



**CITY OF AZUSA**  
**MINUTES OF THE REGULAR MEETING**  
**OF THE AZUSA UTILITY BOARD/CITY COUNCIL**  
**MONDAY, JULY 26, 2010 – 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 Gonzales called the meeting to order.

Call to Order

**ROLL CALL**

Roll Call

**PRESENT:** BOARD MEMBERS: GONZALES, CARRILLO, ROCHA

**ABSENT:** BOARD MEMBERS: MACIAS, HANKS (Hanks entered meeting at 6:43 p.m.)

**ALSO PRESENT:**

Also Present

City Attorney Ferre, City Manager Delach, Assistant City Manager Makshanoff, Director of Utilities Morrow, Assistant to the Director of Utilities Kalscheuer, Director of Customer Care and Solutions Vanca, Assistant Director of Water Operations Anderson, Customer Care Operations Supervisor Tapia, Assistant Director of Resource Management Lehr, Assistant Director of Electric Operations Langit, Captain Momot, Economic and Community Development Director Christiansen, Assistant Economic and Community Director McNamara, City Clerk Mendoza, Deputy City Clerk Toscano.

**PUBLIC PARTICIPATION**

Pub Part

Mr. Mike Lee addressed the Board Members requesting clarification on the outcome of the referendum; will it overturn the whole Vulcan issue, or will it only overturn the Development Agreement.

M. Lee  
Comments

Ms. Jeri Vogel addressed the Board Members reading section 6 of the CUP for Vulcan and asked if the repeal of the Vulcan Development Agreement would invalidate the revised conditional use permit.

J. Vogel  
Comments

City Manager Delach responded to question regarding the affect of the Referendum against the ordinance relating Vulcan Project stating it will only affect the development agreement, which contains some significant benefits negotiated by Council.

City Mgr  
Response

**UTILITIES DIRECTOR COMMENTS**

Dir Comments

Director of Utilities Morrow presented information on Prop 18, Safe Drinking Water Act and Prop 23 Clean Jobs Initiative; he detailed both propositions. He also provided information on underground cable rejuvenation explaining the RFP.

G. Morrow  
Comments

## UTILITY BOARD MEMBER COMMENTS

None.	Brd Mbr Cmts None
The <b>CONSENT CALENDAR</b> consisting of Items D-1 through D-8, were approved by motion of Board Member Carrillo, seconded by Board Member Hanks and unanimously* carried.	Consent Cal Appvd
1. The minutes of the regular meeting of June 28, 2010, were approved as written.	Minutes
2. Staff was authorized to issue a Notice Inviting Bids for outside services for rejuvenation of underground electric cables.	NOC under Ground cables
3. Approval was given for the extension of contract for RBF Engineers for engineering design services for Project W-266, Water Pipeline Replacement, from June 30, 2010 to September 30, 2010.	Ext Contract RBF Engr
4. Approval was given for the extension of contract for Hall & Foreman Engineers for engineering design services for Project W-265, Water Pipeline Replacement, from June 30, 2010 to September 30, 2010.	Ext Hall & Foreman Eng
5. A RESOLUTION OF THE UTILITY BOARD AND CITY COUNCIL OF THE CITY OF AZUSA, CALIFORNIA, ACCEPTING CERTAIN GRANT OF EASEMENT AND DIRECTING THE RECORDING THEREOF. (Target Corporation)	Res. 10-C47 Accept Grnt Of Esmt Target
6. A RESOLUTION OF THE UTILITY BOARD AND CITY COUNCIL OF THE CITY OF AZUSA, CALIFORNIA, ACCEPTING CERTAIN GRANT OF EASEMENT AND DIRECTING THE RECORDING THEREOF. (Kir Covina, L.P.)	Res. 10-C48 Accept Grnt Of Esmt Kir
7. The City Manager was authorized to sign quitclaim deeds for two water utility easements for Lowes store site located in 1348 N. Azusa Avenue, Covina.	Quitclaim Deed Lowes
8. Approve the license and service agreement with Power Settlements Consulting and Software, LLC, was approved and the Mayor was authorized to sign said agreement.	Agmt Pwr Settlements

Special Call

## SPECIAL CALL ITEMS

None.

## SCHEDULED ITEMS

Sched Items

### Customer Information System (CIS) Upgrade.

CIS Upgrade

Director of Customer Care and Solutions Vanca presented the issue detailing the upgrade, problems with the existing software , how these problems would be fixed and the benefits of the upgrade.

K. Vanca  
Presentation

Moved by Board Member Hanks, seconded by Board Member Carrillo and unanimously\* carried to approve an Addendum to Information System Agreement with Systems and Software, Incorporated, for the purchase of enQuesta version 4.0 Upgrade to the City's CIS at a cost not-to-exceed \$400,000; and authorize the City Manager to execute said addendum and to take any and all other actions necessary for the purchase implementation and upgrade.

Upgrade to  
Customer  
Information  
System  
Approved

### Ratification of Annual Water Rights Lease Transactions.

Annual Wtr  
Rights Lease

Assistant Director of Water Operations Anderson addressed Water Rights Lease Transactions and provided background information. He responded to questions posed by Board Members regarding surplus water and drought phases which will be brought back to another meeting for discussion.

C. Anderson  
Comments

Moved by Board Member Carrillo, seconded by Board Member Rocha and unanimously\* carried to ratify the water rights leases to the City of Arcadia, Canyon Water Company, and Miller-Coors and also signatures of the leasing documents as allowed by Resolution No. 09-C69 approved by the Utility Board at its July 27, 2009 regular meeting.

Ratification  
Of Water  
Rights leases

Adjustment to Contract Water Rates for MillerCoors, LLC.

MillerCoors

Assistant to the Director of Utilities Kalscheuer addressed the issue detailing the water rate increase for MillerCoors.

C. Kalscheuer  
Comments

Board Member Rocha offered a Resolution entitled:

A RESOLUTION OF THE CITY COUNCIL AND UTILITY BOARD OF THE CITY OF AZUSA, CALIFORNIA, ADJUSTING CONTRACT WATER RATES FOR MILLERCOORS, LLC.

Res. 10-C49  
Adjust Rates

Moved by Board Member Rocha, seconded by Board Member Hanks to waive further reading and adopt. Resolution passed and adopted by the following vote of the Board Members:

AYES: BOARD MEMBERS: GONZALES, CARRILLO, HANKS, ROCHA  
NOES: BOARD MEMBERS: NONE  
ABSENT: BOARD MEMBERS: MACIAS

City of Azusa's Participation in the Los Angeles County Recycling Market Development Zone (RMDZ).

RMDZ

Assistant to the Director of Utilities Kalscheuer addressed the issue stating that the Recycling Market Development Zone Program (RMDZ) provides technical assistance and low interest loans to businesses interested in making use of recyclable materials to create new products. To be eligible for RMDZ loans they must be located in a jurisdiction that is in a designated RMDZ and he detailed the location of zones, how the City became interested in the program and the process for becoming a part of the RMDZ.

C. Kalscheuer  
Comments

Board Member Hanks offered a Resolution entitled:

A RESOLUTION OF THE CITY COUNCIL AND UTILITY BOARD OF THE CITY OF AZUSA, CALIFORNIA, SUPPORTING THE EXPANSION OF THE LOS ANGELES COUNTY RECYCLING MARKET DEVELOPMENT ZONE (RMDZ).

Res. 10-C50  
RMDZ  
Recycling  
Market Dev  
Zone

Moved by Board Member Hanks, seconded by Board Member Carrillo to waive further reading and adopt. Resolution passed and adopted by the following vote of the Board Members:

AYES: BOARD MEMBERS: GONZALES, CARRILLO, HANKS  
NOES: BOARD MEMBERS: ROCHA  
ABSENT: BOARD MEMBERS: MACIAS

Local Reliability Adequacy Capacity Confirmation Agreement.

Capacity Agmt

Assistant Director of Resource Management Lehr addressed the issue explaining the Resource Adequacy program and that it was necessary due to the mandatory planning and operational requirements of the California Independent System Operator (CAISO). He then detailed the requirements that the City is to procure sufficient electric power capacity plus 15% for reserve margin ahead of time to ensure adequate supply of electricity. He detailed Azusa process and plan for 2011.

Y. Lehr  
Comments

Moved by Board Member Carrillo, seconded by Board Member Gonzales and unanimously\* carried to approve a Local Resource Adequacy Capacity purchase of 30 MW from RRI Energy in amount of \$1,026,000 and authorize the Director of Utilities to execute the associated Confirmation Agreement once the executable copies are prepared.

Purchase  
Capacity from  
RRI Energy

It was consensus of the Board Members to adjourn.

Adjourn

**TIME OF ADJOURNMENT: 7:40 P.M.**

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**SECRETARY**

**\*Indicates Macias absent.**

**NEXT RESOLUTION NO. 10-C51.**