



CITY OF AZUSA
MINUTES OF THE REGULAR MEETING
OF THE AZUSA UTILITY BOARD/CITY COUNCIL
MONDAY, JANUARY 26, 2009 – 6:30 P.M.

The Utility Board/City Council of the City of Azusa met in regular session, at the above date and time, at the Azusa Light and Water Conference Room, located at 729 N. Azusa Avenue, Azusa, California.

Chairman Carrillo called the meeting to order.

Call to Order

ROLL CALL

Roll Call

PRESENT: BOARD MEMBERS: GONZALES, CARRILLO, MACIAS, HANKS, ROCHA
ABSENT: BOARD MEMBERS: NONE

Also Present

ALSO PRESENT:

City Attorney Ferre, City Manager Delach, Assistant City Manager Makshanoff, Director of Utilities Hsu, Director of Resource Management Tang, Assistant to the Utilities Director Kalscheuer, Assistant Director of Water Operations Anderson, Electrical Engineer Langit, Assistant Director Electrical Operations Ramirez, Controller Michaels-Aguilar, Director of Recreation and Family Services Jacobs, Business Development/Public Benefits Coordinator Reid, Assistant Director Customer Care and Solutions Vanca, Azusa Police Lieutenant Momot, City Clerk Mendoza, Deputy City Clerk Toscano.

Public Participation

Pub Part

Ms. Suzanne Avila addressed the Board Members providing information regarding the State funding for her business entity, California Resource Connections, stating that due to the State Budget crisis all funding is on hold. She also advised that the California Conservation Corps is only being funded at local levels.

S. Avila
CRC
Comments

Mr. Jorge Rosales addressed the Board Members with three items of concern: (1) He asked that the City do something to keep the Catwalk at Haltern/Viceroy safe, preferably with gating and lighting. (2) He praised the work done by Director of Resource Management Tang with regard to the Garnet Wind Energy Hedging Transaction Report. (3) He asked that item regarding Additional Compensation to J. DeSigio Construction for Project W-238, gets more discussion for clarification.

J. Rosales
Comments

Mr. Mark Ramirez presented a letter to Board Members regarding conditions at Rosedale Rancho Parks and requests he would like considered. (Item was discussed later in the meeting).

M. Ramirez
Comments

Ms. Evelia Arriaza addressed the Board Members detailing the issues surrounding her business located at 609-611 N. Azusa Avenue; the item was referred to staff and City Manager will provide information to Board.

E. Arriaza
Comments

Mr. Raul Arsenas addressed the Board Members detailing his concern regarding the illegal activities occurring at the Catwalk at Haltern/Viceroy such as people doing drug and paraphernalia throughout the walk.	R. Arsenas Comments
The CONSENT CALENDAR consisting of Items B-1 through B-15, was approved by motion of Board Member Hanks, seconded by Board Member Rocha and unanimously carried with the exception of items B-4, B-6, B-12 and B-15, which were considered under the Special Call portion of the Agenda.	Consent Cal Appvd B-4, 6, 12, 15 Spec
1. The minutes of the regular meeting of November 24, 2008, were approved as written.	Min appvd
2. Approval was given to pro-forma Edison Electric Institute (EEI) Agreement with Shell Energy North America and the Mayor was authorized to execute agreement.	EEI Agmt w/Shell
3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AZUSA, CALIFORNIA, AUTHORIZING THE PROCUREMENT OF MULTI-YEAR SUMMER ELECTRIC PEAKING POWER.	Res. 09-C7 Smr Elec Pwr
4. SPECIAL CALL ITEM.	Spec Call
5. The proposal of HDR Engineering for water rate study in amount not-to-exceed \$31,767, was approved and the City Manager was authorized to execute Professional Services Agreement.	HDR Eng Wtr Rate Study
6. SPECIAL CALL ITEM.	Spec Call
7. The California Resource Connections (CRC) proposal to fund backyard composting program, and river litter clean up event during April Clean and Green month for a total amount of \$11,300, was approved.	CRC Proposal Approved
8. A RESOLUTION OF THE AZUSA UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA, CALIFORNIA, APPROVING PARTICIPATION IN USED OIL AND HHW GRANTS ADMINISTERED BY THE CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD.	Res. 09-C9 Appvg HHW Grants
9. Approval was given to reject the sole bid received for Project LD2008-3, Refurbish Existing Chain Link Fence at Azusa Substation; and to authorize staff to solicit informal bids.	Refurbish Fnce Substation
10. The award of contract to Southwest Graphic Services for artwork and printing of Utility informational materials for 18 months with an optional two-year extension at a cost not-to-exceed \$16,000 for FY 08-09, was approved.	Southwest Info materials
11. Project W-243 was accepted as complete and the City Clerk's Office was directed to execute Notice of Completion and have same recorded at the Los Angeles County Recorder.	NOC Project W-243
12. SPECIAL CALL ITEM.	Spec Call
13. Change Order No. 13 in amount of \$71,407.91 and extension of 34 days to the SSC Construction Incorporated contract for Project WVF-207, Canyon Filtration Plant Membrane Treatment Upgrade and Expansion, were approved.	Change Order SSC Construct.
14. Approval was given for purchase of single drum puller in amount not-to-exceed \$63,287.46 from Sherman & Reilly Incorporated and the purchase of bullwheel tensioner in amount not-to-exceed \$34,804.38 from Wagner Smith Equipment Company.	Purchase drum puller & bullwheel
15. SPECIAL CALL ITEM.	Spec Call

SPECIAL CALL ITEMS

Special Call

Board Member Hanks expressed concern and discussion was held regarding the Legislative Principles regarding renewable energy recommended and asked that staff make sure that these principles remain goals and become State mandates. He noted not specific changes to the item. Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously carried to adopt principles regarding Renewable Portfolio Standards (RPS) and authorize staff to advocate for or against legislation based on principles.

Hanks
Comments
Adoption of
RPS Principles

Board Member Rocha asked that the Fuel Cost Adjustment for Refuse Services be presented verbally as information item at the meeting of February 2, 2009, perhaps as part of City Manager's report. Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously carried to approve the Amendment with Athens Services for Fuel Cost Adjustment by adopting the following Resolution:

Rocha
Comments
FCA Refuse
approved

A RESOLUTION OF THE UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA, APPROVING THE TWELFTH AMENDMENT TO THE EXCLUSIVE FRANCHISE AGREEMENT WITH ARAKELIAN ENTERPRISES TO AMEND THE SERVICE RATES AND FEES FOR THE PERIOD OF JANUARY 1, 2009 THROUGH JUNE 30, 2009.

Res. 09-C8
Amendment
to Agmt w/
Arakelian

Board Member Hanks addressed RFP for Water Main Replacement Projects and asked if they have looked into the possibility of using inversion lining and Assistant Director of Water Operations Anderson responded stating that cement lining is the best form and other options would be too expensive. Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously carried to authorize staff to solicit proposals from qualified consultants to prepare plans and specifications for water main replacement projects.

Hanks
Comments
RFP Water
Main Replace
Approved

In regard to Project W-238 Water Main Replacement Project, Board Member Rocha asked about the status of the liquidated damages and the request by the contractor for additional compensation for claimed extra work. Director of Utilities Hsu provided information regarding the delays in project completion and the contractor's claim for extra work. Director Hsu stated that the budget addition and contract extension that were being recommended for approval were valid but that other such requests from the contractor had not been accepted. City Attorney Ferre also responded by stating that the City would be moving forward with the applicable requirements for imposing liquidated damages and otherwise closing out the project in accordance with the provisions of the contract and the law.

Rocha
Comments

Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously carried to approve a budget addition of \$77,508.81 and extension of 13 days to the DeSigio Incorporated contract for construction of Project W-238, Water Main Replacement Project; and authorize staff to negotiate with Contractor, where appropriate, regarding extra cost claims and liquidated damages and to otherwise close out the project in accordance with the provisions of the contract and the law.

Budget Add
DeSigio Inc.

Board Member Rocha addressed item B-7, requesting that a letter be drafted to Kim and Steven from Save Our Beach in order to inform this that they can be a part of the April Clean and Green Month activities.

Rocha
Comments

STAFF REPORTS

Staff Rpts

Director of Utilities Hsu presented a legal opinion on the permissible use of Electric Utility's Public Benefit Charge (PBC) money. He stated the information was request by a resident and has been a question that has arose from the public recently; it is an informational item.

Pub Benefit
Charge info

Director of Utilities Hsu presented the Monthly Update on Water Treatment Plant stating that the project is 92.62% complete; it's still in final phase i.e. touch up and finishing of work; there have been delays and slow as the contractor doesn't have a lot of manpower; \$1,000 per calendar day liquidated damages are being applied and staff has the 10% retainage. Assistant Director of Water Operation Anderson responded to questions regarding the operation stating that it is not operable yet. City Attorney Ferre responded stating that there are legal tools that can be used to move the project forward. Discussion was held among Board Members regarding options available.

Monthly WTP
Update

Director of Utilities Hsu presented an update on the Greenpath North Transmission Project stating that in 2006 staff participated in the development studies of the project which consists of a high-voltage transmission line from the Imperial Valley to Greater Los Angeles with the purpose of transmitting renewable resources located in Imperial Valley. He stated that engineering and technical studies have been done and potential transmission line routes have been identified for future analysis, but it is still in the beginning stages. He responded to questions posed stating that other participants consist of Los Angeles Department of Water and Power, cities of Banning, Burbank, Glendale, and Pasadena and this would account for 15% of Azusa needs of renewable energy.

Greenpath
North Trans

Director of Utilities Hsu presented the Garnet Wind Energy Hedging Transaction Report stating that due to the favorable energy market conditions staff engaged in a hedging transaction on December 24, 2008; the report provided the following guidelines Transaction Counterparty, Authorized Staff, Transaction Duration, Allowable Transactions Volumes, Trigger Prices, and Frequency of Trigger.

Garnet Wind
Energy
Hedging Rpt

Director of Utilities Hsu presented the San Gabriel Valley (SGV) Tribune Article on La Nina, and Snow Packs Affecting Water Supply which state the drought conditions and Southern California would have a dry winter season; he detailed the articles. He stated that he would provide a report regarding the Bay Delta water.

Newspaper
Articles
Water

Director of Utilities announced that the Grand Opening of Fresh and Easy will be on February 11, 2009 and Light and Water will be supplying reusable grocery bags at the event. American Public Power Authority will be having a Winter Meeting in Washington D.C. from February 22-26, 2009. APPA Annual Conference will be in Salt Lake City from June 13-17, 2009, and CMUA will have it's Annual Conference in Palm Springs from March 25-27, 2009.

Anncmts
APPA
Conferences
CMUA

DIRECTOR'S COMMENTS

Dir Cmts

Ms. Carmen Holten addressed the Board Members detailing the nuisance at the Catwalk at Haltern/Viceroy stating that illegal activities are going on there, it is dirty, it is used for graffiti, etc. She requested that the area be gated. Discussion was held regarding the issue and possible solutions to the problem. Staff was requested to come back with options and the police department was asked to do increased patrols in the meantime. Light and Water was directed to check on the lighting in that area.

Catwalk at
Haltern &
Viceroy

Discussion was held between Board Members and Staff regarding the request from residents in the area of Rosedale to change Rancho Park from a City Park to a Neighborhood Park; post hours dawn to dusk; install resident parking only signs on Griffith Street; install not a through street signs at the corner of Crape Myrtle Drive and Griffith Street, and install no parking signs on MacNeil Drive. Staff was directed to look into the hours posted vs. closure of restroom time; signage; and other solutions to the problems discussed.

Discussion
Rancho Park

Director of Utilities Hsu displayed a Sharps container to dispose of home generated sharps such as syringes, from diabetics, etc. The containers can be obtained from the Senior Center, Foothill Medical Pharmacy and Azusa Medical Pharmacy for free and after filled can be taken back to pharmacy to be shipped to place for disposal.

Sharps
Program

Moved by Board Member Gonzales, seconded by Chairman Carrillo and unanimously carried to adjourn.

Adjourn

TIME OF ADJOURNMENT:

SECRETARY

NEXT RESOLUTION NO. 09-C10.