



CITY OF AZUSA
MINUTES OF THE REGULAR MEETING
OF THE AZUSA UTILITY BOARD/CITY COUNCIL
MONDAY, JUNE 25, 2012 – 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 (AL&W) Conference Room, located at 729 N. Azusa Avenue, Azusa, California.

Boardmember Gonzlaes called the meeting to order and led in the Flag Salute.

Call to Order

ROLL CALL

Roll Call

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

ABSENT: BOARD MEMBERS: CARRILLO

ALSO PRESENT:

Also Present

City Attorney Ferre, City Manager Makshanoff, Director of Utilities Morrow, Assistant to the Utilities Director Kalscheuer, Pubic Works Director/Assistant City Manager Haes, Assistant Director of Electric Operations Langit, Police Captain Momot, Assistant Director of Water Operations Anderson, Assistant Director of Resource Management Lehr, Electric Test Technician Beterbide, Assistant Director of Customer Service and Care Vanca, City Clerk Mendoza, Acting Deputy City Clerk Hernandez.

PUBLIC PARTICIPATION

Pub Part

Mr. Jorge Rosales addressed Board Members regarding items D-5, solicitation of proposals to provide inspection services for project W-265, and asked if formal bidding procedures applied to this project; and E-1, two proposed electric vehicle public charging stations, expressing his concern for this expense during the economic times.

J. Rosales
Comments

Mr. Mike Lee addressed Board Members wishing good luck to Ms. Candace Toscano for her recent retirement from city employment; inquired on the location of a proposed parking structure; and made comments regarding a newspaper article on homeless.

M. Lee
Comments

At this time, the meeting was taken over by Vice Chairman Macias who apologized for his tardiness.

Chairman
Takes Mtg.

Utilities Director Morrow responded to question posed on project W-265 stating that the list of possible bidders is of those who have stated interest in the project, and the project will also be advertised should additional companies be interested in bidding.

G. Morrow
Responds to
Question

UTILITIES DIRECTOR'S COMMENTS

Director's
Comments

Utilities Director Morrow gave a slide presentation on the Lodi Energy Center Dedication to be held on August 10, further information will be given; and he showed a video on "Pride in Public Power."

UTILITY BOARD MEMBERS COMMENTS

None

The **CONSENT CALENDAR** consisting of Items D-1 through D-7, was approved by motion of Board Member Hanks, seconded by Board Member Gonzales and unanimously carried*, with the exception of item D-4 which was considered under the Special Call portion of the Agenda. Consent Cal D 4 Spec Call

1. The minutes of the regular meeting of May 29, 2012, were approved as written. Min appvd
2. The Mayor was authorized to execute a Two-Year Extension Agreement of the Low Income Home Energy Assistance Program (LIHEAP) with the State of California; and the following Resolution was adopted and entitled: LIHEAP Agmnt Extension

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AZUSA, EXTENDING THE LOW INCOME HOME ENERGY ASSISTANCE PROGRAM FOR AZUSA RESIDENTS. Reso 12-C43
3. A Certain Grants of Easement from Los Angeles County Flood Control District accepting permanent grants of easement for Water Project W-265 was accepted; the following Resolution was adopted and entitled, and City Clerk was authorized to file it at the Office of Los Angeles County Recorder: LACo Easement Proj W-265

A RESOLUTION OF THE UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA ACCEPTING CERTAIN GRANT OF EASEMENT AND DIRECTING THE RECORDING THEREOF. Reso 12-C44
4. SPECIAL CALL Spec Call
5. Solicitation for Proposals to Provide Inspection Services for Water Main Replacement Project W-265 in Lark Ellen Avenue, Brookport Street, Bellbrook Street, Vogue Avenue, Benwood Street, Benbow Street, and Cypress Avenue in Los Angeles County, near West Covina was approved. RFP Proj.W-265
6. The Azusa Light & Water 2011 Power Source Disclosure Report and Posting was approved. 2011 Pwr Sourc Disc Rprt
7. The clarified Appendix D-1 of the Azusa Power Resources Risk Management Policy was approved. Risk Mngmnt Policy

SPECIAL CALL ITEMS

Spec Call

4. Approval of Contract with J. De Sigio Construction, Incorporated for Water Main Replacement Project W-265. Agreement J. De Sigio Construction Water Main Replacement Proj W-265

Boardmember Hanks addressed the item requesting staff to collect samples of the removed pipes to visually see the damaged.

Moved by Boardmember Hanks, seconded by Boardmember Rocha and unanimously carried*, to award a contract to J. De Sigio Construction, Inc. for Water Main Replacement Project W-265, which includes replacement of 6,200 linear feet of water main of various sizes and appurtenances in Lark Ellen Avenue, Brookport Street, Bellbrook Street, Vogue Avenue, Benwood Street, Benbow Street, and Cypress Avenue in Los Angeles County, near West Covina in amount not-to-exceed \$1,429,780.

SCHEDULED ITEMS:

Sched Items

License Agreements with ECotality for Furnishing and Installing (i) a Level II Electric Vehicle Public Charging Station at City Hall Parking Lot, and (ii) a Level III DC Fast Charging Station at 6th and San Gabriel.

EV Charging Stations

Utilities director Morrow introduced the item stating that this has been an ongoing effort to find options to minimize the cost of installing Electric Vehcile (EV) charging stations units. This is a national project managed by the Department of Energy who is deploying several thousand EV chargers to a number of metropolitan areas; AL&W has been negotiating with ECotality using their grant money, and two proposed locations to install the EV charges are being presented for consideration of the Board. The only expense to AL&W will be to extend electric service to the units; maintenance of the chargers will be the responsibility of ECotality, and the AL&W will receive 50% of any revenue proceeds; the public will also benefit with the stations attracting travelers to stop and visit the city while charging their vehicles; and it will be an opportunity to purchase two electric vehicles for City staff's use.

G. Morrow
Comments

Discussion was held regarding the city hall location not being accessible to the public, the cost to extend electric services to the station, and the upkeep due to possible graffiti vandalism. After further discussion, Boardmenbers requested staff to look into changing the City Hall location to Light and Water, which they consider it has better access to the public.

Discussion

Moved by Borarmember Hanks, seconded by Chairman Pro-tem Macias, and unanimously carried* to reject option 1, a Level II EV station ad City Hall; and to approve option 2, a Level III DC Fast Charging Station at 6th and San Gabriel.

Approve Opt
2 Only, 6th &
San Gab

Rate Schedule "EDR-2" Revising Economic Development Electric Rate Discounts for Qualified Non-Residential Electric Customers.

Renewal
EDR-2
Electric
Utility
Rate Sched
Non-
Residential
Customers

Utilities Director Morrow addressed the item stating that this is to replace the current Rate Schedule due to expire June 30, 2012, which provided 10-20% discount for a 3 year period to commercial/industrial customers; the new discount will be for 3 years at a discount of 15% and a term of 60 months; he explained the premium option, and gave detailed information on how the discounts will be provided to new or expanded customers; this discount is possible due to the surplus energy; the revenue will be higher than selling it in the wholesale market; and the longer the customer stays in business, the more the city and AL&W benefits.

Discussion was held regarding new and expanding customers, the period of time they need to be in this program, how to encourage new businesses, and Boardmembers instructed staff to set up policies as to qualifying customers, specifically the number of years to stay in business in order to qualify them.

Discussion

Boardmember Hanks offered a Resolution entitled:

A RESOLUTION OF THE CITY COUNCIL AND UTILITY BOARD OF THE CITY OF AZUSA, CALIFORNIA, APPROVING ELECTRIC UTILITY RATE SCHEDULE "EDR-2-ECONOMIC DEVELOPMENT RATE" PROVIDING ECONOMIC DEVELOPMENT INCENTIVES FOR QUALIFIED COMMERCIAL AND INDUSTRIAL ELECTRIC CUSTOMERS.

Reso 12-C45

Moved by Boardmember Hanks, seconded by Chairman Pro-tem Macias and unanimously carried to waive further reading and adopt. Resolution passed and adopted by the following vote of the Board:

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

It was consensus of the Boardmembers to cancel the Utility Board Meeting of August 27, 2012.

Cancel Aug
UB Mtg

STAFF REPORTS/COMMUNICATIONS

Staff Rpts

Utilities Director Morrow provided information on the results of smart grid study done regarding the cost and benefits of a potential smart grid project implementation by the Azusa Light and Water.

Info Smart
Grid Proj

Utilities Director Morrow provided information regarding the Annual Adjustment of Replacement Water Costs Adjustment and Temporary Leasing of Excess Water Rights. He indicated that there will not be a surcharge increase due to the surplus on hand.

Update Adj
Repl Cost

Utilities Director Morrow gave an update on the San Juan Unit stating that this is still an ongoing project; he explained that SB1368, if approved, will force plants to make environmental improvements which may cause a shut down of the San Juan Plant; Natural Resource Defense Council and Sierra Club are after entities that are involved in San Juan putting AL&W to be under more scrutiny, and the environmental agencies efforts to close down the San Juan unit claiming contamination. This is a contamination free facility and the haze, which is claimed to be problematic for health, is to improve air visibility only, but causes no contamination.

Update
San Juan
Unit

Moved by Boardmember Hanks seconded by Boardmember Gonzales and unanimously carried* to adjourn

Adjourn

TIME OF ADJOURNMENT: 8:00 P.M.

SECRETARY

NEXT RESOLUTION NO. 12-C46.

* Indicates Chairman Carrillo absent.