



CITY OF AZUSA

MINUTES OF THE REGULAR MEETING

OF THE AZUSA UTILITY BOARD/CITY COUNCIL

MONDAY, OCTOBER 25, 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, MACIAS, ROCHA
ABSENT: BOARD MEMBERS: HANKS

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 Resource Management Lehr, Business Development/Public Benefits Coordinator Reid, Administrative Services Director – Chief Financial Officer Kreimeier, Assistant Director of Electric Operations Langit, Captain Momot, City Clerk Mendoza, Deputy City Clerk Toscano.

PUBLIC PARTICIPATION

None.

Pub Part
None

UTILITIES DIRECTOR COMMENTS

Dir Comments

Director of Utilities Morrow provided an update on his San Juan Tour, stated that electric sales down 5% for the first quarter, provided information on a decision regarding the City of Los Angeles and Court of Appeals regarding service areas, and noted the new Energy Star Rebates via the Energy Efficiency Program.

Dir of Utilities
Comments

UTILITY BOARD MEMBER COMMENTS

Brd Mbr Cmts

Moved by Board Member Carrillo, seconded by Board Member Macias and unanimously* carried to approve a \$100 donation to Berylyn and Brianna Ruiz of Hodge Elementary School for trip to Washington D.C.

Morrow
Comments

The **CONSENT CALENDAR** consisting of Items D-1 through D-8, were approved by motion of Board Member Carrillo, seconded by Board Member Macias and unanimously* carried.

Consent Cal
Appvd

1. The minutes of the regular meeting of September 27, 2010, were approved as written.

Minutes

- | | | |
|----|---|-------------------------------|
| 2. | Approval was given to award a Professional Services Agreement to SA Associates, Incorporated, for the preparation of the City of Azusa's 2010 Urban Water Management Plan Update in amount not-to-exceed \$20,000. | PSA w/SA Associates |
| 3. | Approval was given to award the Azusa Light & Water administration building roof maintenance formal bid to Midwest Roofing Company, Incorporated, in the amount not-to-exceed \$50,100 and the Mayor was authorized to execute a three-year maintenance contract. | Midwest Roofing Co. L&W Roof |
| 4. | Approval was given for the extension of current landscape and irrigation maintenance contract with E&L Landscape Services for two years including a 2.14 % cost of living adjustment and to authorize future adjustment after one year based on a change in the Consumer Price Index not-to-exceed 5% annually. | E&L Landscape Contract |
| 5. | Specifications for a new service truck for Electric Division were approved and authorizations to solicit formal competitive bids were also approved pursuant to Azusa Municipal Code (AMC) Sec. 2-518-f. | Specs new Truck Elect |
| 6. | Modifications to the Public Benefit - Residential Rebate program were approved through the implementation of the Supplemental Residential Rebate Programs. | Supplemental Res Rebate |
| 7. | The Long Term Power Purchase Agreement (Wind Power) with Iberdrola Renewables, Incorporated and Replacement Guaranty Agreement with Iberdrola Holdings, Incorporated were approved and the Mayor was authorized to execute both documents. | Pur Agmt Iberdrola Renewables |
| 8. | Approval was given for the purchase of Itron Meters for commercial and industrial customers from McAvoy and Markham Engineering and Sales Company in amount not-to-exceed \$18,880 including sales tax. | Purchase Itron Meters |

SCHEDULED ITEMS

Sched Items

Electric and Water Rules and Regulations Amendment.

Elect/Water Rules

Director of Customer Care and Solutions Vanca presented the amendment to the Rules and Regulations noting that currently customers are allowed different forms of prepayment options and have found some do not secure a final payment. Staff is proposing to only allow the prepayment requirement to be met by cash payment, i.e., cash, money order, check, debit card or credit card. The second area of Amendment is that "Disputed Bill" rules do not clearly set forth steps or a process to be followed. She outlined the proposed three step process.

K. Vanca
Comments
Prepayment
Options

Board Member Macias offered a Resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AZUSA, CALIFORNIA, AMENDING THE ESTABLISHMENT OF CREDIT AND DISPUTED BILLS IN AZUSA LIGHT & WATER'S RULES AND REGULATIONS GOVERNING ELECTRIC AND WATER SERVICES.

Res. 10-C79
Establish
Credit &
Disputed Bills
Regulations

Moved by Board Member Macias, 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, MACIAS, ROCHA
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	HANKS

Landfill Rates/Waste by Rail Update.

Landfill Rates

Assistant to the Director of Utilities Kalscheuer presented subject item stating that Puente Hills Landfill is scheduled to close in October 2013, and that LA County has purchased the Mesquite gold mine south of Salton Sea and is converting it to a landfill and developing a rail transfer station near the Puente Hills landfill to transport waste by rail to the Mesquite landfill.

C. Kalscheuer
Landfill Rates
Waste by Rail

He stated that the cost to dispose of waste by rail will be significantly higher than current rates and presented the Rate Levelization Plan stating that without levelization Waste by Rail disposal costs were estimated at \$75-80/ton in 2012-13 and Azusa waste disposal costs could increase over \$1 million/year (10+ %). He stated that LACSD reports that its disposal volume at Puente Hills has decreased dramatically and they are discussing a price discount for large haulers like Athens and discount may be 7% and could reduce charges to Azusa for waste disposal by about \$250K; he recommended supporting LACSD discount of Puente Hills gate fees.

Options
Levelization
Plan

Moved by Board Member Macias, seconded by Board Member Carrillo and unanimously* carried to adopt a motion supporting a discount of landfill rates at Puente Hills Landfill in order to increase the amount of tonnage disposed of at the Puente Hills landfill for the purpose of helping the Los Angeles County Sanitation Districts build up a subsidy fund to reduce the long term cost of Waste by Rail.

Support LA
County Sani
Dist bldg
subsidy

Commercial Recycling Program Request for Proposals (RFP).

Com Recycle

Assistant to the Director of Utilities Kalscheuer stated with the closure of Puente Hills Landfill there will be increased disposal costs to businesses and proposed a technical assistance program to set up a source separated recycling program. The city would obtain a consultant to assist with creation of a Technical Assistance Handbook, hold workshops to target top 200 waste generators and encourage them to sign up for a Waste Audit, perform Waste Audits and provide program reports to allow staff to monitor the program. Program is eligible for funding from AB 939 fees paid by commercial waste generators.

C. Kalscheuer
Commercial
Recycling
Program

Moved by Board Member Rocha, seconded by Board Member Macias and unanimously* carried to approve a Request for Proposals (RFP) scope of work for a commercial recycling program and authorize staff to solicit proposals.

RFP
Approved

Approval of Residential Electric Meter Specifications for Automated Meter Reading and Solicitation of Formal Bids.

Residential
Meters Specs

Director of Utilities Morrow presented the Residential Electric Meters detailing the background on the use of automated meter reading meters. He talked about the implementation and statistics regarding the meters i.e. customers, cost, etc. He explained a new product called smart meters also called Advanced Metering Infrastructure which allow 2 way communications between meter and utility. He talked about the strategy and plans to update one day, but plans are to continue AMR.

G. Morrow
Comments
AMR and new
Automated
Meter Rdg

Moved by Board Member Carrillo, seconded by Board Member Macias and unanimously* carried to approve specifications for residential electric meters for Automated Meter Reading (AMR) and authorize staff to solicit formal bids for 800 new AMR meters.

Specs for
AMR
Approved

STAFF REPORTS/COMMUNICATIONS

Staff Rpts

Performance of New CNG Bucket Truck Update

New CNG tr

Assistant Director of Electric Operations Langit provided information regarding problems with the 55' aerial bucket truck which included warranty repairs on several occasions, limited use due to recall notices for the CNG engine, and malfunctions of the boom/lift. The Utility personnel has been meeting with the truck provider, is seeking to address problems, is requesting reimbursement for rental expenses and is considering legal recourse if problems continue. This was an information item.

F. Langit
Comments
Truck
Problems

Street Banner Policy Update

New Banner
Policy
G. Morrow
Presented new
Policy

Director of Utilities Morrow presented the updated specifications for banners hung by the Department at three designated locations. Lengthy discussion was held regarding the issue and suggestions were made regarding additional locations; staff noted that locations need to be built separate from power lines, special poles. Director of Utilities Morrow advised that he would look into suggested options.

Director of Utilities Morrow advised that he will be attending the American Public Power Association 2011 Legislative Rally in Washington, DC from February 28-March 3, 2011. He stated that if any Board Member is interested in attending they could contact Liza Cawte.

Adjourn

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

TIME OF ADJOURNMENT: 7:29 P.M.

SECRETARY

NEXT RESOLUTION NO. 10-C59.

*** Indicates Hanks absent.**