



CITY OF AZUSA
MINUTES OF THE REGULAR MEETING
OF THE AZUSA UTILITY BOARD/CITY COUNCIL
AND THE AZUSA REDEVELOPMENT AGENCY
MONDAY, OCTOBER 27, 2008 – 6:30 P.M.

The Utility Board/City Council and Redevelopment Board Members 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 Carrillo called the meeting to order and Mr. Jorge Rosales led in the salute to the Flag.

Call to Order

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 Hsu, Director of Resource Management Tang, Assistant to the Utilities Director Kalscheuer, Assistant Director of Water Operations Anderson, Economic and Community Development Director Christianson, Assistant Director Customer Care and Solutions Vanca, Customer Care Operations Supervisor Tapia, Azusa Police Captain Gonzales, City Clerk Mendoza, Deputy City Clerk Toscano.

Public Participation

Pub Part

Mr. Jorge Rosales addressed Board Members regarding items B-3, B-9, D-1 and D-2. He stated that attachments for items D-1 and D-2 were not found on the City's website. He expressed his concern regarding Civiltech Engineering requesting clarification on the phrases "shorter schedule", "personnel assigned" and "familiarity" and the non publication of request for the proposals. He also addressed concern regarding the amount of money that has been paid to date to Wren & Associates; the proposed lack of proper RFP process and money "submitted" to ALP for reimbursement.

J. Rosales
Comments

Mr. Art Morales addressed the Board Members regarding the following: payment drop box, three stabbings in Azusa, synchronization of traffic signals, water conservation, Block 36, free swim, and Items B-4 and B-6.

A. Morales
Comments

City Manager Delach responded to questions stating that he would look into the issues and noted that some items will be addressed during the meeting.

City Mgr
Comment

Customer Care Operations Supervisor Tapia introduced new employee Melissa Onate, Customer Service Representative I. New employee M. Onate

The **CONSENT CALENDAR** consisting of Items B-1 through B-10, was approved by motion of Chairperson Carrillo, seconded by Board Member Rocha and unanimously carried with the exception of items B-9 and B-6, which were considered under the Special Call portion of the Agenda. Consent Cal Appvd B-6 & B-9 Spec Call

1. The minutes of the regular meeting of September 22, 2008, were approved as written. Min appvd
2. Approval was given for Change Order No. 12 for the addition of \$90,761.23 and extension of time to complete by two calendar days to the SSC Construction Incorporated contract for construction of Project WVF-207, Canyon Filtration Plant Membrane. Change Order SSC Construct.
3. Professional Services contract with Civiltec Engineering Incorporated to perform engineering design services for Project WF-221 South Reservoir Demolition and Replacement was approved. Civiltec Engr Approved
4. Staff was authorized to enter into multi-year agreement natural gas price hedging transaction in accordance with the processes and within the parameters to reduce energy price risks of Garnet Wind Project. Multi-year agreement Garnet Wind
5. Authorization was given for an amendment in the amount not-to-exceed \$25,000 to the blanket purchase order issued to Olympic Staffing for temporary employee services for fiscal year ending June 30, 2009. Blanket P.O. Olympic Staff
6. SPECIAL CALL ITEMS. Spec Call
7. Approval of Sharps Disposal Program. Approval was given for implementation of a sharps disposal program to assist residents to comply with SB 1305; and a budget amendment in amount of \$10,000 to cover program expenses was approved. Sharps Disposal Prgm
8. Authorization was given to develop and release of RFP to develop and produce public education materials to promote water and energy conservation. RFP Public ed Conservation
9. SPECIAL CALL ITEM. Spec Call
10. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AZUSA DECLARING ITS INTENTION TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF A PROPOSED TAX-EXEMPT FINANCING, AS REQUIRED BY THE UNITED STATES DEPARTMENT OF TREASURY REGULATIONS SECTION 1.150-2. Res. 08-C100 Intent to Reimburse Tax Exempt Fin

SPECIAL CALL ITEMS Special Call

Lengthy discussion was held regarding the proposed Request for Proposal (RFP) for Solid Waste Consultant Services which consisted of development of a five and ten year cost forecast for different disposal options, maintaining adequate waste diversion, and controlling costs in the future. Athens Services would like to maintain contract provisions requiring City to send all of its waste to Athens' MRF first during the term of the City's agreement, which extends each year by one year; the commitment the City has to Athens is indefinite. Lengthy Discussion RFP for Solid Waste Consultant

Mr. Dennis Chappetta of Athens Services addressed the issue stating that he would work with the City staff or any consultant that may be hired. D. Chappetta Comments

Assistant to the Utilities Director Kalscheuer stated that there is a need to explore options and obtain information on how to negotiate with Athens, i.e. what other facilities are out there to negotiate better deals than Athens and/or better services to City residents. He stated that Los Angeles County Department of Public Works is conducting studies regarding conversion technology and, due to the ongoing contract with Athens 8 year rolling contract there will be no options to go to these types of facilities. C. Kalscheuer Comments

After additional lengthy discussion between Board Members and Staff, it was moved by Board Member Gonzales, seconded by Board Member Rocha and carried to authorize staff to solicit proposals from qualified solid waste and recycling consultants to analyze City contract with Athens Services and make recommendations pursuant to the study and assist in negotiations with Athens. Chairman Carrillo and Board Member Hanks dissented. Add'l dis RFP Approved

Board Member Rocha addressed amendment to contract with Wren & Associates for Rosedale Pipeline asking when the City will be reimbursed. Rocha Comments

Assistant Director of Water Operations Anderson responded stating that the City has been reimbursed approximately \$150,000; all bills have been submitted and there is a deposit with the City which will not be paid until full reimbursement is made. Anderson Comments

Moved by Board Member Rocha, seconded by Board Member Hanks and unanimously carried to approve the reimbursable addition of \$20,000 to Wren & Associates contract for continuing inspection of Rosedale Pipeline and Water Infrastructure. Wren & Assoc. Ins. Rosedale Pipeline

Assistant to the Utilities Director Kalscheuer addressed public comments with respect to amendments of professional service agreements, stating that there is a provision in the Azusa Municipal Code which requires all amendments over \$10,000 to be approved by the Board Member. He talked about the Blanket Purchase Order process and how that process also can result in the same vendors being approved from year to year, but noted the municipal code does not require each transaction to be approved by the Board. City Manager Delach defined the issue of familiarity stating that it is not a personal relationship, but familiarity of the Engineers as consultants to specific projects. C. Kalscheuer Comments

SCHEDULED ITEMS Sched Items

Assistant Director Customer Care and Solutions Vanca presented the proposed adoption of Program to Protect Customer Identification and Credit Information to be in Compliance with Fair Credit Reporting Act and Fair and Accurate Credit Transaction Act of 2003. She stated that due to the high increase in identify theft, the FCRA is requiring creditors to develop and implement an Identity Theft Prevention Program and staff has complied with the request. She responded to questions posed. K. Vanca Comments

Director Gonzales offered a Resolution entitled:

A RESOLUTION OF THE UTILITY BOARD/CITY COUNCIL OF THE CITY OF AZUSA TO ADOPT AN IDENTITY THEFT PREVENTION PROGRAM FOR AZUSA LIGHT & WATER. Res. 08-C101 Amend Rules Wtr Conserve

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

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

Director of Resource Management Tang presented the Amendment No. 1 to Lodi #2 Project Phase 2 Planning and Development Agreement, which revises the scope of the Project Phase 2B to include activities related to securing a defined equipment production delivery schedule and known pricing structures for key power island components as well as the potential leasing of warehouse and storage facilities at or proximate to the proposed Project site; he responded to questions posed. Amendment No. 1 Lodi #2 Plng & Dev Agmt

Moved by Board Member Hanks, seconded by Board Member Macias and unanimously carried to approve Amendment No. 1 to Lodi #2 Phase 2 Planning and Development Agreement at a not-to-exceed budget of \$412,000; and authorize the Mayor to execute Amendment No. 1. Amendment No. 1 appvd

STAFF REPORTS

Staff Rpts

Director of Utilities Hsu presented the Monthly Update on the Water Treatment Plant stating that there have been 1.25% change orders for the project; its contract completion date is November 11th and the project is 88.1% complete.

Dir of Util
Update WTP

Director of Utilities Hsu presented the Legislative Update, for information purposes; there was no discussion held on the update.

Dir of Util
Legislative

Director of Utilities Hsu presented the 2009 Annual Resource Adequacy Plan noting the Demand Forecast and Resources required, stating that the City has fulfilled the Resource Adequacy guidelines.

Dir of Util
RAP

DIRECTOR'S COMMENTS

Dir Cmts

Director of Utilities Hsu provided an update stating that the Light and Water Department will be reimbursing the Azusa Land Partners for the Rosedale Project reservoirs once they are completed; the amount is 5-8 million dollars. He also stated that the interim loan the city provided them will cease.

Dir of Util
Comments

Board Member Macias requested an overview of the housing rehabilitation programs conducted by Ron Joseph & Associates.

Macias
Comment

Chairperson Carrillo congratulated Board Member Macias on his promotion to an Ensign O1 in the Navy.

Carrillo
Comment

Moved by Chairman Carrillo/Mayor Pro-Tem, seconded by Board Member/Councilmember Hanks and unanimously carried to recess at 7:45 p.m. The Board Members/Councilmembers reconvened at 8:23 p.m. and recessed to Closed Session to discuss the following:

Recess to
Closed Sess

CLOSED SESSION

Closed Sess
Real Prop Neg
159 W. 9th St.

REAL PROPERTY NEGOTIATIONS (Gov. Code Sec. 54956.8)

Property Address: 150 W. 9th Street, Azusa, CA 91702
Negotiating Parties: King Ranch Market, Aner Iglesias, Business Owner
Agency Negotiators: City Manager Delach and Assistant City Manager Makshanoff
Under Negotiation: Price and Terms of payment

Block 36
Real Prop Neg
152 E. Foothill

BLOCK 36

REAL PROPERTY NEGOTIATIONS (Gov. Code Sec. 54956.8)

Address: 152 E. Foothill Boulevard, Azusa, CA 91702
Agency Negotiators: City Manager Delach and Assistant City Manager Makshanoff
Negotiating Parties: Bank of America & City of Azusa Redevelopment Agency
Under Negotiation: Price and Terms of Payment

Real Prop Neg
100 E. Foothill

REAL PROPERTY NEGOTIATIONS (Gov. Code Sec. 54956.8)

Address: 100 E. Foothill Boulevard, Azusa, CA 91702
Agency Negotiators: City Manager Delach and Assistant City Manager Makshanoff
Negotiating Parties: City of Azusa and City of Azusa Redevelopment Agency
Under Negotiation: Price and Terms of Payment

Real Prop Neg
614-640 N.
Azusa Avenue

REAL PROPERTY NEGOTIATIONS (Gov. Code Sec. 54956.8)

Address: 614 - 640 N. Azusa Avenue, Azusa, CA 91702
Agency Negotiators: City Manager Delach and Assistant City Manager Makshanoff
Negotiating Parties: City of Azusa and City of Azusa Redevelopment Agency
Under Negotiation: Price and Terms of Payment

CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code Sec. 54957.6)

Agency Negotiators: City Manager Delach
Organizations: Executive Management

Conf w/labor
Negotiator
Executive
Management

The Board Members/City Council Members reconvened at 9:40 p.m. There was no reportable action taken in Closed Session.

Reconvened
No Reports

It was consensus of the Board Members and City Council Members to adjourn.

Adjourn

TIME OF ADJOURNMENT: 9:41 P.M.

SECRETARY

NEXT RESOLUTION NO. 08-C102.(City/Board Members)

NEXT RESOLUTION NO. 08-R45 (Agency)