



CITY OF AZUSA
MINUTES OF THE REGULAR
MEETING OF THE AZUSA
UTILITY BOARD/CITY COUNCIL
MONDAY, APRIL 28, 2008 – 6:30 P.M.

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

Vice Chairman Carrillo called the meeting to order.

Call to Order

ROLL CALL

Roll Call

PRESENT: BOARD MEMBERS: GONZALES, CARRILO, MACIAS, ROCHA
ABSENT: BOARD MEMBERS: HANKS

ALSO PRESENT:

Also Present

City Attorney Ferre, City Manager Delach, Director of Utilities Hsu, Assistant to the Utilities Director Kalscheuer, Assistant Director of Resource Management Tang, Assistant Director of Water Operations Anderson, Assistant City Manager Makshanoff, Azusa Police Chief Garcia, Finance Controller Aguilar, City Clerk Mendoza, Deputy City Clerk Toscano.

Election of Officers

Election of
Officers
Carrillo
Chairperson

Moved by Board Member Macias, seconded by Board Member Rocha and unanimously* that Board Member Carrillo be nominated and appointed as Chairperson of the Utility Board.

Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously* carried that Board Member Macias be nominated and appointed as Vice Chairperson of the Utility Board.

Macias
Vice Chair

Public Participation

Pub Part

Mr. Art Morales addressed the Board Members suggesting that the Azusa Light and Water Public Benefits Fund be utilized to structure a program for free swim.

A. Morales
Comments

Mr. Jorge Rosales addressed item D-1, Agreement for Renewable Energy, thanking staff for meeting the 20% standard and congratulated them. He spoke in favor of the grant application for SGMRC. He commended staff for the excellent report regarding Solis Waste Issues and Refuse Rate Adjustment. J. Rosales
Comments

The **CONSENT CALENDAR** consisting of Items C-1 through C-8 was approved by motion of Board Member Gonzales, seconded by Board Member Carrillo and unanimously* carried with the exception items C-4, through C-6, which was considered under the Special Call portion of the Agenda. Consent Cal
Approved
C4, 5, &6
Spec Call

1. The Minutes of the regular meeting of March 24, 2008, were approved as written. Min Appvd
2. Approval was given for a Quit Claim to Watt Communities for waterline easement by adoption of the following resolution: Quit Claim
Watt Comm

A RESOLUTION OF THE UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA QUIT CLAIMING A CERTAIN GRANT OF EASEMENT AND DIRECTING THE RECORDING THEREOF. Res. 08-C35
Grant of Esmt
3. Approval was given for acceptance of Grant of Easement from 1303 Optical Drive LLC by adoption of the following resolution: Accepting
1303 Optical

A RESOLUTION OF THE UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA ACCEPTING A CERTAIN GRANT OF EASEMENT AND DIRECTING THE RECORDING THEREOF. Res. 08-C36
Grant of Esmt
4. SPECIAL CALL ITEM. Spec Call
5. SPECIAL CALL ITEM. Spec Call
6. SPECIAL CALL ITEM. Spec Call
7. The Noticed of Completion for Project WVF-239, Gladstone Yard Improvements, by MG Enterprizes, was approved and the City Clerk's Office was directed to execute Notice of Completion and also have same recorded at the Office of Los Angeles County Recorder. NOC
Gladstone Yd
Enterprizes
8. Approval was given for the Canyon Water Filtration Plant Wastewater Connection Fee at \$28,214.81 to be paid to Los Angeles County Sanitation District. Wastewater
Connect fee

Special Call Items

Assistant Director of Water Operations Anderson responded to questions regarding reimbursable compensation to Civiltec stating that the City will be paying 72% for the inspections, the \$20,000 should be enough to complete the project, and it should be completed by July. Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously* carried to approve the additional reimbursable compensation to Civiltec Engineering for inspection of the Rosedale Development water storage reservoirs and water pump stations in amount of \$20,000. Special Call
Add'l Comp
Civiltec
Inspection
Services
Rosedale

Board Member Rocha asked what the difference between the services provided by Civiltec and Wren & Associates. Director of Utilities Hsu responded stating that Civiltec inspection is water production and water storage and Wren and Associations inspection is waterlines and transmission lines. Rocha
Question

Board Member Rocha addressed item regarding additional compensation to Civiltec Engineer questioning the increases and the non-justified additional days being \$500 per day. Add'l Comp
Civiltec

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Assistant Director of Water Operations Anderson responded noting the current contractor is taking

more time to do the project and therefore Civiltec has had to spend more inspection time on the project. Additional discussion was held and it was moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously* carried to approve the addition of \$45,000 to the Civiltec Engineering contract for inspection of Project W-238, replacement pipeline installation on Cypress and Sunset et. al., and extend contract to June 30, 2008.

Replace Pipeline Cypress & Sunset

Moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously* carried to approve the additional reimbursable compensation to Wren & Associates for continuing inspection services for the Rosedale Development pipeline installation in amount of \$20,000.

Add'l Comp Wren & Associates Rosedale

Scheduled Items

Approval of Long Term Power Sales Agreement with Southern California Public Power Authority (SCPPA) for Renewable Energy. Director of Utilities Hsu addressed the item stating that SCPPA issued an RFP for renewable energy projects and MWD responded and negotiations were at time uncertain due to competition for same resources. He responded to questions that there won't be additional costs at this time, but may impact revenue cost at a later time. Moved by Board Member Macias, seconded by Board Member Gonzales and unanimously* carried to approve the long term power sales agreement with SCPPA for the renewable energy output from small conduit hydro facilities operated by the Metropolitan Water District and that the Mayor be authorized to execute agreement.

Sched Items Long Term Power Sales Agreement With SCPPA Renewable Energy

Adoption of Legislative Positions. Director of Utilities Hsu addressed the issue stating that in order to expedite the process they have provided a list of Legislative Positions on certain Assembly and Senate Bills and he asked the Board Members for their endorsement. Assistant to the Utilities Director Kalscheuer noted that AB 2640 was amended and now recommends a support position and noted other bills that are relevant to the City and explained support and oppose positions. Moved by Board Member Carrillo, seconded by Board Member Gonzales and unanimously* carried to adopt the legislative positions in the report and authorize the Mayor to sign letters addressed to legislators as may be required during the remainder of legislative session to advocate the adopted positions.

Legislative Positions Approved

Resolution in Support of the Application by the San Gabriel Mountains Regional Conservancy (SGMRC) for Grant Funds under the California Clean Water, Clean Air, Safe Neighborhoods and Coastal Protection Bond Act of 2002, and the Water, Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, and the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) for the Azusa Romvary Acquisition and to Defer the City of Azusa's Grant Application for Same Project.

Dis re: SGMRC Application

City Manager Delach addressed the item stating that the San Gabriel Mountains and Rivers Conservancy applied for the same grant as the City of Azusa and both applications have the same intention to secure open space land; he asked the Board Members for guidance and policy direction. Lengthy discussion was held regarding the issue and the following options were proposed: 1) No action on the SGMRC grant application and support the City's grant application. 2) No action on the SGMRC grant application and defer the City's grant application. 3) Support the SGMRC grant application and defer the City's grant application, and 4) No take action on either grant application in which case both grant applications will face a difficult time in getting funded.

Lengthy discussion and options

Moved by Board Member Macias, seconded by Board Member Gonzales and carried to approve option 1) No action on the SGMRC grant application and support the City's grant application. Board Member Rocha dissenting.

Option 1 approved

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Staff Reports/Communications

Monthly Update on Drought – Water Supply Outlook. Director of Utilities Hsu provided an update on the drought stating that as of April 1st the City has been at Phase II of the drought and as of May 1st the City will be going to Phase I. He stated that in April the County stopped releasing water into the basin due to a leak in an underground pipe, but, water levels are steady at this time. Also water is being diverted to the main basin and not into the local basin; he will be meeting with the County to talk about their plan. Further, there is a need for flexibility to go back to Phase II if needed by June 1st. He stated that they are in the process of amending the existing drought ordinance and may change the two day water use in Phase II to three days.

Staff Rpts

Monthly Update Drought

Monthly Update on Water Treatment Plant. Director of Utilities Hsu stated that the completion date for the WTP is October/November and it is 67% complete at this time.

Wtr Trmt Plant

Update on Solid Waste Issues and Refuse Rate Adjustment. Director of Utilities Hsu stated that notices will soon go out to customers to meet the 45 day deadline and rate adjustment is less than 2%. Assistant to the Utilities Director Kalscheuer noted that the 1.98% increase for cost of diesel fuel is actually 1.94%; staff is still awaiting supporting documentation that the increase is needed; Athens has a right to request the increase and the City has the option to approve it and it will be covered in the report at the Public Hearing.

Solid Waste Refuse Rate Adjust

Mr. Chris Carlos of Athens Service addressed the Board Members asking that they hold any analysis until the public hearing and offered comments on the opposition of SB 1020, which will increase the diversion, stating that they don't support any legislation which will increase AB 939 diversion and detailed the things they are doing to assist with diversion efforts.

C. Carlos Athens

Director of Utilities Hsu presented the Residential Electric Rates Comparison as of April 2008, noting that Azusa is in the middle of the entities listed.

Res Rates Comparison

Director of Utilities announced that the May Offsite Meeting on Tuesday, May 27th will be held at Magnolia Elementary School, located at 945 E. Nearfield, Azusa.

Offsite Mtg May 27th

Directors Comments

Director of Utilities Hsu announced that the City of Azusa has received the CMUA Annual Award for the third time. He announced the large electric customer meeting on May 8th at 8 a.m. at the Azusa Woman's Club to talk about greenhouse gas issues. He announced that the Wind Program in Palm Springs is moving a long and ribbon cutting will be held in late May or early June on a Saturday morning; he will provide details at a later date.

Dir Cmts Anncmts

Moved by Board Member Rocha, seconded by Board Member Macias and unanimously carried to approve the request for Proclamation for Saint Frances of Rome, Father Gus Castillo, in celebration of his birthday on April 30.

Proc to Father Castillo

Moved by Board Member Carrillo, seconded by Board Member Gonzales and unanimously* carried that request for Certificates of Recognition for Students of the Azusa Unified School District who took a trip to Washington D.C., for educational purposes, be approved.

Cert of Rec Students Slauson

Board Member Macias requested sponsorship for Gladstone High School Cheer, c/o David Cassarubias, in the amount of \$100 to attend Cheer Camp; City Manager Delach was directed to comply with that request.

Sponsorship Gladstone Cheer

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Board Member Rocha requested sponsorship in the amount of \$100 for both Miss Azusa and Miss Outstanding Teen for advertisement, who will be traveling to Sacramento. He requested an update

on the status of the Memorandum of Understanding with CRC, California Resource Connections, to see how much money is remaining. He asked if the City is being competitive in the recruitment of Linemen; and he also asked for an update on the Rubber Glove program. He asked about the Azusa Villa rent increases; City Manager Delach responded that BBK is handling the issue and one problem is that they are seeking original residents of the program.

Rocha
Requests for
Sponsorship
and updates
CRC, Rubber
Glove, and
Villa Azusa

An item of subsequent need arose regarding a request for proclamation and it was moved by Board Member Rocha, seconded by Board member Carrillo and unanimously* carried to add it to the agenda. Moved by Board Member Rocha, seconded by Board Member Carrillo and unanimously* carried to approve a proclamation to Jesse and Ginny Cornejo in honor of their 60th Wedding Anniversary.

Proc to J. & G.
Cornejo
60th
Anniversary

CLOSED SESSION

It was consensus of Board Members to recess to Closed Session at 8:23 p.m. to discuss the following:

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION Government Code Section 54956.9 (b) One Potential Case

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The Board Members reconvened at 9:00 p.m. There was no reportable action taken.

It was consensus of Board Members to adjourn.

TIME OF ADJOURNMENT: 9:01P.M.

SECRETARY

NEXT RESOLUTION NO. 08-C37.

Adjourn

* Indicates Hanks absent