



REGULAR MEETING OF THE
MUNICIPAL SERVICES COMMITTEE
Tuesday, April 26, 2011, 4:00 P.M.
100 North Garfield Avenue, Pasadena, Council Chambers

AGENDA

1. **CALL TO ORDER/ROLL CALL**
2. **PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**
3. **APPROVAL OF MINUTES** – February 8, February 22, 2011 – Regular Meetings*
March 8, April 12, 2011 – Cancelled Meetings*
4. **NEW BUSINESS**
 - A. Terminate Water Shortage and Level 1 Waste Prohibitions*
5. **ADJOURNMENT**

* Attachment

Margaret McAustin, Chair
Municipal Service Committee

POSTING STATEMENT:

I HEREBY CERTIFY that this Agenda, in its entirety, was posted on the Council Chamber Bulletin Board S249, the bulletin board in the rotunda area at City Hall, 100 North Garfield Avenue, the City Clerk's Office, and a copy was distributed to the Central Library for posting on the 21st day of April, 2011 by 4:00 p.m.

Sharon Stovall

DISTRIBUTION:

MSC Committee Members	Central Library	General Manager	Pasadena Weekly
City Council	City Clerk	Director of Planning and Permitting	Pasadena Star-News
City Manager	Director of Public Works	Los Angeles Times	Neighborhood Connections
City Attorney	Public Information Officer	La Opinion	Pasadena Journal

In compliance with the Disabilities Act of 1990, listening assistive devices are available from the City Clerk's Office with a 24-hour advance notice. Please call (626) 744-7062 or (626) 744-4785 to request use of a listening device. Language translation services are available for this meeting by calling (626) 744-4386 at least 24 hours in advance. Habra servicio de interpretación disponible para estas juntas llamando al (626) 744-4386 por lo menos con 24 horas de anticipación. Items on the agenda may not be called in the order listed.

**CITY OF PASADENA
SPECIAL MEETING OF THE CITY COUNCIL
MUNICIPAL SERVICES COMMITTEE
FEBRUARY 8, 2011
COUNCIL CHAMBERS ROOM – ROOM S-249
100 N. GARFIELD AVENUE (2ND FLOOR)**

OPENING The Chair called the regular meeting of the Municipal Services Committee to order at 4:22 p.m.

ROLL CALL: Councilmember Margaret McAustin, Chair
Mayor Bill Bogaard
Councilmember Terry Tornek

Staff: Julie Gutierrez, Assistant City Manager
Phyllis Currie, General Manager of Water and Power
Shari Thomas, Assistant General Manager of Water and Power
Scott Rasmussen, Senior Assistant City Attorney
Sandra Robles, Recording Secretary

PUBLIC COMMENT No one appeared for public comment.

WORKSHOP ITEMS WIRP RATE ISSUES/BUDGET BASED RATES

Shari Thomas, Assistant General Manager of Water and Power, provided a PowerPoint presentation of the Department's Adaptive Implementation Plan, WIRP financial implications, current water rate structures, water budget-based rates information, timeline for rate adjustments, fiscal options and sources, water rates, WIRP funding plans, and responded to questions.

Phyllis Currie, General Manager of Water and Power, responded to questions regarding Proposition 218, decoupling, and fiscal requirements of capital projects.

Michael Hurley, Environmental Advisory Committee, commented favorably on water budget-based rates.

The Chair commented that simplifying and providing water usage information on the customer's bill would be helpful.

Councilmember Tornek suggested that staff create an equitable solution of water rates for residential and business community water customers.

Following discussion, on the order of the Chair, and by consensus of the Committee, the information was received and filed.

ADJOURNMENT On the order of the Chair, the special meeting of the Municipal Services Committee was adjourned at 5:34 p.m.

ATTEST:

MARGARET McAUSTIN, Chair
Municipal Services Committee

Sandra S. Robles
Recording Secretary

**CITY OF PASADENA
SPECIAL MEETING OF THE CITY COUNCIL
MUNICIPAL SERVICES COMMITTEE
FEBRUARY 22, 2011
COUNCIL CONFERENCE ROOM – ROOM S-246
100 N. GARFIELD AVENUE (2ND FLOOR)**

OPENING The Chair called the special meeting of the Municipal Services Committee to order at 4:02 p.m.

ROLL CALL: Councilmember Margaret McAustin, Chair
Mayor Bill Bogaard

Staff: Councilmember Terry Tornek (Absent)

Phyllis Currie, General Manager of Water and Power
Erik Klinkner, Assistant General Manager of Water and Power
Gurcharan Bawa, Assistant General Manager of Water and Power
Scott Rasmussen, Senior Assistant City Attorney
Sandra Robles, Recording Secretary

PUBLIC COMMENT No one appeared for public comment.

APPROVAL OF MINUTES It was moved by Mayor Bogaard, seconded by the Chair, to approve the minutes of January 25, 2011, as submitted. (Motion unanimously carried)
(Absent: Councilmember Tornek)

INFORMATION ITEMS POWER IRP/RENEWABLE COST/RATE IMPACTS

Gurcharan Bawa, Assistant General Manager of Water and Power, provided a PowerPoint presentation on the current renewable energy status, IRP and State goals, cost impact estimates, compliance strategy, and responded to questions.

Erik Klinkner, Assistant General Manager of Water and Power, responded to questions regarding cost for renewable resources and stranded investment reserves.

Following discussion, the Committee requested that staff amend the presentation to include the 2010 Actual Renewable Resources Cost table with cost information; amend the 2010 Renewable Status table in order to avoid miscalculation and maintain consistency with the unit of measure.

On the order of the Chair, and by consensus of the Committee, the information was received and filed.

ADJOURNMENT On the order of the Chair, the special meeting of the Municipal Services Committee was adjourned at 5:23 p.m.

ATTEST:

MARGARET McAUSTIN, Chair
Municipal Services Committee

Sandra S. Robles
Recording Secretary

**CITY OF PASADENA
REGULAR MEETING OF THE CITY COUNCIL
MUNICIPAL SERVICES COMMITTEE
MARCH 8, 2011
COUNCIL CHAMBERS – ROOM S-249
100 N. GARFIELD AVENUE (2ND FLOOR)**

The regular meeting of the Municipal Services Committee, scheduled for Tuesday, March 8, 2011 at 4:00 p.m., was cancelled as ordered on March 3, 2011, and posted as required by law.

Margaret McAustin, Chair
Municipal Services Committee

ATTEST:

Sandra S. Robles
Recording Secretary

**CITY OF PASADENA
REGULAR MEETING OF THE CITY COUNCIL
MUNICIPAL SERVICES COMMITTEE
APRIL 12, 2011
COUNCIL CHAMBERS – ROOM S-249
100 N. GARFIELD AVENUE (2ND FLOOR)**

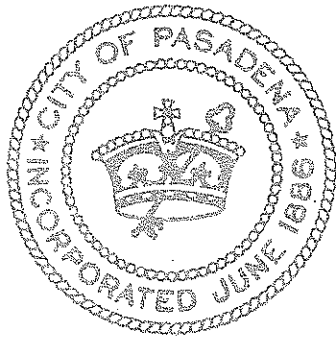
The regular meeting of the Municipal Services Committee, scheduled for Tuesday, April 12, 2011 at 4:00 p.m., was cancelled as ordered on April 7, 2011, and posted as required by law.

Margaret McAustin, Chair
Municipal Services Committee

ATTEST:

Sandra S. Robles
Recording Secretary

4.A



Agenda Report

May 9, 2011

TO: City Council

THROUGH: Municipal Services Committee (April 26, 2011)

FROM: City Manager

SUBJECT: DETERMINE THE WATER SUPPLY SHORTAGE NO LONGER EXISTS AND THEREBY TERMINATE LEVEL 1 WATER SUPPLY SHORTAGE MEASURES AS DESCRIBED IN PASADENA MUNICIPAL CODE (PMC) SECTION 13.10.

RECOMMENDATION

It is recommended that the City Council:

1. Find that the action recommended herein is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15307 (Actions by Regulatory Agencies for the Protection of Natural Resources); and,
2. Make a finding pursuant to PMC 13.10.035 that a water supply shortage no longer exists, which finding will automatically terminate the Level 1 Water Supply Shortage water conservation measures currently in effect.

ENVIRONMENTAL ADVISORY COMMISSION RECOMMENDATION

Staff's recommendations will be presented to the Environmental Advisory Commission at their April 28, 2011 special meeting.

BACKGROUND

On July 13, 2009, the City Council determined that: a water supply shortage existed pursuant to PMC 13.10.035; a water conservation target of 10% was necessary; and, the Level 1 Water Supply Shortage water conservation measures described in PMC 13.10.040 were appropriate to address the water shortage. The determination was based on a number of factors restricting local and regional water supply, including

reductions in the City's pumping rights in the Raymond Basin groundwater basin and restrictions on water imports imposed by the Metropolitan Water District (MWD), which implemented its Water Supply Allocation Plan effective July 1, 2009.

Determination that the Water Shortage No Longer Exists

It is recommended that the City Council make a finding that a water supply shortage no longer exists pursuant to PMC 13.10.035. As a result of improved snowpack and regional water storage conditions, the MWD governing board acted on April 12, 2011 to immediately terminate the Water Supply Allocation Plan and not impose restrictions for fiscal year 2012. Without these restrictions in place, Pasadena will have adequate sources of water supply to reliably meet customer demand through at least June 30, 2012.

Termination of Level 1 Water Waste Prohibitions

Upon the Council's finding that a water supply shortage no longer exists, the Level 1 Water Supply Shortage restrictions would automatically be terminated. As a result, Pasadena Water and Power (PWP) customers would no longer be limited to outdoor watering only three days per week in summer (April 1 through October 31) or no more than one day per week in winter. Also, customers will be afforded seven days to repair leaks, rather than within 72 hours of notification by PWP.

Permanent Water Waste Prohibitions Remain In Place

Termination of the water supply shortage does not mean that PWP's customers can wastefully use water with impunity. The following permanent mandatory restrictions set forth in PMC 13.10.032 prevent the wasteful use of potable water will continue to be enforced by PWP staff:

- A. Prohibits landscape irrigation between 9:00 AM and 6:00 PM (with specified exceptions for hand watering);
- B. Prohibits landscape irrigation during periods of rain;
- C. Prohibits water from landscape irrigation to runoff onto streets, sidewalks, driveways, etc.;
- D. Prohibits washing paved or hard surfaces unless with a pre-approved device;
- E. Obligates water users to fix leaks and breaks in plumbing within seven (7) days;
- F. Requires water recirculating for fountains and decorative water features;
- G. Prohibits washing vehicles unless with a pre-approved device;
- H. Eating or drinking establishments may only serve water upon request;
- I. Requires restaurants to use water conserving dish wash spray valves;
- J. Commercial lodging establishments must offer guests the option to refuse linen service;
- K. Prohibits the installation of single-pass cooling systems;

- L. Prohibits the installation of non-recirculating equipment at car washes and laundromats;
- M. Effective July 1, 2011, all commercial car washes must install recirculating water systems.

These permanent water-waste prohibitions reinforce the message that California faces ongoing water supply challenges, and therefore, water waste will not be tolerated regardless of whether or not a water shortage exists.

Ongoing Conservation Programs

Consistent with the Water Integrated Resource Plan goal to reduce per-capita potable water consumption by at least 20% by year 2020, PWP will continue strongly encourage water conservation. For FY2012, PWP anticipates continued funding of its water conservation program at current levels in order to provide all customers with information and incentives to encourage conservation.

Despite the termination of the immediate water supply shortage, PWP's core message to conserve water will persist. California has long-term, structural water supply challenges, and PWP will continue informing customers about efficient and appropriate water use, water saving technologies, and avoiding waste as a means to secure PWP's future water supplies and while keeping water costs affordable.

On June 14, 2010, City Council approved adjustments to PWP's water rates to eliminate Tier 5 rates and reduce Tier 4 rates by 25%. This action was taken in response to conservation efforts by PWP customers that ensured that PWP did not exceed its reduced allocation from MWD. In addition, marginal revenues collected from customers who paid Tier 4 and 5 rates were credited to those accounts in November and December 2010. The reduced Tier 4 rates will provide funds for the conservation programs and will continue to provide high usage customers with economic "price signals" to reduce their water use. FY2011 Tier 4 water rate revenues are projected to be approximately \$3 million.

COUNCIL POLICY CONSIDERATION

The permanent water-waste prohibitions in PMC 13.10.032 are consistent with the City's Urban Environmental Accords goals and the recently adopted Water Integrated Resource Plan. While lifting the Level 1 watering restrictions may lead to increased water use for irrigation, PWP will strive to encourage continued water conservation through a broad range of incentives and informational programs.

ENVIRONMENTAL DETERMINATION

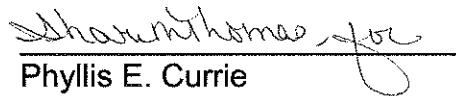
The project has been determined to be exempt per Section 15307 of the CEQA Guidelines, Actions by Regulatory Agencies for Protection of Natural Resources. This

exemption consists of actions by regulatory agencies as authorized by State law or local ordinance to assure maintenance of a natural resource (such as water) where the regulatory process involves procedures for protection of the resource.

FISCAL IMPACT

The recommended actions are expected to have little or no incremental impact on costs or revenues. PWP will continue to encourage its customers to use water efficiently and consequently does not anticipate a substantial increase in water sales as a result of lifting the Level 1 water waste prohibitions. Similarly, PWP will continue to use existing staff as available for enforcement activities and thus does not anticipate any cost savings related to enforcement.

Respectfully submitted,



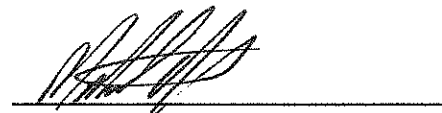
Phyllis E. Currie
General Manager
Water and Power Department

Prepared by:



Eric R. Klinkner
Assistant General Manager & Chief Deputy
Water and Power Department

Approved by:



Michael J. Beck
City Manager