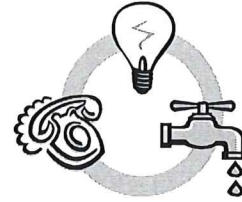


# INDUSTRY PUBLIC UTILITIES COMMISSION CITY OF INDUSTRY

REGULAR MEETING AGENDA  
MARCH 16, 2017 9:00 A.M.



President Mark D. Radecki  
Commissioner Abraham N. Cruz  
Commissioner Roy Haber, III  
Commissioner Cory C. Moss  
Commissioner Newell W. Ruggles



---

*Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California*

---

## **Addressing the Commission:**

- ▶ **Agenda Items:** Members of the public may address the Commission on any matter listed on the Agenda. Anyone wishing to speak to the Commission is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed form should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Commission.
- ▶ **Public Comments (Non-Agenda Items):** Anyone wishing to address the Commission on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Commission from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Commission is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Commission.

## **Americans with Disabilities Act:**

- ▶ In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

## **Agendas and other writings:**

- ▶ In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Friday 9:00 a.m. to 5:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.
- 

1. Call to Order
2. Flag Salute
3. Roll Call

4. Public Comments

5. **BOARD MATTERS**

5.1 Consideration of the Register of Demands.

*RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate City Officials to pay the bills.*

5.2 Consideration and discussion of the Scope of Services and proposed budget submitted by the Cordoba Corporation.

*RECOMMENDED ACTION: Authorize the General Counsel and Public Utilities Director to enter into a contract with the Cordoba Corporation.*

5.3 Report from the General Manager for the La Puente Valley County Water District.

*RECOMMENDED ACTION: Receive and file the report.*

6. Adjournment. Next regular meeting: Thursday, April 13, 2017 at 9:00 a.m.

*INDUSTRY PUBLIC UTILITIES COMMISSION*

ITEM NO. 5.1

**Industry Public Utilities Commission**  
 Authorization For Payment of Bills  
 Meeting of March 16, 2017

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
560	Industry Public Utilities	18,588.48
TOTAL ALL FUNDS		18,588.48

<u>BANK</u>	<u>NAME</u>	<u>DISBURSEMENTS</u>
BOFA	Bank of America	18,588.48
TOTAL ALL BANKS		18,588.48

APPROVED PER CITY MANAGER

---

**Industry Public Utilities Commission**  
**Board Meeting**  
**March 16, 2017**

Check	Date	Payee Name	Check Amount
<b>IPUC.CHK - IPUC Water BofA Checking</b>			
40321	02/15/2017	SO CALIFORNIA EDISON COMPANY	\$13,619.66
	Invoice	Amount	
	2017-00000938	12/30-01/31/17 SVC - 1991 WORKMAN MILL U	\$13,619.66
40322	03/16/2017	INDUSTRY PUBLIC UTILITIES	\$1,400.00
	Invoice	Amount	
	FEB-17	REIMBURSE PAYROLL - FEBRUARY 2017	\$1,400.00
40323	03/16/2017	ROWLAND WATER DISTRICT	\$3,568.82
	Invoice	Amount	
	I-01312017-A	CONTRACT SVC - JANUARY 2017	\$1,933.82
	I-01312017-B	CONTRACT SVC - JANUARY 2017	\$1,635.00
<b>Total</b>			<b>\$18,588.48</b>

Checks	Status	Count	Transaction Amount
<b>Total</b>			<b>\$18,588.48</b>

*INDUSTRY PUBLIC UTILITIES COMMISSION*

ITEM NO. 5.2



# INDUSTRY PUBLIC UTILITIES COMMISSION


P.O. BOX 3366 • CITY OF INDUSTRY • CALIFORNIA 91744  
(626) 333-2211 • Fax (626) 961-6795 • [www.cityofindustry.org](http://www.cityofindustry.org)

Mark D. Radecki, President  
Abraham N. Cruz, Commissioner  
Roy M. Haber, III, Commissioner  
Cory C. Moss, Commissioner  
Newell W. Ruggles, Commissioner

Paul J. Philips, Public Utilities Director  
James M. Casso, General Counsel  
Diane M. Schlichting, Assistant Secretary

## MEMORANDUM

**TO:** Honorable President and Members of the Industry Public Utilities Commission

**FROM:** Paul J. Philips, Public Utilities Director 

**DATE:** March 16, 2017

**SUBJECT:** Proposed Scope of Services (Exhibit A) submitted by the Cordoba Corporation

Please find attached "Exhibit A Scope of Services" as proposed by the Cordoba Corporation. As you know, the Industry Public Utilities Commission ("IPUC") has become much more active in pursuing our utility asset management, staff augmentation, Community Choice Aggregation ("CCA"), as well as ongoing oversight of our current utility system. It is our expectation with increased oversight and progressive management, that our utility has the best chance of succeeding, and providing excellent and cost effective services to our community.

Accordingly, IT IS RECOMMENDED that the Commission review the attached Exhibit A Scope of Services, together with the Proposed Budget, and authorize General Counsel and the Public Utilities Director to enter into a contract as outlined in the Scope of Services. It should be noted that staff indicated in the recent Mid-Year Budget Review that we are developing a Loan Agreement between the City and IPUC; thereby, ensuring that the City will be returned funds that were advanced to the IPUC, along with interest.

# Exhibit A

## Scope of Services

The City of Industry (City) seeks to engage Cordoba Corporation (Cordoba Corp) to enter into a 3 year agreement with two (2) one-year options, for continued services and support of the City's Industry Public Utility Commission (IPUC). Cordoba Corp will provide the services necessary to develop, conduct, oversee, operate, and grow the IPUC including, at a minimum, all program and project management services needed to ensure proper operation, adherence to local, state and federal regulations, and operational updates needed to develop and secure the IPUC's financial viability.

### **1. Program Management**

For the term of this agreement and subsequent options, Cordoba Corp will conduct and provide ongoing program management services needed to ensure proper operation of the City's IPUC department including, at a minimum the following tasks and services:

#### 1.1. IPUC Administration

Cordoba Corp will provide administrative services for the IPUC, needed to ensure proper operation, reporting and compliance of the City's electric systems and functions, including:

- IPUC budgeting and budgetary forecasting
- Schedule creation, adherence and revisions
- Reporting of the IPUC functions, regulations and compliance including:
  - City and IPUC communication with respective boards, commissions and councils
  - Local, State and Federal regulatory bodies such as but not limited to CEC, CAISO, CARB
  - Southern California Edison (i.e., CAISO matters; interface regarding outages)
- Invoice review and approval of contractors supporting the IPUC
- Implementation of business requirements through the appropriate IPUC Boards and City Council as needed
  - Preparation of staff reports and presentations to Board/City Council as required
- Support of City functions, reports, review, operation and maintenance
  - Respond to requests of information from City Personnel
  - Provide regular updates to City Management regarding IPUC activities
  - Resolve interdepartmental issues, supporting City requests
  - Resolve technical questions related to the operations and maintenance of the IPUC
- Oversight, management and direction to IPUC vendors including:
  - General direction and IPUC communication
  - Scope and task approval





- Contract management and modifications as necessary using City procedures
- Budget review, forecasts and oversight
- Regulatory Compliance including:
  - Local, State and Federal rules and regulations need to comply with regulatory agency requirements of Load Serving Entities, municipal services and utility mandates
  - Monitor proposed regulations/requirements and provide recommendations to City on appropriate implementation plans
- Review and adherence with IPUC Rules as it pertains to IPUC customers, operations and vendor services
- Review and adherence with IPUC Rates as it pertains to IPUC customers, operations and vendor services

### 1.2. Asset Management

Cordoba Corp will provide Asset Management services for IPUC facilities, systems, equipment and access including, at a minimum, the following:

- Repair, replacement, oversight, operation and maintenance of existing streetlights located within the City jurisdictional territory, including additional future streetlight facilities, poles and infrastructure purchased by the City of Industry
- Review, repair, replacement, oversight, operation and maintenance of City generators needed to support City services and systems
- Oversight of the operation and maintenance contractor selected to monitor the IPUC's 66kV Substation, including, at a minimum, outage and connection requests, emergency services and contractual obligations and performance
- Oversight of the operation and maintenance contractor selected to monitor the IPUC's Solar Facilities, including, at a minimum, repair, replacement, system performance, regulatory obligations, emergency response, and contractual obligations and performance
- Provide, coordinate, attend and make available Site Access to the IPUC facilities, infrastructure, equipment and system to appropriate, licensed, and approved personnel
- Oversight of the contractor selected to provide the meter reads of IPUC customers, including, at a minimum, repair, replacement, trouble shooting, and contractual obligations and performance

### 1.3. File Management

Cordoba Corp will develop and maintain the IPUC files and databases including, at a minimum, the approval, routing, digitizing, organization, upload and access to appropriate and required personnel.

### 1.4. Power Procurement

Cordoba Corp will oversee the contractors and regulations required in purchasing and supplying the energy needs of the IPUC customers and system, including, at a minimum, contractor(s) contractual obligation and performance, energy pricing review, communications, and obligations and reporting.



### 1.5. Environmental Oversight

Cordoba Corp will oversee, select and work with contractor, local state and federal officials in providing guidance on the environmental requirements needed to operate and maintain the IPUC facilities, equipment, property, and infrastructure.

### 1.6. Legacy Issues

Cordoba Corp will work with the City and its contractors with legacy concerns that have not been resolved, including, at a minimum, consultation, strategy development, action plan implementation, and corrective actions needed to inform or correct past information or actions.

### 1.7. Staff Augmentation

Cordoba Corp will provide and make available the necessary staff and personnel required to administer the IPUC, including, at a minimum, management, program, project, engineering, administrative, and support personnel.

### 1.8. Process Development and Implementation

Cordoba Corp will develop and implement IPUC processes and standards needed to operate and maintain the IPUC department, including, at a minimum, customer connections, contract approval, fees and deposits and operation and maintenance procedures.

### 1.9. After Hours Response

Cordoba Corp will provide after-hours response, communication, oversight, and availability for the IPUC facilities, equipment and infrastructure. Cordoba Corp personnel responsible for after-hours work will be assigned depending on schedules and availability.

### 1.10. Engineering

Cordoba Corp will provide technical engineering support and services for IPUC facility and infrastructure design and construction including:

- Support and services related to the IPUC operation and maintenance of facilities, equipment, infrastructure, and property
- Drawing and plan check of the design and construction of IPUC facilities, equipment and infrastructure
- Provide quality assurances and quality checks (QA/QC) on the plans, facilities, construction and property of IPUC relates facilities.

### 1.11. Field Visits

Cordoba Corp acting as IPUC staff, will attend, set-up, facilitate, and coordinate visits to IPUC facilities, equipment, infrastructure and property as needed or required by mandates, regulation or requested by the designated City officials.



### 1.12. Strategic Planning

Cordoba Corp will assist with City strategic planning services to further the IPUC growth and financial expansion. Strategic Planning will include, at a minimum, the following:

- Administer and oversee the Community Choice Aggregation(CCA) as the CCA is developed and implemented as part of the IPUC business services
- Review, develop, implement and oversee renewable energy facilities within the City to ensure that the facility is properly maintained and operated, and producing efficient and clean energy
- Review, develop and implement generation and backup contingency plan to ensure the IPUC system operations in emergency and outage scenarios
- Develop and implement policies and procedures to ensure operational functionality of the IPUC
- Interface, correspond, and assist IPUC customers with energy service requests, outages, policies, procedures, maintenance and general communication about the IPUC system
- Grow the IPUC through development of business relationships to ensure the financial viability of the department

### 1.13. Project Management

Cordoba Corp will provide project management services, including, at a minimum, initiating, planning, implementing, execution, and close out of the scope, schedule and budget of existing and future IPUC projects, in addition to City projects requiring IPUC involvement.

- Cordoba Corp will continue project management services for IPUC connection projects including, but not limited to the following:
  - Azusa Development Connection
  - Faure Housing Connection
  - IBC East and West Connection and Streetlight
  - Chestnut Trailer Connection
  - 66kV Waddingham Way Substation Connection
- Cordoba Corp will implement and continue project management services for the City's Capital Improvement Projects (CIP) including, but not limited to the following:
  - Wrought iron fence/trail lighting
  - EXPO Center solar and parking projects
  - Barn lighting
- Cordoba Corp will assist the City and IPUC with the planning, development, construction operation and maintenance of electric generation facilities for future and current proposals including the proposed solar facilities on the City Hall property and EXPO center.
- Cordoba Corp will assist the City and IPUC with the planning, development, construction operation and maintenance of the City's proposed fiber optic Infrastructure.
- Cordoba Corp will work with IPUC vendors and City representatives on the review, correction, and approval of the IPUC rules to better define the IPUC operating structure and processes.



- Cordoba Corp will work with IPUC vendors and City representatives on the review, correction, and approval of the IPUC electric rates and tariffs to better define the IPUC customer costs and align the IPUC rates with the financial obligations of operating and maintaining the IPUC and IPUC facilities, equipment, and infrastructure.
- Cordoba Corp will support, oversee, manage, correspond, and assist the City with the proposed electric supply project development to ensure the project is executed for the best interest of the City, its businesses and residents. Cordoba Corp will, at a minimum, engage and support the following aspects of the proposed project:
  - Vendor oversight
  - Meetings attendance
  - PPA research and negotiation
  - Utility interconnection
  - Environmental oversight
  - Tracking permitting activities
- Cordoba Corp will file, copy, scan and upload all IPUC files and documents to a shared file for IPUC representatives and appropriate City representatives to access and utilize.

### **Community Choice Aggregation (CCA)**

The City and Cordoba Corp are in the initial stages of analyzing, implementing and operating a Community Choice Aggregation (CCA) program that could increase the IPUC customer base. If the City is inclined to proceed with the CCA program (after the Cordoba Corp's initial analysis), Cordoba Corp reserves the right to re-negotiate the scope of services and associated budget to reflect the appropriate level of work and services, including, at a minimum, staffing levels, equipment and materials, technology updates and implementation, revisions to City documentation and processes, customer service billing and collection and operation and maintenance services of the IPUC.

### **Contract Contingency**

The contract budget includes a contingency of 10% to cover work and services not contained in the scope of services and requested by the City of Industry. Use of the contract contingency may include, but not limited to, increase in staff on a temporary or permanent basis, use of contractors and/or consulting firms, project related expenses and management, City regulation and processing and other expenses incurred by Cordoba Corp to carry out and fulfil the City's requests and requirements of the additional work and services.



## **RESOURCE PLAN**

In order to provide accountability and ensure appropriate implementation of the Scope of Work, the following roles are identified, along with their corresponding responsibilities.

### **Principal In Charge– IPUC Program, Operations, and Compliance**

- IPUC Administration
- Power Procurement
- Legacy Issues
- Staff Augmentation
- Process Development and Implementation
- After Hour Response
- Field Visits
- Strategic Planning
- Project Management

### **Senior Project Manager –Compliance and Environmental**

- Power Procurement
- Environmental Oversight
- Field Visits
- Strategic Planning
- Project Management

### **Senior Project Manager – IPUC/Operations and Maintenance**

- IPUC Administration
- Asset Management
- File Management
- Legacy Issues
- Process Development and Implementation
- After Hour Response
- Field Visits
- Strategic Planning
- Project Management

### **Senior Project Manager – CCA**

- Power Procurement
- Field Visits
- Strategic Planning
- Project Management

### **Senior Project Manager – Utility Development**

- Power Procurement
- Field Visits



- Strategic Planning
- Project Management

### **Senior Energy Advisor**

- Engineering
- Field Visits
- Strategic Planning
- Project Management

### **Senior Design Engineer**

- Engineering
- Field Visits
- Strategic Planning
- Project Management

### **Filed Engineer**

- Asset Management
- Legacy Issues
- After Hour Response
- Engineering
- Field Visits
- Strategic Planning
- Project Management

### **Senior Design Engineer**

- Engineering
- Field Visits
- Strategic Planning

### **Administrative Support Office Management– IPUC Office and Support**

- IPUC Administration
- File Management
- Legacy Issues
- Process Development and Implementation
- Office Management
- IPUC Support



## RATE SCHEDULE (YEARS 1 TO 3)

CLASSIFICATION	HOURLY RATE*
Principal-in-Charge	\$275
Senior Energy Advisor	\$240
Senior Design Engineer	\$175
Senior Project Manager	\$175
Senior Project Manager	\$175
Senior Project Manager	\$175
Senior Project Manager	\$175
Senior Design Engineer	\$175
Field Engineer	\$ 85
Administrative Support/Office Management	\$ 55

\* Hourly rates are fully burdened.

## OPTIONAL YEAR RATE SCHEDULE (YEARS 4 AND 5)

CLASSIFICATION	HOURLY RATE*
Principal-in-Charge	\$299
Senior Energy Advisor	\$261
Senior Design Engineer	\$190
Senior Project Manager	\$190
Senior Project Manager	\$190
Senior Project Manager	\$190
Senior Project Manager	\$190
Senior Design Engineer	\$190
Field Engineer	\$ 92
Administrative Support/Office Management	\$ 59

\* Hourly rates are fully burdened.

These represent the hourly rates for years 1 through 3. An escalation of 9% to the hourly rates is budgeted for the option years 4 and 5.



In addition to the proposed individuals, Cordoba Corporation is able to provide a full range of personnel. These roles are available on an as-needed basis according to the following starting rate schedule. (Rates are fully burdened.)

<b>CLASSIFICATION</b>	<b>HOURLY RATE</b>
Principal-in-Charge	\$275
Senior Energy Advisor	\$240
Senior Project/Construction Management Advisor	\$240
Senior Project Manager	\$175
Project Manager 2	\$160
Project Manager 1	\$140
Senior Construction Manager	\$175
Construction Manager 2	\$160
Construction Manager 1	\$140
Senior Design Engineer	\$175
Design Engineer 2	\$160
Design Engineer 1	\$140
Senior Planner	\$175
Planner 2	\$140
Planner 1	\$130
Senior Field Engineer	\$135
Field Engineer 2	\$110
Field Engineer 1	\$ 85
Senior Office Engineer (includes Permit Coordination)	\$140
Office Engineer 2 (includes Permit Coordination)	\$135
Office Engineer 1 (includes Permit Coordination)	\$110
Senior Project Controls	\$175
Project Controls 2	\$140
Project Controls 1	\$110
CADD Design Management	\$120
CADD 2	\$100
CADD 1	\$ 90
Technical Editor	\$153
Executive Assistant	\$ 62
Administrative Support/Office Management	\$ 55





**Hourly Rates**

IPUC Rates and Hours	Hourly Rates for Years 1 to 3	Hourly Rates for Years 4 and 5	Hours per year	Escalation Year 4
Principal In Charge	\$ 275.00	\$ 299.75	1040	9%
Senior Project Manager	\$ 175.00	\$ 175.00	2080	
Senior Project Manager	\$ 175.00	\$ 175.00	2080	
Senior Project Manager	\$ 175.00	\$ 175.00	2080	
Senior Project Manager	\$ 175.00	\$ 175.00	2080	
Senior Energy Advisor	\$ 240.00	\$ 240.00	520	
Senior Design Engineer	\$ 175.00	\$ 175.00	2080	
Field Engineer	\$ 85.00	\$ 85.00	2080	
Senior Design Engineer	\$ 175.00	\$ 175.00	520	
Admin Support/Office Management	\$ 55.00	\$ 55.00	2080	

**Years 1 through 3**

Budget Years 1 to 3	Year 1	Year 2	Year 3	3 Year Contract Total
Principal In Charge	\$ 286,000.00	\$ 286,000.00	\$ 286,000.00	\$ 858,000.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 364,000.00	\$ 1,092,000.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 364,000.00	\$ 1,092,000.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 364,000.00	\$ 1,092,000.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 364,000.00	\$ 1,092,000.00
Senior Energy Advisor	\$ 124,800.00	\$ 124,800.00	\$ 124,800.00	\$ 374,400.00
Senior Design Engineer	\$ 364,000.00	\$ 364,000.00	\$ 364,000.00	\$ 1,092,000.00
Field Engineer	\$ 176,800.00	\$ 176,800.00	\$ 176,800.00	\$ 530,400.00
Senior Design Engineer	\$ 91,000.00	\$ 91,000.00	\$ 91,000.00	\$ 273,000.00
Admin Support/Office Management	\$ 114,400.00	\$ 114,400.00	\$ 114,400.00	\$ 343,200.00
	<b>\$ 2,613,000.00</b>	<b>\$ 2,613,000.00</b>	<b>\$ 2,613,000.00</b>	<b>\$ 7,839,000.00</b>
			<b>Contingency (10%)</b>	<b>\$ 783,900.00</b>
			<b>3 Year Contract Total</b>	<b>\$ 8,622,900.00</b>

**Option Years 4 and 5**

Budget Years 4 and 5	Option Year 4	Option Year 5	2 Year Contract Total
Principal In Charge	\$ 311,740.00	\$ 311,740.00	\$ 623,480.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 728,000.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 728,000.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 728,000.00
Senior Project Manager	\$ 364,000.00	\$ 364,000.00	\$ 728,000.00
Senior Energy Advisor	\$ 124,800.00	\$ 124,800.00	\$ 249,600.00
Senior Design Engineer	\$ 364,000.00	\$ 364,000.00	\$ 728,000.00
Field Engineer	\$ 176,800.00	\$ 176,800.00	\$ 353,600.00
Senior Design Engineer	\$ 91,000.00	\$ 91,000.00	\$ 182,000.00
Admin Support/Office Management	\$ 114,400.00	\$ 114,400.00	\$ 228,800.00
	<b>\$ 2,638,740.00</b>	<b>\$ 2,638,740.00</b>	<b>\$ 5,277,480.00</b>
		Contingency (10%)	\$ 527,748.00
		<b>2 Year Contract Total</b>	<b>\$ 5,805,228.00</b>

**Summary**

Years 1 through 3 \$ 8,622,900.00  
 Option Years 4 and 5 \$ 5,805,228.00

<b>5 Year Contract Total</b>	<b>\$ 14,428,128.00</b>
------------------------------	-------------------------