



CITY OF AZUSA
MINUTES OF THE REGULAR MEETING
OF THE AZUSA UTILITY BOARD/CITY COUNCIL
MONDAY, NOVEMBER 28, 2011 – 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 Hanks called the meeting to order.

Call to Order

Assistant Director of Resource Management Lehr led in the Flag Salute.

Flag Salute

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 Morrow, Assistant to the Director of Utilities Kalscheuer, Assistant Director of Water Operations Anderson, Assistant Director of Resource Management Lehr, Public Works Director/Assistant City Manager Haes, Lieutenant Bertleson, Business Development/Public Benefits Coordinator Reid, Director of Economic and Community Development Christiansen, City Clerk Mendoza, Deputy City Clerk Toscano.

PUBLIC PARTICIPATION

Pub Part

Mr. Jorge Rosales addressed the Board Members stating that regarding item D-2 he commended staff that did the analysis for the RFP, in Item D-3, he noted that it did not reference potential change order to construction contract, and with regard to item D-4, he thinks it's a good idea to cancel the meeting for December.

J. Rosales
Comments

Mr. Art Morales addressed the Board Members thanking them for the brighter lights at the Senior Center Recyclables, noted the lampposts on Azusa Avenue are too bright, there are trucks parked on Azusa Avenue with debris, metal and junk which doesn't look good for the City, graffiti should be removed immediately, shopping carts from Target are being taken off the property, and the Veterans Monument on Dalton should be placed at Azusa and Foothill.

A. Morales
Comments

UTILITIES DIRECTOR COMMENTS

Dir Comment

Director of Utilities Morrow addressed the Board Members regarding the Drought Tolerant Landscape Showcase Plaque Dedication and introduced Mr. Dave De Pinto of the San Gabriel Valley Municipal Water District who thanked Mr. Morrow and Business Development/Public Benefits Coordinator Reid for helping

Dir of Utilities
Comments
Water

with Water Conservation Projects. He introduced Mr. Ing, Teacher at Azusa High School and H2O Owl Mascot for Water Conservation. Director of Water Projects Mr. Raul Romero addressed the Board Members providing details about the Water Conservation Projects.

Conservation
Projects

Director of Utilities Morrow provided an update on the feasibility of relocating drop box to Azusa Avenue; Board Members agreed it was fine where it is located.

Dir of Util
Comments

UTILITY BOARD MEMBER COMMENTS

Brd Mbr Com

Board Member Macias noted that the Christmas lights on the poles on Azusa Avenue look great.

Macias Com

The **CONSENT CALENDAR** consisting of Items D-1 through D-4, were approved by motion of Board Member Carrillo, seconded by Board Member Gonzales and unanimously with the exception of item D-2 which was considered under the Special Call portion of the Agenda.

Consent Cal
Appvd D-2
Spec Call

1. The minutes of the regular meeting of October 24, 2011, were approved as written. Board Member Macias abstained as he was absent from this meeting.
2. SPECIAL CALL ITEM.
3. Approval was given for additional payment of \$19,000 to SA Associates for additional time spent in their contract for the inspection of Water Main Replacement Project W-266A.
4. Approval was given to cancel the Utility board Meeting of December 27, 2011.

Minutes appvd

Spec Call

Add'l payment
SA Associates

12/27/11 Cncl

SPECIAL CALL ITEM

Spec Call Item

2. Selection of Financial Advisor for Debt Refinancing.

Fin Advsr Debt
Refinancing

Director of Utilities Morrow addressed the item stating that there is a need to change the item RFP Scope of Work to eliminate Phase 3, provide ongoing financial advisory services. This changes the low bidder to Urban Futures.

Dir of Util
Comments

Moved by Board Member Carrillo, seconded by Board Member Macias and unanimously carried to approve Phase 1 and Phase 2 of the project at this time and approve the selection of Urban Futures as Financial Advisor to Azusa Light & Water in an amount of \$21,750.

Urban Future
Approved

SCHEDULED ITEMS

Sched Items

San Juan Unit 3 Firming Agreement Between Azusa and Arizona Public Service.

Fin Sec Agmts

Assistant Director of Resource Management Lehr presented the item stating the importance to continue with this agreement. He noted the change premium, responded to questions posed by Board Member regarding firming.

Asst Dir Res
Mngmt Lehr
Comments

Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously carried to authorize Staff to renew firming agreement for San Juan Unit 3 with Arizona Public Service (APS) and authorize the Director of Utilities to execute the final agreement with APS.

Firming Agmt
w/APS
Approved

Local Adoption of SBX1 2 Mandated Renewable Portfolio Standard (RPS) Enforcement Program.

RPS Efcrcmnt
Prgm

Director of Utilities Morrow presented the RPS Enforcement Plan which establishes the Utility Board's jurisdiction over the Azusa RPS program. It requires staff to update Azusa's present RPS to comply with SBX1 2. He stated a 30 day notice was published in the paper as required and on the L&W website. Discussion was held.

Board Member Macias offered a Resolution entitled:

A RESOLUTION OF THE AZUSA UTILITY BOARD ADOPTING A RENEWABLE PORTFOLIO STANDARD (RPS) ENFORCEMENT PROGRAM IN COMPLIANCE WITH STATE LAW (SBX1 2).

Res. 11-C86
RPS Enforce-
ment Program

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:

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

Recalculation of Azusa’s Transmission Revenue Requirement and Updates and Revisions to Azusa Transmission Tariff.

Azusa
Transmission
Tariff
Y. Lehr
Comments

Assistant Director of Resource Management Lehr presented the recalculation of Azusa’s Transmission Revenue requirement and approval of updates and revisions to Azusa’s Transmission Tariff. He noted that the recalculation could recoup approximately \$500K per year and the cost of the recalculation and filing with FERC is about \$50K.

Board Member Macias offered a Resolution entitled:

A RESOLUTION OF THE AZUSA UTILITY BOARD REVISING AND UPDATING THE AZUSA TRANSMISSION TARIFF AND TRANSMISSION REVENUE REQUIREMENT.

Res. 11-C87
Revising &
Updating
Tariff &
Transmission
Revenue

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:

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

Consideration of Athens Services’ Proposal.

Athens Svs
Proposal
Lengthy
Discussion
Referred to
future City
Council mtg

Assistant to the Director of Utilities Kalscheuer presented the proposal by Athens Services for automated residential trash collection services and commercial organic waste collection program. He detailed the proposal, and lengthy discussion was held between Board Members, Staff and Mr. Dennis Chiappetta of Athens Services. It was consensus of the Board Members that Staff should continue to meet with Athens and schedule a presentation at future City Council meeting in order to receive additional feedback.

STAFF REPORTS/COMMUNICATIONS

Staff Reports

Director of Utilities Morrow provided an update on San Juan Power Plant Matters and detailed the following: Coal Mine Fire, EPA “Bart” Order, Sierra Club Lawsuit, New Coal Contract Negotiations, and UAMPS Agreement.

San Juan
Power

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

Adjourn

TIME OF ADJOURNMENT 8:10 P.M.

SECRETARY

NEXT RESOLUTION NO. 11-C88.