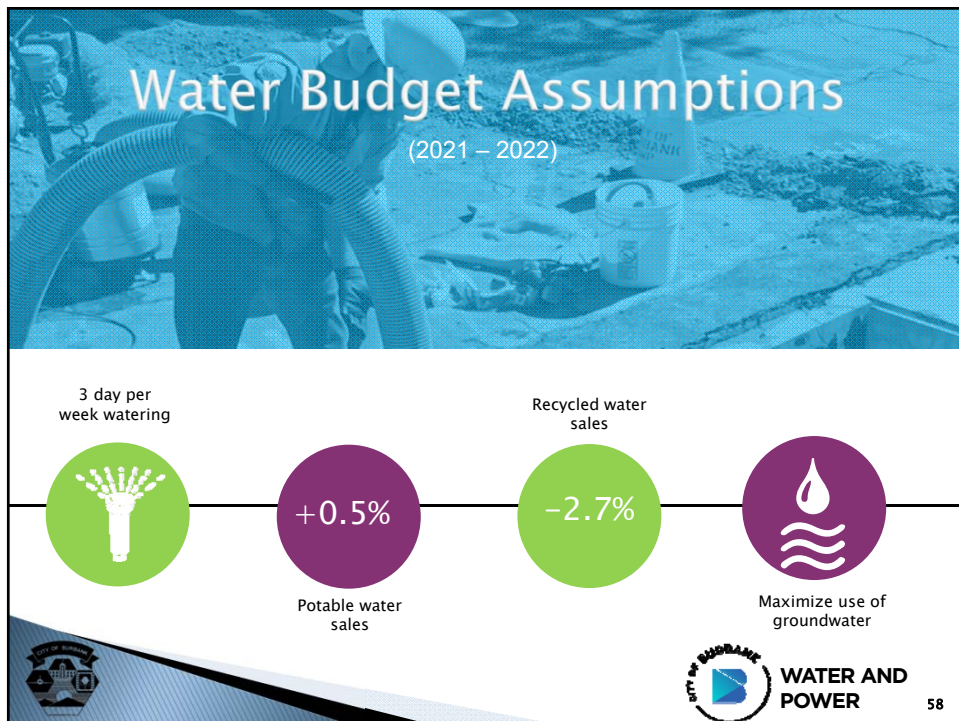
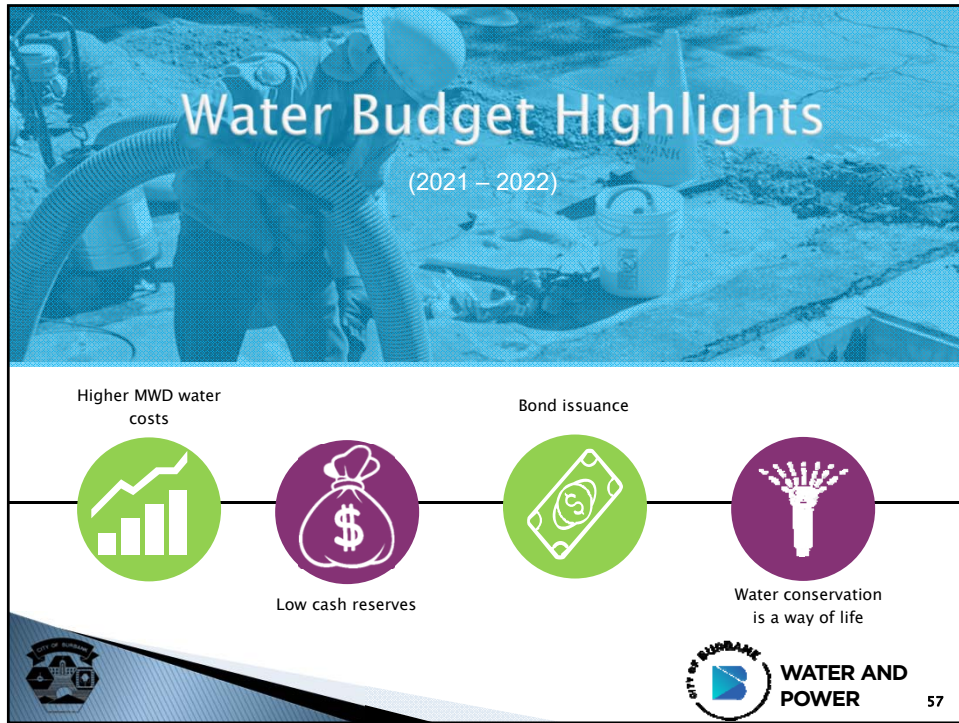


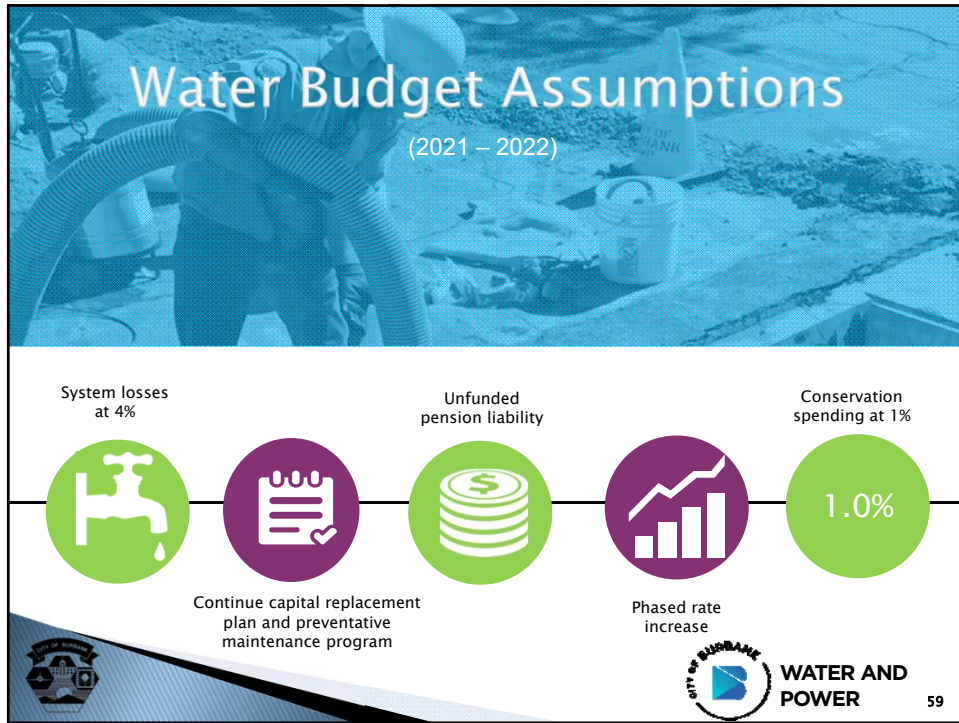
Phased rate increase



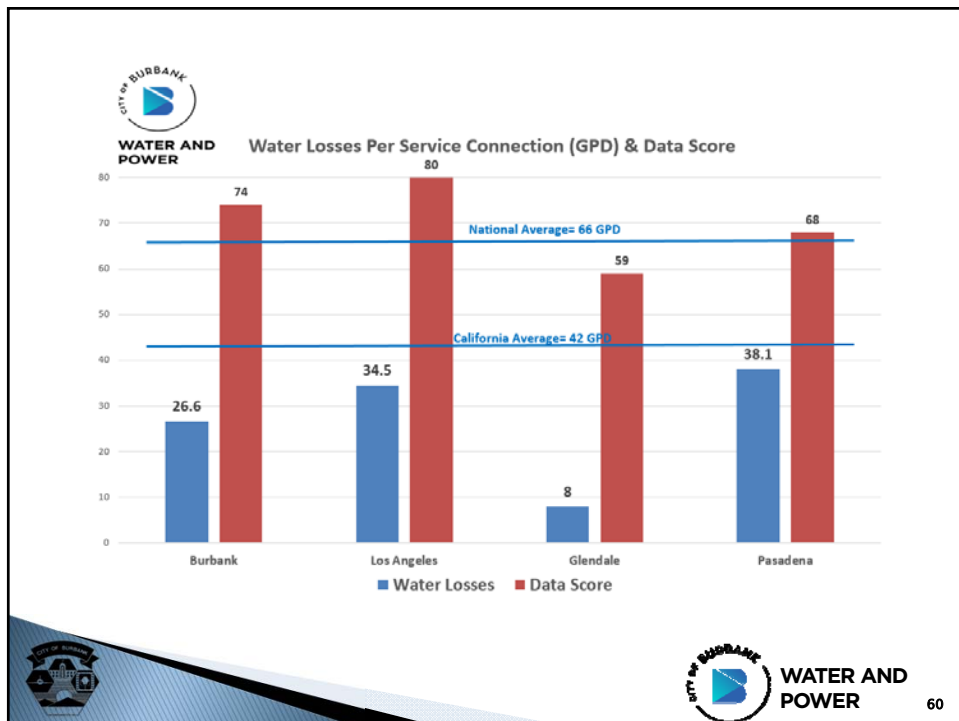
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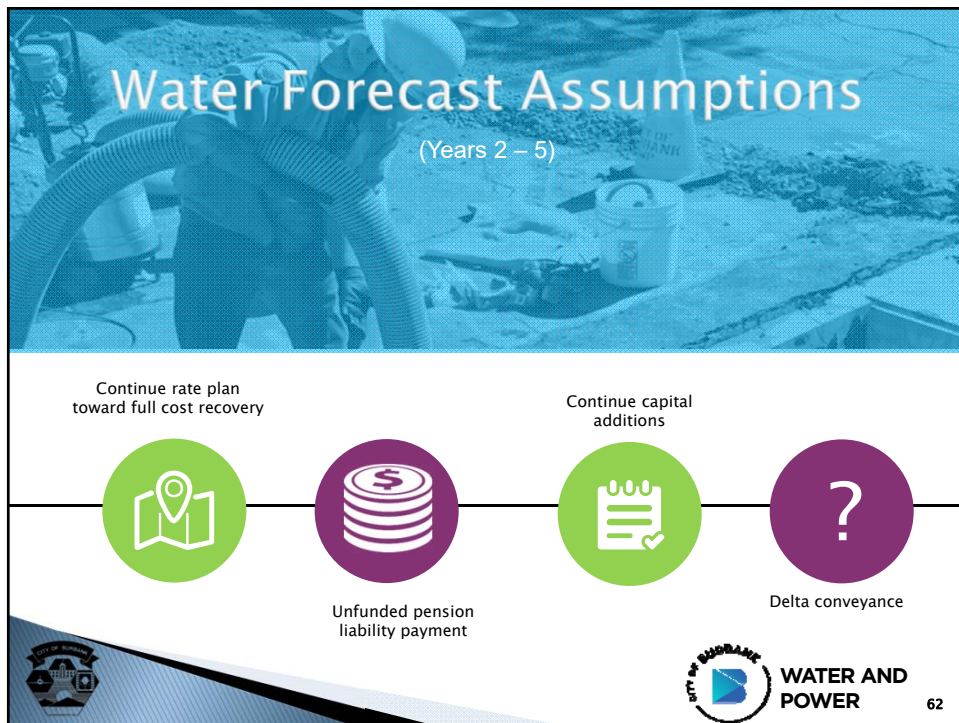
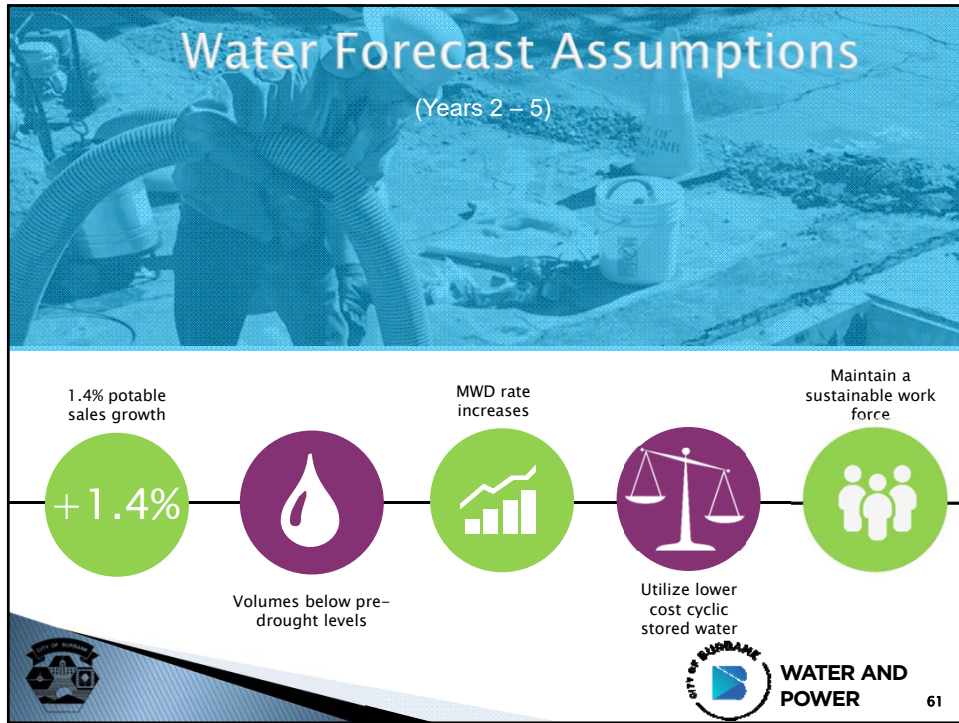




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Water Forecast Assumptions

- ▶ Current fiscal year (FY 20/21) decrease in commercial sales offset by an increase in residential sales
- ▶ FY 21/22 based on average of 3 years sales pre-COVID
- ▶ Forecast assumes 6,000 new residential units in the next ten years



WATER AND
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Water Cash Reserves

(\$ in millions)



\$24 M bond issuance in July 2021 with \$12 M drawdown in FY 21/22, \$5 M in FY 22/23, and \$7 M in FY 23-24

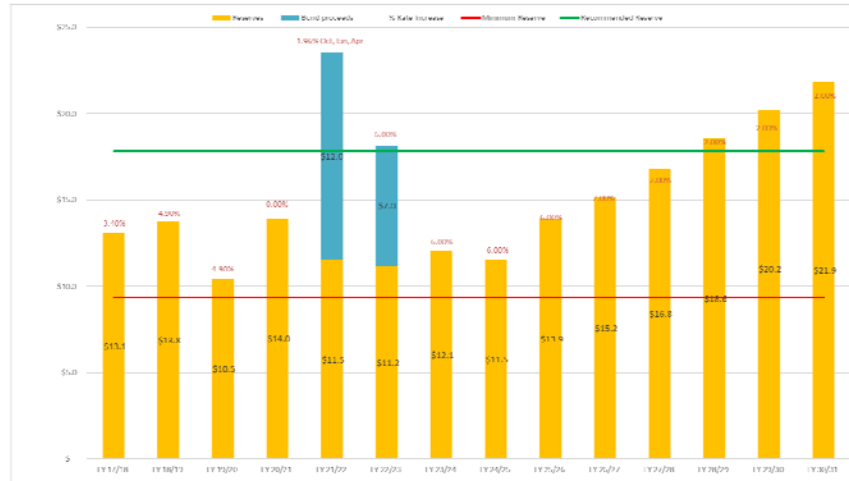


WATER AND
POWER

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Water Cash Reserves

(\$ in millions)



\$24 M bond issuance in July 2021 with \$12 M drawdown in FY21/22, \$5 M in FY22/23, and \$7 M in FY23-24



WATER AND
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Cost of Water Bonds

- ▶ \$24 million bond financing in July 2021
- ▶ Interest rate of 3%
- ▶ Annual debt service of \$1.2 million



WATER AND
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Alternative Scenario

		FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Mar-21	\$24 Mil financing - Proposed						
Rate increase		0.00%	1.96% Oct,Jan,Apr	6.00%	6.00%	6.00%	6.00%
Cash balance		\$ 13,952	\$ 23,527	\$ 18,170	\$ 12,055	\$ 11,543	\$ 13,909
Mar-21	\$24 Mil financing - A						
Rate increase		0.00%	1.96% Oct,Jan,Apr	7.25%	7.25%	7.25%	7.25%
Cash balance		\$ 13,952	\$ 23,527	\$ 18,541	\$ 13,224	\$ 14,006	\$ 18,233
Mar-21	No financing - B						
Rate increase		0.0%	35%	0%	0%	0%	0%
Cash balance		\$ 13,952	\$ 14,006	\$ 14,113	\$ 11,170	\$ 14,255	\$ 18,160

	Minimum	Recommended
2017 Reserves Policy	\$ 9,370	\$ 17,830



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CIP Projects Proposed for Bond Funding

Description	Detail	Total Project
Magnolia, Third to Catalina	Replace 12", 8,975 LF	\$ 3,055,000
Ford, Clark to Magnolia	Replace 4" with 8", 1300 LF	\$ 519,252
Empire, Naomi to Ontario	New 12", 1,200 LF	\$ 485,000
Upper Country Club Drive	Replace 6" with 6", 1,450 LF	\$ 450,000
Ontario, from 2950 Ontario to Cohasset	Replace 6" with 12", 575 LF	\$ 307,009
Reese, Monterey to Lockheed Channel	Replace 4" with 8", 600 LF	\$ 271,452
Parkside, Parish to Reese	Replace 2" with 8", 630 LF	\$ 270,712
Orchard, Clark to Magnolia	Replace 4" with 8", 700 LF	\$ 245,737
Lake, n/o Burbank Boulevard Bridge	Replace 4" with 12", 400 LF	\$ 209,724



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CIP Projects Proposed for Bond Funding

Description	Detail	Total Project
Valley Pumping Plant Booster Upgrade		\$ 5,500,000
Reservoir Number 2 Replacement		\$ 3,300,000
VPP Disinfection System – New		\$ 2,000,000
MWD B-1 Booster Station Improvements		\$ 1,725,000
Operation/Control Center Modifications		\$ 1,650,000
Transmission Main Valve Replacement		\$ 1,050,000
Upper Zones Disinfection Residual Improvement Project		\$ 1,022,502
McClure Reservoir Seismic Improvements		\$ 889,000
Hollywood Way, Victory to Burbank - Cement lining 20", 3,500 LF		\$ 775,000
Recycled Water; Zone 1 Storage		\$ 500,000
Total		\$ 24,225,388

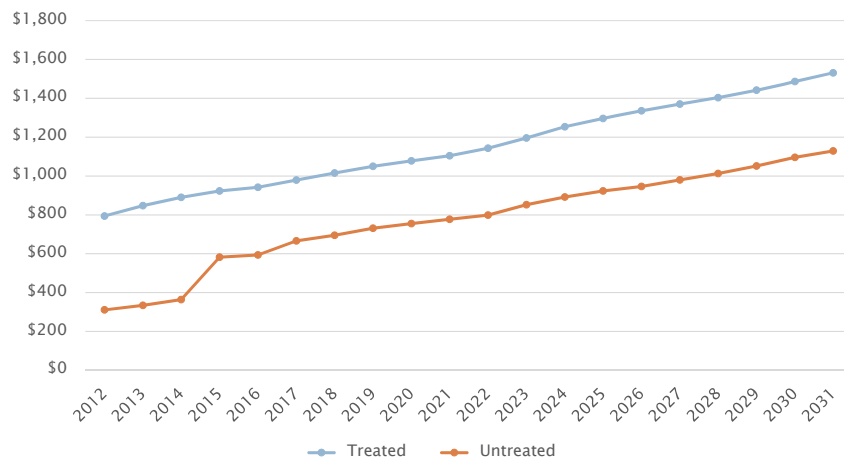


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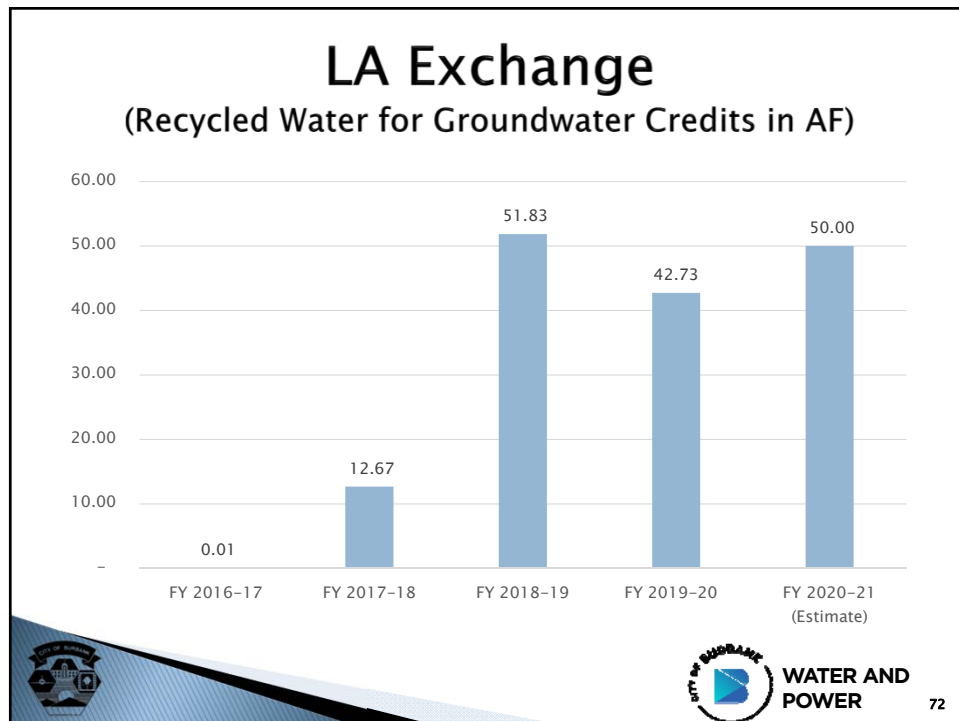
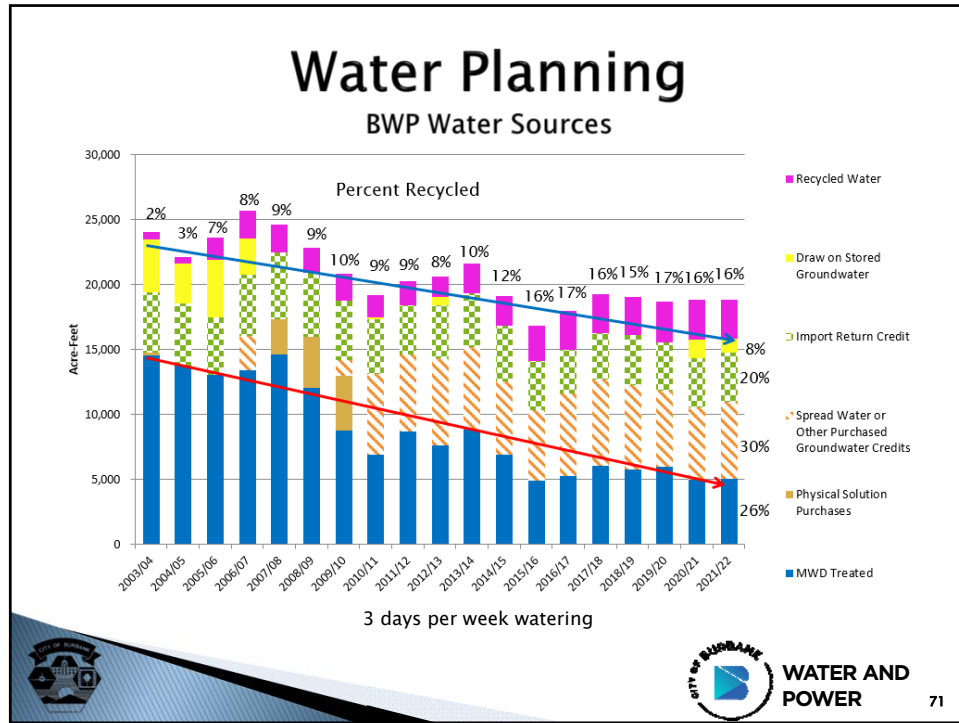
MWD Rate Outlook

Treated Water Costs and Untreated Water Costs Per AF



**WATER AND
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Recycled Water Uses

- ▶ Surface Irrigation
- ▶ Cooling Tower Makeup
- ▶ Industrial Processes
- ▶ Structural/Wildfire Fire Fighting
- ▶ Decorative Fountains
- ▶ Dust Control
- ▶ Sewer Flushing
- ▶ Cleaning roads, sidewalks, and outdoor areas



WATER AND
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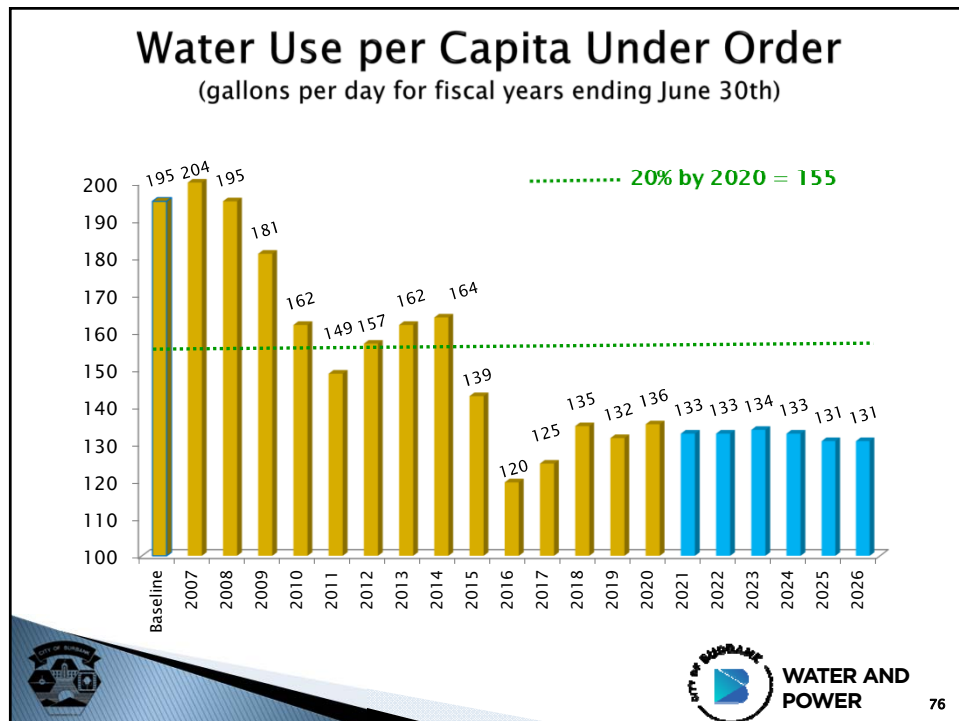
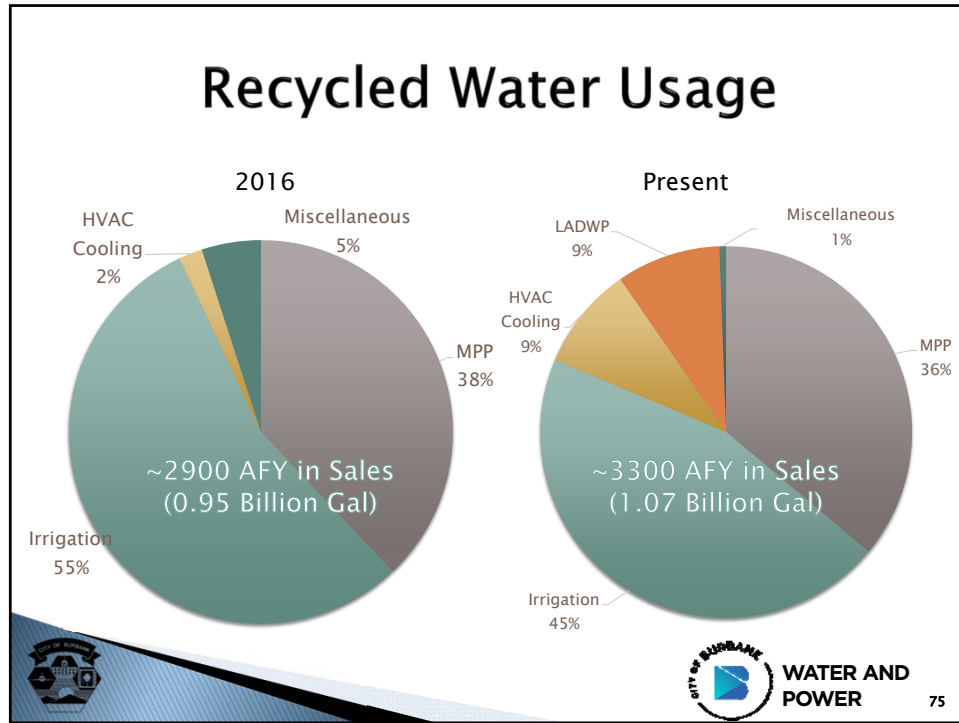
Recycled Water Conversions

- | | |
|---|------------------------------------|
| ▶ 1928 Jewelry | ▶ New Ikea |
| ▶ Alameda Neighborhood Protection Medians | ▶ Nickelodeon Irrigation/HVAC |
| ▶ ARRI Corporate Office | ▶ Oaks Apartments |
| ▶ Burbank Channel Bike Path Phase II Irrigation | ▶ PPG Aerospace |
| ▶ Burbank Urgent Care | ▶ Reservoir 1 Irrigation |
| ▶ Business Arts Plaza HVAC | ▶ Talaria Burbank |
| ▶ BWP Garage Fluid Coolers | ▶ The Pinnacle II Irrigation/HVAC |
| ▶ BWP Ontario Substation | ▶ VER Sales |
| ▶ Caltrans I-5 HW to Tulare | ▶ Warner Brothers Film Storage |
| ▶ Disney ABC 7 Irrigation/HVAC | ▶ Warner Brothers Tour Center |
| ▶ Leland Way Streetscaping | ▶ Whole Foods Market Fluid Chiller |
| ▶ Magnolia Power Plant | |

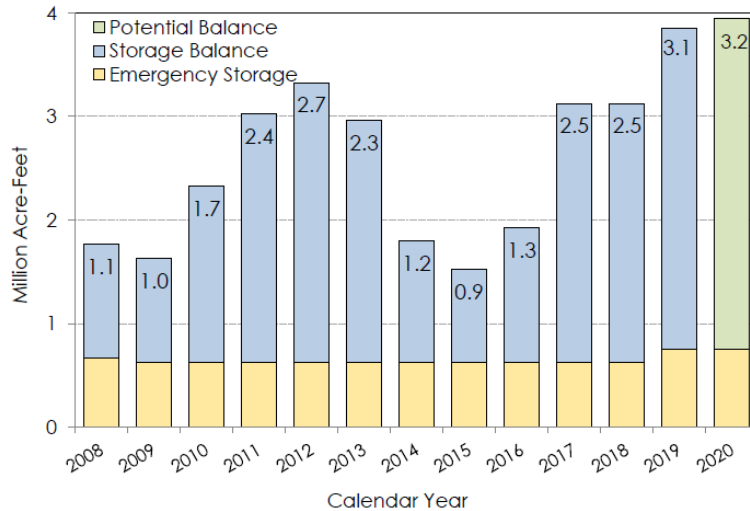


WATER AND
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MWD's Storage Reserve Levels



**WATER AND
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Water Income Statement

(\$ in thousands)

	Adopted Budget FY 20-21	Proposed Budget FY 21-22 2.4.2021	Proposed Budget FY 21-22 3.4.2021
Total Operating Revenues	\$ 33,216	\$ 34,194	\$ 34,222
WCAC Expense	\$ 12,324	\$ 12,561	\$ 13,030
Gross Margin	\$ 20,892	\$ 21,633	\$ 21,192
Total Operating Expenses (incl. Depreciation)	\$ 19,339	\$ 19,847	\$ 19,573
Operating Income/(Loss)	\$ 1,553	\$ 1,786	\$ 1,619
Other Income / (Expenses)	\$ (1,639)	\$ (2,370)	\$ (2,344)
Net Income (before AIC)	\$ (86)	\$ (584)	\$ (725)



**WATER AND
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Water Fund 5 Year Capital Plan

	2021-22	2022-23	2023-24	2024-25	2025-26	FY 2021-22 to FY 2025-26
	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast
Potable CIP						
Small Water Mains	2,585,698	4,498,947	5,704,054	2,132,972	2,468,065	17,389,736
Large Water Mains	1,331,733	1,870,000	1,595,000	1,610,000	1,210,000	7,616,733
Plant Replacement	35,000	35,000	35,000	35,000	35,000	175,000
Automation and Control	20,148	20,711	20,771	95,832	20,884	178,346
Boosters	2,824,169	50,000	175,000	1,500,000	-	4,549,169
Production Facilities	576,152	921,750	1,950,000	-	-	3,447,902
Miscellaneous Facilities	932,000	841,000	475,000	400,000	375,000	3,023,000
Storage - Reservoirs and Tanks	400,166	505,000	3,450,000	695,000	445,000	5,495,166
Water Fund's share of common projects	200,169	119,466	184,053	39,549	735,870	1,279,106 (A)
Total Potable CIP	\$ 8,905,235	\$ 8,861,874	\$ 13,588,878	\$ 6,508,352	\$ 5,289,819	\$ 43,154,158
Potable AIC						
New Customer Projects/AIC	391,597	741,630	394,305	397,680	400,609	2,325,821
Total Potable AIC	\$ 391,597	\$ 741,630	\$ 394,305	\$ 397,680	\$ 400,609	\$ 2,325,821
Recycled CIP						
Recycled Water	332,028	607,082	212,228	142,375	257,502	1,551,215
Total Recycled CIP	\$ 332,028	\$ 607,082	\$ 212,228	\$ 142,375	\$ 257,502	\$ 1,551,215
Total CIP	\$ 9,628,860	\$ 10,210,586	\$ 14,195,412	\$ 7,048,406	\$ 5,947,930	\$ 47,031,194

(A) Includes 20% for Safety, 12.5% for Customer Service, and 11.5% for Operations Technology, Facilities, and Finance when applicable.



**WATER AND
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Potable Capital Improvements

Project	FY 21-22 Proposed
(In \$000's)	
Valley Pumping Plant (VPP) Booster Station Upgrade	\$2,824
Potable Small Water Mains	\$1,920
Potable Large Water Mains	\$1,332
Potable Meter Replacements	\$666
Upper Zones Disinfection Residual Improvement	\$426
Granular Activated Carbon Filter (GAC) Repairs	\$275
Other Remaining Projects	<u>\$1,269</u>
 Sub Total for Potable Water System	 \$8,712
 Water Fund's Share of Common Projects	 \$194
 System Expansion Services (AIC)	 \$308
System Expansion Meters (AIC)	<u>\$83</u>
 Sub Total for Potable System Replacement/AIC	 \$391
 Grand Total Water Fund Potable CIP Projects	 <u>\$9,297</u>



**WATER AND
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Recycled Capital Improvements

Project

**FY 21-22
Proposed**

(In \$000's)

Painting Program - Steel Tanks	\$215
Recycled Meter Replacements	\$49
Recycled Equipment Replacement	\$15
Other Remaining Projects	<u>\$53</u>
Total for Recycled Water System	\$332



**WATER AND
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Water Fund 5 Year Capital Outlay



	2021-22	2022-23	2023-24	2024-25	2025-26	FY 2021-22 to FY 2025-26
	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast
Capital Outlay	159,100	60,282	61,488	62,717	63,972	407,559
Information Technology	25,600	8,395	23,000	20,125	20,000	97,120
Master Fleet Plan	178,450	859,850	816,250	380,500	771,975	3,007,025
Subtotal Capital Outlay	363,150	928,527	900,738	463,342	855,947	3,511,704



**WATER AND
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Pipe Age & Break History

- ▶ There are 278 miles of pipe in Burbank
- ▶ There are 30 miles of pipe that are approximately 100 years old (or more)
- ▶ All of the aged pipe is cast iron
- ▶ Break/Leak History (by Calendar Year)

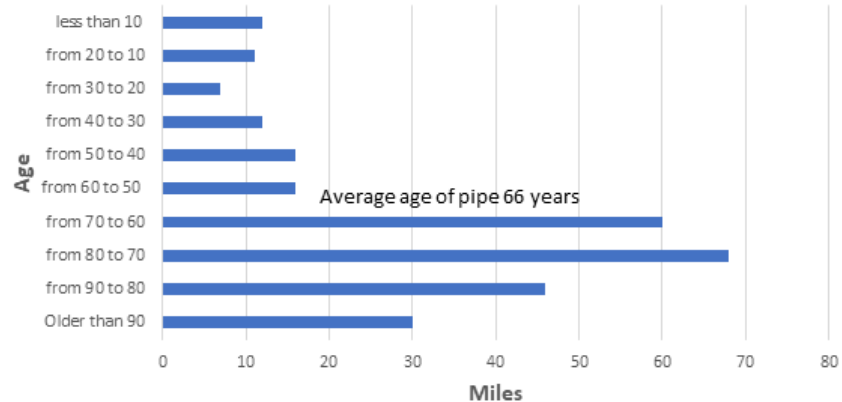
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
6	23	27	27	13	16	23	25	16	17	5



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Pipe Age Profile



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Pipe Age Profile

- With a replacement rate of 1 mile per year, there will be a “wave” of aging pipe, most of it cast iron:
 - ▢ In 2031 there will be 61 miles of pipe over 90 years old
 - ▢ In 2041 there will be 125 miles of pipe over 90 years old
 - ▢ In 2051 there will be 176 miles of pipe over 90 years old
- However, cast iron pipe can last well over 100 years, even 140 years
- But, the rate at which pipes are aging underscores the need to use a tool box consisting of physical strength tests, non-invasive condition assessments, and risk/consequence analysis. Due to the quantity of pipe getting older, we need to step up our focus on planning for the future.



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Water Fund Staffing Summary

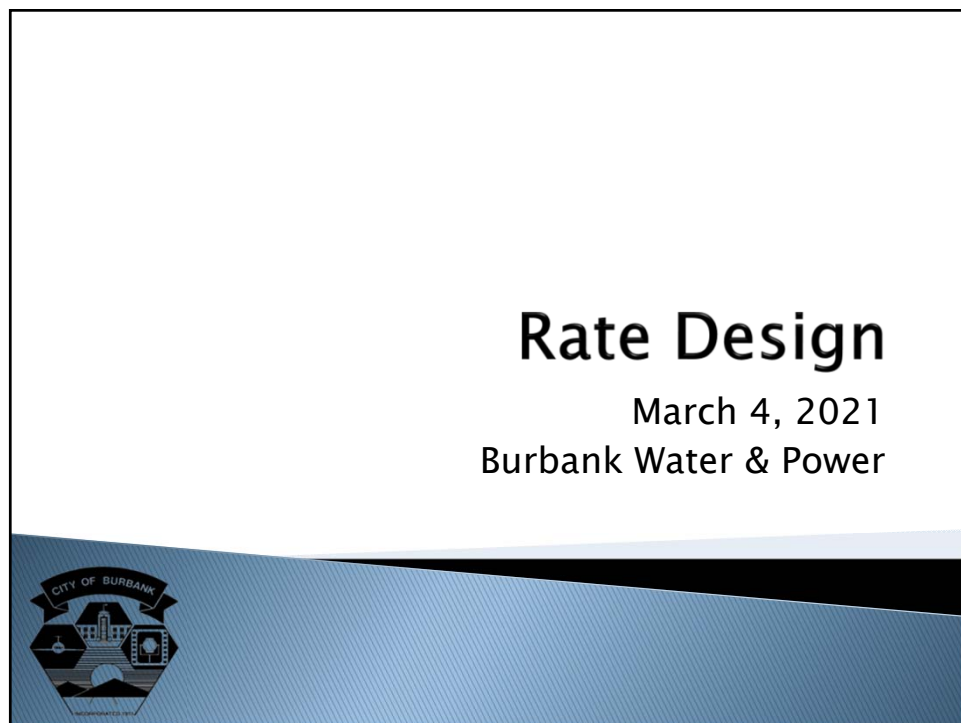
Division	FY 2020-21 Approved Staffing Plan	FY 2020-21 Mid-year Adjustments	FY 2021-22 Proposed Adjustments	FY 2021-22 Proposed Staffing Plan
Construction and Maintenance	23	0	0	23
Production	11	0	0	11
Engineering and Planning	17	0	0 (e)	17
Recycled Water	2	0	0	2
Total - Water Fund	53	0	0	53

(e) Upgrade of a Civil Engineering Associate-BWP to a Civil Engineer-BWP.



**WATER AND
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Rate Design

- Rate increases will be ramped in for Water and Electric
- Increases will be applied even on all components of rates
- Easier to implement rate ramp
- Easier for Customer Service to respond to inquiries



WATER AND
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Electric Rate Increase

- 1.24% in October 2020
- 1.24% in April 2021
- Total 2.5%



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Estimated Impact of Proposed 2.5% Rate Increase on Residential Bills

(Apartment/Condo)

Change on a 350 kWh Bill

2020-21	\$52.46
2021-22	<u>\$53.77</u>
Estimated Impact	\$1.31



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Estimated Impact of Proposed 2.5% Rate Increase on Residential Bills

(Single Family Home)

Change on a 550 kWh Bill

2020-21	\$86.63
2021-22	<u>\$88.80</u>
Estimated Impact	\$2.17



WATER AND
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Residential Electric Rates

Rate increases effective October 1 and April 1

Current Rates

Customer Service Charge	\$8.99
Service Size Charge	
Apartment/Condo	\$1.37
Single Family	2.76
Large Family (200 amps)	8.27
Energy Charges	
First 300 kWh	\$0.1130
All additional kWh	0.1639

Proposed Rates

Customer Service Charge	\$9.21
Service Size Charge	
Apartment/Condo	\$1.40
Single Family	2.83
Large Family (200 amps)	8.48
Energy Charges	
First 300 kWh	\$0.1158
All additional kWh	0.1680



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Water Rate Increase

- 1.96% in October 2020
- 1.96% in January 2021
- 1.96% in April 2021
- Total 6.0%



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Residential Customer Bill Impact

- ▶ **Single Family Residential – 1” Meter**
 - 8 CCF or 6,000 Gallons per Month
 - Current Bill: \$41.24
 - Proposed Bill: \$43.71
 - **Change: \$2.47**
 - 16 CCF or 12,000 Gallons per Month
 - Current Bill: \$68.01
 - Proposed Bill: \$72.09
 - **Change: \$4.08**



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Single Family Residential Water Rates

Rate increases effective October 1, January 1, and April 1

Current Rates

1" or Smaller Meter	\$14.79
Water Charge	
First 15 Units	\$3.31
Next 15 Units	3.63
Over 30 Units	4.08

Proposed Rates

1" or Smaller Meter	\$15.68
Water Charge	
First 15 Units	\$3.50
Next 15 Units	3.85
Over 30 Units	4.32



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Multi-Family Residential & Commercial Water Rates

Rate increases effective October 1, January 1, and April 1

Current Rates

1" or Smaller Meter	\$14.79
Summer Water Charge	
Quantity Charge per CCF	\$3.91
Non-Summer Water Charge	
Quantity Charge per CCF	\$2.84

Proposed Rates

1" or Smaller Meter	\$15.68
Summer Water Charge	
Quantity Charge per CCF	\$4.14
Non-Summer Water Charge	
Quantity Charge per CCF	\$3.01



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Staff's Resolution Recommendation

Staff is requesting that the BWP Board recommend approval of the Utility's Proposed FY 2021-22 budget as presented at the March 4, 2021 BWP Board Meeting to the Burbank City Council for funds 496, 497, 483, 133, 129, and 535, including a proposed electric rate increase of 1.24% effective October 2021 and 1.24% effective April 2022, and a proposed water rate increase of 1.96% effective October 2021, 1.96% effective January 2022, and 1.96% effective April 2022.



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