



CITY OF AZUSA

MINUTES OF THE REGULAR MEETING

OF THE AZUSA UTILITY BOARD/CITY COUNCIL

MONDAY, JUNE 23, 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 the Light and Water Conference Room, located at 729 N. Azusa Avenue, Azusa, California.

Vice Chairman Macias called the meeting to order.

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 Delach, Director of Resource Management Tang, Assistant to the Utilities Director Kalscheuer, Assistant Director of Water Operations Anderson, Senior Electrical Engineer Langit, Azusa Police Lieutenant Hunt, Assistant Director Customer Care and Solutions Vanca, Assistant Director of Electric Operations Ramirez, Administrative Services Director-Chief Financial Officer Kreimeier, Customer Care Operations Supervisor Tapia, Finance Controller Aguilar, Director of Public Works/Assistant City Manager Haes, City Clerk Mendoza, Deputy City Clerk Toscano.

Public Participation

Pub Part

Mr. Jorge Rosales addressed the Board Members with concern regarding the contract award to BnB Engineering for Underground Electric Substructures, stating that the large spread between the bids was raised concern and he also asked what research was done to review the bids. He expressed concern regarding the agreement with CRC, specifically the amendment which reduces the capital improvements, the money used for grant writing and the safety of the public use of the property.

J. Rosales
Comments

Assistant Director of Water Operations Anderson introduced the new Water Distribution Workers I, Garret Conrad and Ruben Lopez. Customer Care Operations Supervisor Tapia introduced new part Time Cashier, Angelica Guerrero. Assistant Director of Electrical Operations Ramirez announced that the two new employees, not present are Apprentice Line Mechanic Vincent Benavidez, and Line Mechanic Brandon Horton.

Intro New
Employees

Ms. Carol Montano of the San Gabriel Valley Municipal Water District addressed the Board Members introducing Messrs. David Pinto and Robert Morales of the Community Public Relations who provided background and history of the District. They then introduced H2Owl, Mascot who presented water saving tips and will be visiting schools and other places to encourage conservation. They talked about and distributed information regarding water saving tips for home and businesses.

SGVMWD
C. Montano
D. Pinto &
R. Morales

The **CONSENT CALENDAR** consisting of Items B-1 through B-4, was approved by motion of Board Member Rocha, seconded by Board Member Gonzales and unanimously* carried with the exception items B-3, which was considered under the Special Call portion of the Agenda.

Consent Cal
Approved
B-3 Spec Call

1. The Minutes of the regular meeting of May 27, 2008, were approved as written.
2. The award of contract for maintenance service of the two power transformers at the Kirkwall Substation to Edison ESI in the amount of \$14,030 plus sales tax was approved and the City Manager was authorized to execute the final maintenance agreement.
3. SPECIAL CALL ITEM.
4. A RESOLUTION OF THE UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA ACCEPTING A CERTAIN GRANT OF EASEMENT AND DIRECTING THE RECORDING THEREOF. (Water Lines in Citrus Crossing Development)

Min Appvld
Pur trnfmrs
Kirkwall
Substation
Spec Call
Res. 08-C53
Acctptg Easmt
Citrus Cross

SPECIAL CALL ITEMS

Board Member Rocha addressed item regarding the award of contract to BnB Engineering stating that he too had a concern with the widespread between bids and also although they are responsive to the requirements of the project, he asked if they are responsible.

Special Call
Items
Rocha
Comments

Director of Resource Management Tang responded to the question stating that BnB has been used by the City before and been through the bidding process; they have worked on the Block 36 project. Assistant Director of Electric Operations Ramirez also responded stating that BnB worked with ALP and their work is outstanding with few problems.

B. Tang &
D. Ramirez
Response to
Questions

Moved by Board Member Rocha, seconded by Board Member Hanks and unanimously* carried to award of contract to BnB Engineering in the amount not-to-exceed \$760,346 to supply and install underground substructures at various locations per plan and specifications for Project # LD2008-2; and approve budget amendment in amount of \$161,000 to capital improvement project account #73007A.

BnB Engr.
Install under-
ground sub-
structures

SCHEDULED ITEMS

Director of Resource Management Tang presented a resolution to amend Light and Water Rules and Regulations to bring billing of Master-Metered accounts in line with Industry Standard Practices. He detailed the issue and stated that there is a need to eliminate the sub-meter charges in order to clear up the disparity between master metered customers inside the City vs. those located outside the City and to bring the rate structure more in line with industry standards; he noted that the change in practice will result in a revenue loss to Azusa Light & Water but it is necessary to establish equity amongst rate payers. He responded to questions posed by Board Members regarding possible impacts to other customers, loss in revenue, affect on others with assigned meters.

Sched Items
B. Tang
Amend Rules
& Regs
Master
Metered
Accounts

Board Member Hanks offered a Resolution entitled:

A RESOLUTION OF THE AZUSA UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA, AMENDING THE WATER RATE SCHEDULE INCLUDED IN AZUSA LIGHT & WATER'S RULES AND REGULATIONS GOVERNING ELECTRIC AND WATER SERVICES.

Res. 08-C54
Amend
Elect & Water
Services

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

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

City Manager Delach presented the request by California Resource Connections to amend MOU with the City for improvements of the Taylor House/property. He noted that CRC was able to get many in-kind services donated and it shifted some funds to be used for management and administration; further, there were funds allowed for grant writing. He also noted that Ms. Avila wrote grants for the Park and Recreation Department.

City Mgr
Comments

Ms. Suzanne Avila of California Resource Connections (CRC) addressed the issue detailing the history of the project (the Taylor Property); talked about the in-kind donations received; introduced Azusa residents Joe Olivarez, member of the CCC, who talked about work that has been done on the property; and she provided an update on the project.

S. Avila
CRC

After further discussion, it was moved by Board Member Rocha, seconded by Board Member Gonzales and unanimously* carried to approve the amendment to the Memorandum of Understanding between California Resource Connections (CRC) and the City of Azusa to change the eligible uses of funding provided by the MOU.

Amend to
CRC MOU
approved

STAFF REPORTS/COMMUNICATIONS

Staff Rpts

Director of Resource Management Tang provided an update on water stating that the City will enter into Phase II of the Drought as of July 1, 2008. He stated that the canyon basin water levels are dropping fast with no replenishment: Los Angeles County Public Works and San Gabriel Valley Municipal Water District are repairing their inlet pipeline and there is no water from the dam to the spreading grounds. He stated that the State of California is in a drought and the availability of water will become less; even the purchase of expensive water is not going to be easy. He described the new Phase II which will allow watering in residential areas three times and a week and stated that staff is preparing to send notices out to customers.

B. Tang
Comments
Water
Drought

Director of Resource Management Tang and Assistant Director of Water Operation Anderson presented the Month Report on the Water Treatment Plant noting that it is about 80% complete with the anticipate complete date in October; they responded to questions posed regarding testing of the Plant.

B. Tang &
C. Anderson
WTP

Director of Resource Management Tang presented the informational item requested by Board Member Carrillo at a previous meeting regarding Water Districts and Board the City has jurisdiction authority over or has a relationship.

B. Tang
Water
Districts Rpts

Director of Resource Management Tang presented the Quarterly Fuel Cost Adjustment report for San Juan resource noting that for the third quarter is it slightly less and will be tapering off and reduced to zero by next year.

B. Tang
Fuel Cost
Adjustment

Director of Resource Management Tang presented the update on Customer Service Projects and responded to questions posed regarding kilowatt hour measurement.

B. Tang
Cust Svs

DIRECTOR'S COMMENTS

Dir Cmts

It was consensus of Board Members that the regular meeting of August 25, 2008, be canceled as in the past.

August Mtg
Canceled

Director of Resource Management Tang provided an overview of the LivingWise Program that was an outcome from the Hoover Contract/Boulder Canyon Hydro Power; under the contract the City was required to implement customer education program with respect to energy efficiency and conservation. It is done with partnership with the Azusa Unified School District, which teams up with 6th grade teachers who incorporate energy conservation into the curriculum; the City provides supplies. He responded to questions posed regarding possible incorporation into the private schools and financial impacts. Assistant to the Utilities Director Kalscheuer noted that the program is funded through the public benefit charge which is restricted for uses aimed at promoting energy conservation.

B. Tang
Update
LivingWise

It was moved by Board Member Gonzales, seconded by Board Member Hanks and unanimously* carried to adjourn.

Adjourn

TIME OF ADJOURNMENT: 7:50 P.M.

SECRETARY

NEXT RESOLUTION NO. 08-C55.

*** Indicates Carrillo absent.**

