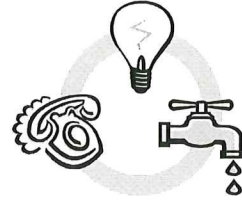


INDUSTRY PUBLIC UTILITIES COMMISSION CITY OF INDUSTRY



REGULAR MEETING AGENDA
MARCH 10, 2022 8:30 A.M.

President Cory C. Moss
Commissioner Michael Greubel
Commissioner Cathy Marcucci
Commissioner Mark D. Radecki
Commissioner Newell W. Ruggles



Location: City Council Chamber, 15651 Mayor Dave Way, City of Industry, California

Addressing the Commission:

NOTICE OF TELEPHONIC MEETING:

- **Pursuant to AB 361 (Government Code Section 54953(e)), this meeting will be held in person and telephonically. Members of the public can attend the hybrid meeting and offer public comments either in person or telephonically, by calling the following conference call number: 657-204-3264, then entering the following Conference ID: 871 701 797#. Pursuant to the Governor's Executive Order, and in compliance with the Americans with Disabilities Act, if you need special assistance to participate in the IPUC meeting (including assisted listening devices), please contact the City Clerk's Office at (626) 333-2211 by 5:00 p.m. on Tuesday, March 8, 2022, to ensure that reasonable arrangements can be made to provide accessibility to the meeting.**
- **Agenda Items:** Members of the public may address the Industry Public Utilities Commission on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda.
- **Public Comments (Non-Agenda Items Only):** Anyone wishing to address the IPUC 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 IPUC from taking action on a specific item unless it appears on the posted Agenda.

Agendas and other writings:

- In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 Mayor Dave Way, City of Industry, California, at the office of the Secretary of the IPUC during regular business hours, Monday through Thursday, 8:00 a.m. to 5:00 p.m., Fridays 8:00 a.m. to 4:00 pm. City Hall doors are closed between 12:00 p.m. to 1:00 p.m. each day. 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. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the Industry Public Utilities Commission (IPUC) request specific items be removed from the Consent Calendar for separate action.

5.1 Consideration of the Register of Demands for February 24, 2022

RECOMMENDED ACTION: Ratify the Register of Demands.

5.2 Consideration of the Register of Demands for March 10, 2022

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate IPUC officials to pay the bills.

5.3 Consideration of the minutes of the October 14, 2021 regular meeting

RECOMMENDED ACTION: Approve as submitted.

5.4 Presentation of the FY 2021-22 Mid-Year Budget Report, and consideration of Resolution No IPUC 2022-03, approving and adopting the Fiscal Year 2021-22 proposed Mid-Year Budget Adjustments and Fiscal Year 2021-22 Proposed Mid-Year Budget Adjustments for the Capital Improvement Program Budget

RECOMMENDED ACTION: Adopt Resolution No. IPUC 2022-03.

5.5 Consideration of Resolution No. IPUC 2022-05 – A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION CONTINUING THE AUTHORIZATION OF REMOTE TELECONFERENCE MEETINGS PURSUANT TO AB 361

RECOMMENDED ACTION: Adopt Resolution No. IPUC 2022-05.

- 5.6 Consideration of Amendment No.1 to the Renewable Power Purchase Agreement with Gaskell West 2 LLC; and authorizing the Public Utilities Director to take further actions and sign such documents and ancillary agreements as are needed to carry out the transactions contemplated by the Power Purchase Agreement and the First Amendment to Renewable Power Purchase Agreement

RECOMMENDED ACTION: Approve the Amendment.

- 5.7 Consideration of Amendment No. 4 to the Maintenance Services Agreement for Electrical Distribution System with Pacific Utility Installation, Inc., revising the scope of services and an increase in compensation by \$180,000.00

RECOMMENDED ACTION: Approve the Amendment.

6. **BOARD MATTERS**

- 6.1 Report from the General Manager for the La Puente Valley County Water District regarding the Industry Public Utilities Water Operations

RECOMMENDED ACTION: Receive and file the report.

7. **PUBLIC HEARING ITEMS**

- 7.1 Consideration of Resolution No. IPUC 2022-04 – A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION, DECLARING A STAGE 1 WATER SUPPLY EMERGENCY, MAKING FINDINGS IN SUPPORT THEREOF, AND ADOPTING A NOTICE OF EXEMPTION REGARDING SAME

RECOMMENDED ACTION: Adopt Resolution No. IPUC 2022-04.

7. **PUBLIC UTILITIES DIRECTOR COMMENTS**

8. **AB 1234 REPORTS**

9. **COMMISSIONER COMMUNICATIONS**

10. Adjournment. The next regular Industry Public Utilities Commission Meeting is Thursday, April 14, 2022, at 8:30 a.m.

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.1

INDUSTRY PUBLIC UTILITIES COMMISSION

AUTHORIZATION FOR PAYMENT OF BILLS

Board Meeting February 24, 2022

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
161	IPUC - ELECTRIC	85,486.79
TOTAL ALL FUNDS		85,486.79

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
WFBK	IPUC ELECTRIC WELLS FARGO CHK	85,486.79

APPROVED PER CITY MANAGER

**Industry Public Utilities Commission
Wells Fargo - Electric
February 24, 2022**

Check	Date	Payee Name			Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK					
10947	02/10/2022	FRONTIER			\$171.90
	Invoice	Date	Description	Amount	
	2022-00001394	01/28/2022	01/28-02/27/22 SVC - EM 21700 BAKER PKWY BLDG 23	\$56.59	
	2022-00001395	01/28/2022	01/28-02/27/22 SVC - EM 179 S GRAND AVE	\$40.72	
	2022-00001396	01/28/2022	01/28-02/27/22 SVC - EM 21912 GARCIA LN, WALNUT	\$74.59	
10948	02/10/2022	SOUTHERN CALIFORNIA EDISON			\$8,168.17
	Invoice	Date	Description	Amount	
	2022-00001391	02/02/2022	01/01-01/31/22 SVC - 208 S WADDINGHAM WAY	\$3,488.36	
	2022-00001392	02/02/2022	01/01-01/31/22 SVC - VARIOUS SITES	\$203.65	
	2022-00001393	02/02/2022	01/01-01/31/22 SVC - 208 S WADDINGHAM WAY	\$4,476.16	
10949	02/16/2022	FRONTIER			\$2,587.05
	Invoice	Date	Description	Amount	
	2022-00001402	02/01/2022	02/01-02/28/22 SVC - VARIOUS GENERATOR SITES	\$1,467.78	
	2022-00001403	02/01/2022	02/01-02/28/22 SVC - GS 21700 VALLEY BLVD	\$69.70	
	2022-00001429	02/09/2022	02/09-03/08/22 SVC - EM 208 S WADDINGHAM WAY	\$832.94	
	2022-00001430	02/07/2022	02/07-03/06/22 SVC - GS 408 BREA CYN RD	\$33.27	
	2022-00001431	02/04/2022	02/04-03/03/22 SVC - GS 21620 VALLEY BLVD	\$60.65	
	2022-00001432	02/04/2022	02/04-03/03/22 SVC - EM 21858 GARCIA LN	\$74.83	
	2022-00001433	02/01/2022	02/01-02/28/22 SVC - GS 21650 VALLEY BLVD	\$47.88	
10950	02/16/2022	TPX COMMUNICATIONS			\$878.86
	Invoice	Date	Description	Amount	
	152474558-0	01/23/2022	INTERNET SVC - SUBSTATION	\$878.86	
10951	02/24/2022	ASTRUM UTILITY SERVICES, LLC			\$15,800.00

**Industry Public Utilities Commission
Wells Fargo - Electric
February 24, 2022**

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
	Invoice	Date	Description	Amount
	012202	02/01/2022	CONSULTING FOR IPUC - JANUARY 2022	\$15,800.00
10952	02/24/2022		BRAUN BLAISING SMITH WYNNE, P.C.	\$534.00
	Invoice	Date	Description	Amount
	20202	01/27/2022	LEGAL SVC FOR IPUC	\$534.00
10953	02/24/2022		CASSO & SPARKS, LLP	\$28,566.30
	Invoice	Date	Description	Amount
	20600	02/14/2022	MAY 2021-DEC 2021 LEGAL SVC - IPUC ELECTRIC	\$28,566.30
10954	02/24/2022		ENCO UTILITY SERVICES	\$2,565.00
	Invoice	Date	Description	Amount
	IPU-2022-44594	02/02/2022	CUSTOMER ACCT SVC - JAN 2022	\$2,565.00
10955	02/24/2022		NV5, INC.	\$1,870.00
	Invoice	Date	Description	Amount
	253224	01/28/2022	ON-CALL ELEC ENG SVC - DEC 2021	\$1,870.00
10956	02/24/2022		PACIFIC UTILITY INSTALLATION	\$23,484.00
	Invoice	Date	Description	Amount
	25252	01/31/2022	SUBSTATION MAINT	\$1,220.00
	25241	01/31/2022	SUBSTATION MAINT	\$6,845.00
	25261	01/31/2022	SUBSTATION MAINT	\$11,219.00
	25260	01/31/2022	SUBSTATION MAINT	\$4,200.00
10957	02/24/2022		POWER ENGINEERS INCORPORATED	\$788.81

**Industry Public Utilities Commission
Wells Fargo - Electric
February 24, 2022**

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
	Invoice	Date	Description	Amount
	450878	02/08/2022	REMOTE MONITORING - WADDINGHAM SUBSTATION	\$788.81
10958	02/24/2022		UNDERGROUND SERVICE ALERT OF \$	\$72.70
	Invoice	Date	Description	Amount
	120220163	02/01/2022	DIG ALERTS	\$72.70

Checks	Status	Count	Transaction Amount
	Total	12	\$85,486.79

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.2

INDUSTRY PUBLIC UTILITIES COMMISSION

AUTHORIZATION FOR PAYMENT OF BILLS

Board Meeting March 10, 2022

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
122	IPU-ELECTRIC CAPITAL IMPROVEMENT	3,575.00
123	IPU-WATER CAPITAL IMPROVEMENT	7,637.50
161	IPUC ELECTRIC FUND	144,238.33
560	IPUC WATER FUND	130,632.72
TOTAL ALL FUNDS		286,083.55

<u>BANK</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
IPUCELEC.WF	IPUC ELECTRIC WELLS FARGO CKING	147,813.33
IPUC.CHK	IPUC WATER BOFA CKING	138,270.22
TOTAL ALL BANKS		286,083.55

APPROVED PER CITY MANAGER

Industry Public Utilities Commission

Wells Fargo Electric - Wire Transfer

March 10, 2022

Check	Date			Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK					
WT118	02/10/2022			INDUSTRY PUBLIC UTILITIES	\$15,668.87
	Invoice	Date	Description	Amount	
	02/10/2022	02/10/2022	TRANSFER-PUBLIC BENEFIT CHARGES FOR DEC	\$15,668.87	

Check	Status	Count	Transaction Amount
	Total	1	\$15,668.87

**Industry Public Utilities Commission
Wells Fargo - Electric
March 10, 2022**

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
10959	02/23/2022		CALPINE ENERGY SOLUTIONS, LLC	\$82,907.76
	Invoice	Date	Description	Amount
	220490015911225	02/18/2022	WHOLESALE USE - JAN 2022	\$82,907.76
10960	02/23/2022		FRONTIER	\$378.55
	Invoice	Date	Description	Amount
	2022-00001472	02/10/2022	02/10-03/09/22 SVC - GS 21640 VALLEY BLVD	\$65.88
	2022-00001473	02/10/2022	02/10-03/09/22 SVC - EM 21808 GARCIA LN	\$74.83
	2022-00001474	02/10/2022	02/10-03/09/22 SVC - GS 747 S ANAHEIM PUENTE RD	\$181.01
	2022-00001475	02/10/2022	02/10-03/09/22 SVC - EM 21508 BAKER PKWY BLDG 22	\$56.83
10961	02/23/2022		SOUTHERN CALIFORNIA EDISON	\$5,374.66
	Invoice	Date	Description	Amount
	2022-00001469	02/10/2022	01/01-01/31/22 SVC - 208 S WADDINGHAM WAY	\$2,238.08
	2022-00001470	02/10/2022	01/01-01/31/22 SVC - 208 S WADDINGHAM WAY	\$2,975.37
	2022-00001471	02/09/2022	01/01-01/31/22 SVC - VARIOUS SITES	\$161.21
10962	03/02/2022		FRONTIER	\$305.97
	Invoice	Date	Description	Amount
	2022-00001507	02/22/2022	02/22-03/21/22 SVC - GS 21858 VALLEY BLVD	\$60.65
	2022-00001508	02/25/2022	02/25-03/24/22 SVC - EM 21535 BAKER PKWY BLDG 20	\$56.83
	2022-00001509	02/19/2022	02/19-03/18/22 SVC - EM 21415 BAKER PKWY	\$56.83
	2022-00001510	02/22/2022	02/22-03/21/22 SVC - EM 21733 BAKER PKWY BLDG 21	\$56.83
	2022-00001511	02/25/2022	02/25-03/24/22 SVC - EM 21760 GARCIA LN	\$74.83
10963	03/02/2022		SOUTHERN CALIFORNIA EDISON	\$11,154.88
	Invoice	Date	Description	Amount

**Industry Public Utilities Commission
Wells Fargo - Electric
March 10, 2022**

Check	Date		Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK				
	7501377929	02/22/2022	01/01-01/31/22 - 208 S WADDINGHAM WAY	\$8,266.71
	7501377918	02/22/2022	01/01-01/31/22 SVC - 745 ANAHEIM-PUENTE RD	\$1,027.46
	7501377928	02/22/2022	01/01-01/31/22 SVC - 133 N AZUSA AVE	\$1,860.71
10964	03/02/2022		TPX COMMUNICATIONS	\$890.14
	Invoice	Date	Description	Amount
	153636613-0	02/23/2022	INTERNET SVC - SUBSTATION	\$890.14
10965	03/10/2022		CNC ENGINEERING	\$28,632.50
	Invoice	Date	Description	Amount
	504834	02/24/2022	ELECTRICAL CAPITAL IMPROVEMENTS - INDUSTRY BL	\$135.00
	504836	02/24/2022	REMOTE MONITORING - WADDINGHAM SUBSTATION	\$6,475.00
	504837	02/24/2022	CITY ELECTRICAL FACILITIES	\$20,947.50
	504835	02/24/2022	AUTOMATIC METER READING	\$1,075.00
10966	03/10/2022		WESTERN POWER PROJECT ADVISOF	\$2,500.00
	Invoice	Date	Description	Amount
	IPUC 06	02/22/2022	ENGINEERING SVC-SMART METERS	\$2,500.00

Checks	Status	Count	Transaction Amount
	Total	8	\$132,144.46

**Industry Public Utilities Commission
 Voided Checks - Bank of America
 March 10, 2022**

Number	Date		Payee Name	Check Amount
IPUC.CHK - IPUC Water BofA Checking				
40562	01/13/2022		LOS ANGELES COUNTY PUBLIC WOR	(\$1,879.48)
			VOIDED - CK NOT RECEIVED	
	Invoice	Date	Description	Amount
	RE-PW-2111080252	11/08/2021	REVIEW PLANS/PERMIT FOR WATERLINE PROJECT	(\$1,879.48)

Checks	Status	Count	Transaction Amount
	Total	1	(\$1,879.48)

Industry Public Utilities Commission

Bank of America - Water

March 10, 2022

Check	Date	Payee Name	Check Amount
IPUC.CHK - IPUC Water BofA Checking			
40569	02/09/2022	02/28/2022	INDUSTRY PUBLIC UTILITIES COMMIS
	Invoice	Date	Amount
	FEB-22	02/09/2022	\$50,000.00
		DESCRIPTION	\$50,000.00
		TRANSFER FROM IPUC WATER TO IPUC ELEC TO COV	\$50,000.00
40570	02/10/2022	02/28/2022	SOUTHERN CALIFORNIA EDISON
	Invoice	Date	Amount
	2022-00001390	02/02/2022	\$12,639.47
		DESCRIPTION	\$12,639.47
		12/30-01/30/22 SVC - 1991 WORKMAN MILL U	\$12,639.47
40571	02/10/2022	02/28/2022	LOS ANGELES COUNTY PUBLIC WORI
	Invoice	Date	Amount
	RE-PW-2111080252	11/08/2021	\$1,879.48
		DESCRIPTION	\$1,879.48
		REVIEW PLANS/PERMIT FOR WATERLINE PROJECT	\$1,879.48
40572	02/23/2022		ROWLAND WATER DISTRICT
	Invoice	Date	Amount
	I-01312022-A	01/31/2022	\$2,159.01
	I-01312022-B	01/31/2022	\$1,854.24
		DESCRIPTION	\$1,854.24
		CONTRACT SVC - JAN 2022	\$2,159.01
		CONTRACT SVC - JAN 2022	\$1,854.24
40573	02/23/2022	02/28/2022	INDUSTRY PUBLIC UTILITIES COMMIS
	Invoice	Date	Amount
	FEB-22-A	02/23/2022	\$60,000.00
		DESCRIPTION	\$60,000.00
		TRANSFER FROM IPUC WATER TO IPUC ELEC TO COV	\$60,000.00
40574	03/10/2022		CNC ENGINEERING
	Invoice	Date	Amount
	504838	02/24/2022	\$210.00
	504839	02/24/2022	\$2,717.50
	504840	02/24/2022	\$4,710.00
		DESCRIPTION	\$4,710.00
		STARHILL LN & 3RD AVE WATERLINE IMPROVMENTS	\$210.00
		4TH AVE & TRAILSIDE WATERLINE IMPROVEMENTS	\$2,717.50
		LOMITAS GENERATOR	\$4,710.00

Industry Public Utilities Commission

Bank of America - Water

March 10, 2022

Check	Date		Payee Name	Check Amount
IPUC.CHK - IPUC Water BofA Checking				
	504841	02/24/2022	CIWS MANAGEMENT & OPERATION - PUENTE BASIN W	\$1,980.00
40575	03/10/2022		INDUSTRY PUBLIC UTILITIES COMMIS	\$2,000.00
	Invoice	Date	Description	Amount
	MAR-22	02/23/2022	REPLENISH PAYROLL ACCOUNT FOR MARCH 2022	\$2,000.00

Checks	Status	Count	Transaction Amount
	Total	7	\$140,149.70

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.3

INDUSTRY PUBLIC UTILITIES COMMISSION
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
OCTOBER 14, 2021
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CALL TO ORDER

The Regular Meeting of the Industry Public Utilities Commission of the City of Industry, California, was called to order by President Cory C. Moss at 8:30 a.m., in the City of Industry Council Chamber, 15651 Mayor Dave Way, California and telephonically using Conference Call Number 657-204-3264, Conference ID: 953 681 307#.

FLAG SALUTE

The flag salute was led by President Moss.

ROLL CALL

PRESENT: Cory C. Moss, President
Michael Greubel, Commissioner
Cathy Marcucci, Commissioner
Mark D. Radecki, Commissioner
Newell W. Ruggles, Commissioner

STAFF PRESENT: Josh Nelson, Executive Director; Bing Hyun, Assistant City Manager; James M. Casso, General Counsel; and Julie Robles, Secretary.

PUBLIC COMMENTS

Mike Greenspan and Nigga aka Herman spoke about their first amendment freedom of speech rights, to include the tolerance of all unpleasant forms of speech. They spoke about their opposition to government policies/leadership and provided documents for the record.

CONSENT CALENDAR

5.1 CONSIDERATION OF THE REGISTER OF DEMANDS FOR SEPTEMBER 23, 2021

RECOMMENDED ACTION:

Ratify the Register of Demands.

INDUSTRY PUBLIC UTILITIES COMMISSION
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
OCTOBER 14, 2021
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5.2 CONSIDERATION OF THE REGISTER OF DEMANDS FOR OCTOBER 14, 2021

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

5.3 CONSIDERATION OF THE MINUTES OF THE JUNE 16, 2021 JOINT SPECIAL MEETING AND THE SEPTEMBER 9, 2021 REGULAR MEETING

RECOMMENDED ACTION: *Approve as submitted.*

5.4 CONSIDERATION OF AMENDMENT NO. 3 TO THE MAINTENANCE SERVICES AGREEMENT WITH PACIFIC UTILITY INSTALLATION, INC., FOR OPERATIONS AND MAINTENANCE SERVICES OF THE ELECTRICAL DISTRIBUTION AND STREETLIGHT SYSTEMS, EXTENDING THE TERM THROUGH JUNE 30, 2024, REVISING THE RATE SCHEDULE, INCREASING COMPENSATION BY \$450,000.00, AND REVISING THE ADDRESS FOR THE IPU

RECOMMENDED ACTION: *Approve the Amendment.*

5.5 CONSIDERATION OF AMENDMENT NO. 3 TO THE MAINTENANCE SERVICES AGREEMENT WITH APPLIED METERING TECHNOLOGIES, INC., EXTENDING THE TERM THROUGH JULY 31, 2024, INCREASING COMPENSATION BY \$200,000.00, REVISING THE INDEMNITY PROVISIONS, AND REVISING THE ADDRESS FOR THE IPU

RECOMMENDED ACTION: *Approve the Amendment.*

MOTION BY COMMISSIONER GREUBEL, AND SECOND BY COMMISSIONER RADECKI TO APPROVE THE CONSENT CALENDAR AS SUBMITTED. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COMMISSIONERS:	GREUBEL, MARCUCCI, RADECKI, RUGGLES, P/MOSS
NOES:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE

INDUSTRY PUBLIC UTILITIES COMMISSION
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
OCTOBER 14, 2021
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BOARD MATTERS

6.1 CONSIDERATION OF A SOLAR AND BATTERY ENERGY STORAGE SYSTEM RENEWABLE POWER PURCHASE AND SALES AGREEMENT WITH RE GASKELL WEST 2 LLC

RECOMMENDED ACTION: *Approve the Agreement.*

Len Viejo, Project Manager with Astrum, provided a staff report for the Commission and Dev Birla, Operations Manager at CNC Engineering, provided additional information. Both were available to answer any questions.

MOTION BY COMMISSIONER MARCUCCI, AND SECOND BY COMMISSIONER RADECKI TO APPROVE THE AGREEMENT. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COMMISSIONERS:	GREUBEL, MARCUCCI, RADECKI, RUGGLES, P/MOSS
NOES:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE

6.2 CONSIDERATION OF RESOLUTION NO. IPUC 2021-08 – A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION AUTHORIZING REMOTE TELECONFERENCE MEETINGS PURSUANT TO AB 361

RECOMMENDED ACTION: *Adopt Resolution No. IPUC 2021-08.*

MOTION BY COMMISSIONER MARCUCCI, AND SECOND BY COMMISSIONER GREUBEL TO ADOPT RESOLUTION NO. IPUC 2021-08. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COMMISSIONERS:	GREUBEL, MARCUCCI, RADECKI, RUGGLES, P/MOSS
NOES:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE

INDUSTRY PUBLIC UTILITIES COMMISSION
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
OCTOBER 14, 2021
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6.3 REPORT FROM THE GENERAL MANAGER FOR THE LA PUENTE VALLEY COUNTY WATER DISTRICT REGARDING THE INDUSTRY PUBLIC UTILITIES WATER OPERATIONS

RECOMMENDED ACTION: *Receive and file the report.*

Roy Frausto, General Manager of the La Puente Valley County Water District, provided a staff report and was available to answer any questions.

MOTION BY COMMISSIONER MARCUCCI, AND SECOND BY COMMISSIONER GREUBEL TO RECEIVE AND FILE THE REPORT. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COMMISSIONERS:	GREUBEL, MARCUCCI, RADECKI, RUGGLES, P/MOSS
NOES:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE

PUBLIC HEARING

7.1 CONSIDERATION OF A RESOLUTION ADOPTING A COMPREHENSIVE WATER RATE STUDY, AND APPROVING A WATER RATE INCREASE FOR THE CITY OF INDUSTRY WATERWORKS SYSTEM, AND ADOPTING A NOTICE OF EXEMPTION REGARDING SAME

RECOMMENDED ACTION: *Open the public hearing, take public comments and any protests, and adopt Resolution No. IPUC 2021-07 and Notice of Exemption regarding same.*

Project Manager Steve Gagnon, with nationwide consulting firm Raffelis, gave a slide presentation to the Commission and was available to answer any questions.

Mike Greenspan and Nigga aka Herman each spoke in opposition to Item 7.1.

President Moss opened the public hearing at 8:54 a.m.

INDUSTRY PUBLIC UTILITIES COMMISSION
REGULAR MEETING MINUTES
CITY OF INDUSTRY, CALIFORNIA
OCTOBER 14, 2021
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President Moss inquired if anyone wanted to be heard on the matter. Hearing none, President Moss closed the public hearing at 9:01 a.m.

MOTION BY COMMISSIONER RADECKI, AND SECOND BY COMMISSIONER GREUBEL TO OPEN THE PUBLIC HEARING, TAKE PUBLIC COMMENTS AND ANY PROTESTS, AND ADOPT RESOLUTION NO. IPUC 2021-07 AND NOTICE OF EXEMPTION REGARDING SAME. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COMMISSIONERS:	GREUBEL, MARCUCCI, RADECKI, RUGGLES, P/MOSS
NOES:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE

CLOSED SESSION

Secretary Robles announced there was a need for Closed Session as follows:

- 8.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Case: City of Industry v. San Gabriel Valley Water & Power, *et al.*, and related
cross actions
Superior Court of California, County of Los Angeles
Case No. 19STCV10150

Mike Greenspan spoke in opposition to Closed Session Item 8.1.

President Moss recessed the meeting at 9:19 a.m. for a short break.

President Moss reconvened at 9:36 a.m. and recessed into the City Council Meeting.

President Moss reconvened and recessed the meeting into Closed Session at 12:12 p.m.

President Moss reconvened the meeting at 1:02 p.m.

General Counsel Casso reported out of Closed Session.

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General Counsel Casso reported for the record that Commissioner Greubel excused himself from the meeting at 12:12 p.m. and left the Chamber.

With regard to Closed Session item 8.1, direction was given to Legal Counsel, no final action was taken, nothing further to report.

ADJOURNMENT

There being no further business, the Industry Public Utilities Commission adjourned at 1:03 p.m.

CORY C. MOSS
PRESIDENT

JULIE ROBLES
SECRETARY

INDUSTRY PUBLIC UTILITIES COMMISSION


ITEM NO. 5.4




INDUSTRY PUBLIC UTILITIES COMMISSION

MEMORANDUM

TO: Honorable Chairman and Board Members

FROM: Joshua Nelson, Public Utilities Director 

STAFF: Yamini Pathak, Director of Finance 

DATE: March 10, 2022

SUBJECT: **Presentation of the FY 2021-2022 Mid-Year Budget Report, and Consideration of Resolution No. IPUC 2022-03, approving and adopting the FY 2021-2022 Mid-Year Budget Amendments for the Industry Public Utilities, and the FY 2021-2022 Proposed Mid-Year Budget Amendments for The Capital Improvement Program Budget**

BACKGROUND:

On June 24, 2021, IPUC adopted the FY 2021-2022 (“FY 22”) Budget for the Industry Public Utilities (“IPU”). Throughout the fiscal year, unanticipated revenues and expenditures arise that potentially impact the approved budget, and therefore require budget amendments.

DISCUSSION:

On June 24, 2021, the IPU budgeted total revenues for IPU-Electric of \$4,713,000.00 and \$4,465,600.00 of expenditures. The budget for IPU- Reclaimed Water included \$1,347,000.00 in revenues and \$427,000.00 in expenditures.

The FY 21-22 Mid-Year Budget Update will discuss changes to revenue and/or expenditures through the halfway point of the year and provide an overview of the FY 21-22 Proposed Budget Amendments.

- **IPUC Electric-** The FY 21-22 mid-year adjustment proposes a decrease of \$75,000.00 in the IPU’s expenses, due to reductions in computer services and energy rebates.

- **IPUC Reclaimed Water** - The FY 21-22 mid-year adjustment proposes an increase of \$31,800.00 in the IPU's expenses, due to additional general expenses not budgeted originally.

FISCAL IMPACT:

The FY 22 Proposed Budget Amendments for the IPU Budget will decrease Electric Fund expenses by \$75,000.00 and will increase Reclaimed Water Fund expenses by \$31,800.00, for a net decrease in expenses of \$43,200.00. The proposed budget also includes an increase of \$225,000.00 in the Capital Improvement Program budget.

RECOMMENDATION:

Staff recommends the IPUC Board receive and file the FY 22 Mid-Year Budget Report and adopt Resolution No. IPUC 2022-03, approving the Proposed FY 22 Mid-Year Budget Amendments.

ATTACHEMENTS:

1. Resolution IPUC 2022-03: Resolution Approving and Adopting FY 2021-2022 Proposed Mid-Year Budget Amendments
2. Exhibit A- FY 2021-22 Proposed IPU Budget
3. Exhibit B- FY 2021-22 Proposed IPU Capital Project List

RESOLUTION NO. IPUC 2022-03

A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION APPROVING AND ADOPTING THE FISCAL YEAR 2021-22 PROPOSED MID-YEAR BUDGET ADJUSTMENTS AND THE FY 2021-2022 PROPOSED MID-YEAR AMENDEMENTS FOR THE CAPITAL IMPROVEMENT PROGRAM BUDGET

WHEREAS, on June 24, 2021, the Industry Public Utilities Commission (“IPUC”) adopted its FY 2021-2022 (“FY 22”) Budget; and

WHEREAS, throughout a fiscal year, unanticipated revenues and expenditures may arise that could potentially impact the adopted budget and require budget amendments; and

WHEREAS, on March 10, 2022, the FY 21 Mid-Year Budget Report was presented to the IPUC Board, which provided an update on the IPUC’s fiscal performance through the mid-point of the fiscal year, from July 1, 2021, through December 31, 2021, comparing all revenues and expenditures to the same period in the prior fiscal year and against adopted budget levels; and

WHEREAS, the FY 22 Mid-Year Budget Report also presented an overview of the FY 22 Mid-Year Budget Amendments for the Board’s consideration to approve and amend the FY 22 Adopted Budget.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE INDUSTRY PUBLIC UTILITIES COMMISSION, DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein by reference.

Section 2. The IPUC received a presentation on the FY 2021-22 Mid-Year Budget Report and hereby receives and files same.

Section 3. The IPUC hereby approves the FY 22 Mid-Year Budget Amendments, attached hereto as Exhibit A, and incorporated herein by reference. subject to any necessary allocations by the City of Industry City Council.

Section 4. The IPUC Board hereby authorizes the Public Utilities Director, or his designee, to make the appropriate changes and budget amendments in the IPUC’s Financial System.

Section 5. The Secretary shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

Section 6. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 7. This Resolution shall be effective immediately.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Industry Public Utilities Commission, at a regular meeting held on March 10, 2022, by the following vote:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS
ABSTAIN:	BOARD MEMBERS
ABSENT:	BOARD MEMBERS

Cory C. Moss, President

ATTEST:

Julie Gutierrez-Robles, Secretary

EXHIBIT A

FY 2021-22 Proposed IPU Budget

(Attached)

**INDUSTRY PUBLIC UTILITIES COMMISSION
REVENUE/EXPENSES SUMMARY
MID-YEAR BUDGET UPDATE
FISCAL YEAR 2021-2022**

						Exhibit A
Account	Account Description	ADOPTED BUDGET FY 21-22	BUDGET AMENDMENTS	AMENDED BUDGET	MID-YEAR BUDGET AMENDMENTS	PROPOSED AMENDED BUDGET FY 21-22
Fund 161 - IPUC Electric						
	Department 200 - Revenue					
4104	Electric Meter Revenue	111,000.00	-	111,000.00	(111,000.00)	-
4300.02	Investment Interest Income	-	-	-	111,000.00	111,000.00
	Department 200 - Revenue Total	111,000.00	-	111,000.00	-	111,000.00
	Department 300 - Expenditures					
5695.01	Computer Services	30,000.00	-	30,000.00	(15,000.00)	15,000.00
6415	Energy Rebate	160,000.00	-	160,000.00	(60,000.00)	100,000.00
	Department 300 - Expenditures Total	190,000.00	-	190,000.00	(75,000.00)	115,000.00
Fund 161 - IPUC Electric Total						
REVENUE Total		111,000.00	-	111,000.00	-	111,000.00
EXPENSE Total		190,000.00	-	190,000.00	(75,000.00)	115,000.00
Fund 560 - IPUC - Reclaimed Water						
	Department 300 - Expenditures					
5011	Board Salaries	-	-	-	15,300.00	15,300.00
5012	General Insurance and Bonding	-	-	-	15,000.00	15,000.00
5018	Office Supplies & Postage	-	-	-	300.00	300.00
5027	Medicare	-	-	-	200.00	200.00
5031	Disability	-	-	-	1,000.00	1,000.00
	Department 300 - Expenditures Total	-	-	-	31,800.00	31,800.00
Fund 560 - IPUC - Reclaimed Water Total						
EXPENSE Total		-	-	-	31,800.00	31,800.00

EXHIBIT B

FY 2021-22 Proposed IPU Capital Project List

(Attached)

**CITY OF INDUSTRY
CAPITAL IMPROVEMENT BUDGET
MID-YEAR BUDGET UPDATE
FISCAL YEAR 2021-2022**

CITY		ADOPTED BUDGET FY	BUDGET	AMENDED	MID-YEAR BUDGET	Exhibit B
Project Description	21-22	APROPRIATION	BUDGET	AMENDMENTS	PROPOSED AMENDED	BUDGET FY 21-22
1 GRADE SEPARATION PROJECTS	755,000.00	-	755,000.00	(160,000.00)	595,000.00	
2 STREET WIDENING, RECONSTRUCTION, RESURFACING AND SLURRY SEAL	18,970,000.00		18,970,000.00	(1,925,000.00)	17,045,000.00	
3 STORM DRAIN IMPROVEMENTS	910,000.00		910,000.00	75,000.00	985,000.00	
4 TRAFFIC SIGNAL IMPROVEMENTS	5,245,000.00		5,245,000.00	1,470,000.00	6,715,000.00	
5 Bridge Widening, Seismic Retrofit, and Preventative Maintenance (City)	815,000		815,000.00		815,000.00	
6 Homestead Museum	650,000		650,000.00		650,000.00	
7 Industry Hills Golf & Convention Facilities (City)	1,020,000		1,020,000.00		1,020,000.00	
8 EL ENCANTO C.I.P.	2,180,000.00	301,937.00	2,481,937.00	(75,000.00)	2,406,937.00	
10 Open Spaces/Tonner Canyon/Tres Hermanos (City)	395,000		395,000.00		395,000.00	
11 Tres Hermanos Ranch Property	315,000		315,000.00		315,000.00	
12 Property Redevelopment & Demo	35,000		35,000.00		35,000.00	
15 MISCELLANEOUS	890,000.00		890,000.00	(125,000.00)	765,000.00	
16 CIVIC CENTER FACILITIES	2,170,000.00		2,170,000.00	70,000.00	2,240,000.00	
17 FACILITIES IMPROVEMENTS	4,750,000.00		4,750,000.00	225,000.00	4,975,000.00	
Total City	39,100,000.00	301,937.00	39,401,937.00	(445,000.00)	38,956,937.00	
CRIA		ADOPTED BUDGET FY	BUDGET	AMENDED	MID-YEAR BUDGET	PROPOSED AMENDED
Project Description	21-22	AMENDMENTS	BUDGET	BUDGET	AMENDMENTS	BUDGET FY 21-22
9 EXPO CENTER AT INDUSTRY HILLS	7,570,000.00	128,894.00	7,698,894.00	(195,000.00)	7,503,894.00	
Total CRIA	7,570,000.00	128,894.00	7,698,894.00	(195,000.00)	7,503,894.00	
IPUC		ADOPTED BUDGET FY	BUDGET	AMENDED	MID-YEAR BUDGET	PROPOSED AMENDED
Project Description	21-22	AMENDMENTS	BUDGET	BUDGET	AMENDMENTS	BUDGET FY 21-22
13 IPUC - WATER UTILITY (IPU)	975,000.00		975,000.00	570,000.00	1,545,000.00	
14 IPUC - ELECTRIC UTILITY (IPU)	2,300,000.00		2,300,000.00	(345,000.00)	1,955,000.00	
Total IPUC	3,275,000.00	-	3,275,000.00	225,000.00	3,500,000.00	
IPHMA		ADOPTED BUDGET FY	BUDGET	AMENDED	MID-YEAR BUDGET	PROPOSED AMENDED
Project Description	21-22	AMENDMENTS	BUDGET	BUDGET	AMENDMENTS	BUDGET FY 21-22
18 IPHMA Capital Improvements	1,000,000.00		1,000,000.00		1,000,000.00	
Total IPHMA	1,000,000.00	-	1,000,000.00	-	1,000,000.00	
	50,945,000.00	430,831.00	51,375,831.00	(415,000.00)	50,960,831.00	

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.5

RESOLUTION NO. IPUC 2022-05

A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION CONTINUING THE AUTHORIZATION OF REMOTE TELECONFERENCE MEETINGS PURSUANT TO AB 361

RECITALS

WHEREAS, the Industry Public Utilities Commission (“IPUC”) is committed to preserving and encouraging public access and participation in meetings of its legislative bodies; and

WHEREAS, all meetings of the IPUC are open and public, as required by the Ralph M. Brown Act (Gov. Code §§54950 – 54963) (“Brown Act”), so that any member of the public may attend, participate, and observe the legislative bodies conduct their business; and

WHEREAS, in March 2020 as a response to the ongoing COVID-19 pandemic, Governor Newsom issued Executive Orders N-25-20 and N-29-20. These orders suspended certain elements of the Brown Act and specifically allowed for legislative bodies as defined by the Brown Act to hold their meetings entirely electronically with no physical meeting place. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which provided that the provisions in Executive Order N-29-20 suspending certain elements of the Brown Act would continue to apply through September 30, 2021; and

WHEREAS, on September 16, 2021 Governor Newsom signed AB 361, which added subsection (e) to Government Code §54953 of the Brown Act, and makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code §54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, one of the conditions required is that a state of emergency has been declared by the Governor pursuant to Government Code §8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code §8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, in March 2020, in response to the spread of COVID-19 in the State of California, the Governor Proclaimed a State of Emergency pursuant to Government Code §8625, and issued a number of executive orders aimed at containing the COVID-19 virus, and the County of Los Angeles through various Orders of the Los Angeles County Health Officer, continues to impose or recommend measures to promote social distancing; and

WHEREAS, Los Angeles County officials have recommended and imposed measures to promote social distancing, and requiring masks for all regardless of vaccination status in an effort to slow the continuously high levels of transmission of COVID-19 throughout the State and Los Angeles County; and

WHEREAS, the Centers for Disease Control and Prevention (“CDC”) continues to recommend physical distancing of at least 6 feet from others outside the household; and

WHEREAS, due to the rise in COVID-19 cases caused by the Omicron variant, the IPUC is concerned about the health and safety of all individuals of the public who attend public meetings; and

WHEREAS, as a consequence of the continued state of emergency, the IPUC Board adopted Resolution No. IPUC 2021-08 on October 14, 2021, Resolution No. IPUC 2021-09 on November 13, 2021, Resolution No. IPUC 2021-10 on December 13, 2021, Resolution No. IPUC 2022-01 on January 12, 2022, and Resolution No. IPUC 2022-02 on February 11, 2022, finding and determining that the IPUC would continue to conduct its meetings without compliance with Government Code §54953(b)(3), as authorized by Government Code §54953(e), and that the IPUC would continue to comply with the requirements to provide the public with access to all public meetings as prescribed in §54953(e)(2); and

WHEREAS, pursuant to the provisions of AB 361, the IPUC Board hereby finds and determines that the findings set forth in Resolution No. IPUC 2022-02 remain, and that it is thereby necessary to continue to conduct its meetings without compliance with Government Code §54953(b)(3), as authorized by Government Code §54953(e).

NOW, THEREFORE, THE INDUSTRY PUBLIC UTILITIES COMMISSION DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1: All of the facts set forth in the Recitals are true and correct, and are incorporated herein by reference.

SECTION 2: The IPUC hereby considers the existing conditions of the state of emergency, local officials in Los Angeles County have recommended or imposed measures to promote social distancing in connection with COVID-19. Based on these facts, findings, and determinations, the IPUC authorizes staff to conduct remote teleconference meetings of the IPUC, under the provisions of Government Code §54953(e).

SECTION 3: The Public Utilities Director is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution and AB 361, including continuing to conduct open and public meetings in accordance with the Brown Act.

SECTION 4: This Resolution shall take effect March 13, 2022, and shall be effective until the earlier of April 12, 2022, or such time as the Industry Public Utilities Commission adopts a subsequent resolution in accordance with Government Code §54953(e)(3) to extend the time during which the IPUC may continue to meet by teleconference.

PASSED, APPROVED AND ADOPTED by the Industry Public Utilities Commission at a regular meeting held on March 10, 2022, by the following vote:

AYES: COMMISSIONER:

NOES: COMMISSIONER:

ABSTAIN: COMMISSIONER:

ABSENT: COMMISSIONER:

Cory C. Moss, President

ATTEST:

Julie Gutierrez-Robles, Secretary

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.6



INDUSTRY PUBLIC UTILITIES COMMISSION

MEMORANDUM

TO: Honorable President Moss and Commissioners

STAFF: Joshua Nelson, Public Utilities Director *JN*

FROM: Dev Birla, Operations Manager, CNC Engineering

DATE: March 10, 2022

SUBJECT: Consideration Of Amendment No. 1 to the Renewable Power Purchase Agreement with Gaskell West 2 LLC; and authorizing the Public Utilities Director to take further actions and sign such documents and ancillary agreements as are needed to carry out the transactions contemplated by the Power Purchase Agreement and the First Amendment to Renewable Power Purchase Agreement

Background:

RE Gaskell West 2 LLC will construct a 29 mega-watt (“MW”) solar photovoltaic generating facility in Kern County, California with commercial operation beginning December 31, 2022. On October 14, 2021, the Industry Public Utilities Commission (“IPUC”) approved the RE Gaskell West 2 Renewable Power Purchase Agreement (“PPA”) between Industry Public Utilities (“IPU”), the cities of Corona and Victorville (“Buyers”), and RE Gaskell West 2 LLC (“Seller”). This PPA will supply 7 MW of renewable solar energy and 4 MW of Battery Energy Storage System (“BESS”) to IPU.

The RE Gaskell West 2 solar photovoltaic generating facility and AM Wind Repower generating facility, approved by IPUC in May 2020, are scheduled to be in operation in 2023. Generation from these renewable energy resources is forecasted to meet IPU’s 2021-2024 Renewable Portfolio Standard Compliance Period requirements as specified in the California Energy Commission Regulations.

The Public Utilities Code (“PUC”) and California Independent System Operator (“CAISO”) tariff requires all load serving entities to own or contract sufficient physical generating capacity and electrical demand response adequate to meet their load requirements. The contracted generating capacity of the RE Gaskell West 2 and AM Wind Repower will reduce IPU’s generating capacity requirements.

Discussion:

Section 5.2 of the RE Gaskell West 2 PPA states that each party shall use reasonable efforts to implement the provisions of and administer this Agreement in accordance with the intent of the parties to minimize all taxes, so long as no party is materially adversely affected by such efforts. To receive the investment tax credits associated with the BESS, the Internal Revenue Service (“IRS”) regulations require that the BESS only receive energy from the Gaskell West 2 solar photovoltaic generating facilities for a minimum of the first five years and three months. To be consistent with current IRS regulations, the First Amendment changes the time-period from five years to five years and three months and also authorizes the Buyers Scheduling Coordinator to provide charging and discharging notices for the BESS.

Concurrently with consideration of the First Amendment, Staff is requesting that the IPUC authorize the Public Utilities Director to negotiate, execute, and authorize any further contracts, agreements, or certificates which are non-substantive or are otherwise in compliance as may be necessary to further the transaction contemplated by the RE Gaskell West 2 PPA. The Public Utilities Director’s authority to so act and sign is circumscribed by the requirements that: (1) such documents are within the scope of and contemplated by the express provisions of the RE Gaskell West 2 PPA; and (2) any such documents are first reviewed and approved by IPU’s Public Utilities Director and General Counsel.

This delegation of authority is being requested to streamline administration of the RE Gaskell West 2 PPA requiring prompt execution of other non-discretionary actions as may be required by the provisions of the RE Gaskell West PPA.

Fiscal Impact:

This proposed amendment will have no fiscal impact. The effective date of the Gaskell West 2 PPA was October 27, 2021 and does not incur a fiscal impact until 2023. The forecasted purchase obligation over the 25-year term is \$21.6 million and the forecasted initial annual obligation is \$986,500. The delivery of the energy and environmental attributes from the Gaskell West 2 PPA will displace the energy and environmental attributes that would have otherwise been procured to meet customer load requirements and regulatory obligations.

Recommendation:

The First Amendment has been reviewed and approved by IPU staff, IPU’s General Counsel, outside regulatory counsel, IPU’s energy consultant, and other Buyers. For these reasons, Staff recommends the IPUC approve the First Amendment to the Renewable Power Purchase Agreement with RE Gaskell West 2 LLC, and provide the authority to the Public Utilities Director as set forth above.

Exhibit:

A. First Amendment to Renewable Power Purchase Agreement

EXHIBIT A

First Amendment to Renewable Power Purchase Agreement

[Attached]

FIRST AMENDMENT TO RENEWABLE POWER PURCHASE AGREEMENT

This First Amendment to Renewable Power Purchase Agreement (this “**First Amendment**”), effective as of March [___], 2022 (the “**Effective Date**”), is entered into by and between City of Victorville, a municipal corporation and Charter City organized and existing under the laws of the State of California, Industry Public Utilities, a public agency organized and existing under the laws of the State of California, and City of Corona a municipal corporation organized and existing under the laws of the State of California (“**Buyers**”), and RE Gaskell West 2 LLC, a Delaware limited liability company (“**Seller**”). Each Buyer and Seller are referred to in this First Amendment as a “**Party**” and, collectively, as the “**Parties**.” Any terms not defined herein have the meanings given to them in the Renewable Power Purchase Agreement (as defined below).

RECITALS

WHEREAS, Buyers and Seller entered into that certain Renewable Power Purchase Agreement, dated as of October 27, 2021 (as amended, restated, supplemented, or otherwise modified from time to time, the “**Renewable Power Purchase Agreement**”).

WHEREAS, Buyers and Seller desire to enter into this First Amendment to reflect their agreement to modify certain terms of the Renewable Power Purchase Agreement as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties hereby agree as follows:

1. **Amendment.** The Renewable Power Purchase Agreement is hereby amended as follows:
 - a. Definitions.
 - i. In Section 1.1. of the Renewable Power Purchase Agreement, the following new definition is added in appropriate alphabetical order as follows:

“Grid-Charging Restriction Period” has the meaning set forth in Section 4.5(d).”
 - ii. The definition of “Recapture Period” in Section 1.1 of the Renewable Power Purchase Agreement, is deleted in its entirety.
 - b. Delivery. In Section 4.1(a) of the Renewable Power Purchase Agreement, the following is added at the end of the final sentence thereof: “and the Operating Procedures.”
 - c. Charging Energy Management.
 - i. Section 4.5(b) of the Renewable Power Purchase Agreement is deleted and replaced with the following:

“(b) Buyers, acting through Buyer’s Agent or Buyer Scheduling Coordinator, will have the right to charge the Storage Facility seven (7) days

per week and twenty-four (24) hours per day (including holidays), by causing Buyers' Agent to provide Charging Notices to Seller electronically, *provided* that Buyer's right to issue Charging Notices is subject to the requirements and limitations set forth in this Agreement, including the Operating Restrictions and the provisions of Section 4.5(a). Each Charging Notice issued in accordance with this Agreement will be effective unless and until Buyer's Agent or Buyer Scheduling Coordinator, as applicable, modifies such Charging Notice by providing Seller with an updated Charging Notice. Seller shall not be obligated to comply, and shall have no liability for any failure to comply, with a Charging Notice issued by any Person other than Buyer's Agent or Buyer Scheduling Coordinator."

- ii. In Section 4.5(d) of the Renewable Power Purchase Agreement, is deleted and replaced with the following:

"(d) For the first five years and three months following the Commercial Operation Date (the "**Grid-Charging Restriction Period**"), the Storage Facility shall be charged only using PV Energy and Buyers, acting through Buyer's Agent or Buyer Scheduling Coordinator, shall not issue any Charging Notice requesting or requiring the Storage Facility to be charged from any source other than PV Energy. After the Grid-Charging Restriction Period, at no additional cost to Seller, at Buyers' unanimous election and upon Notice from Buyers' Agent to Seller, Seller shall, at Buyers' sole cost and expense, reconfigure the Facility (including enabling the Storage Facility to be charged from the grid to the extent such capability would not have adverse tax, financial or other consequences for the Facility or any Party); *provided* that no Party shall be obligated to agree to any changes under this Agreement or to incur any expense in connection with such changes except under terms mutually acceptable to all Parties and any Lender as set forth in a written agreement.

- iii. In Section 4.5(e) of the Renewable Power Purchase Agreement, is deleted and replaced with the following:

"(e) Buyers, acting through Buyer's Agent or Buyer Scheduling Coordinator, will have the right to discharge the Storage Facility seven (7) days per week and twenty-four (24) hours per day (including holidays), by causing Buyers' Agent to provide Discharging Notices to Seller electronically, and subject to the requirements and limitations set forth in this Agreement, including the Operating Procedures. Each Discharging Notice issued in accordance with this Agreement will be effective unless and until Buyer's Agent or Buyer Scheduling Coordinator, as applicable, modifies such Discharging Notice by providing Seller with an updated Discharging Notice. Seller shall not be obligated to comply, and shall have no liability for any failure to comply, with a Discharging Notice issued by any Person other than Buyer's Agent or Buyer Scheduling Coordinator."

- iv. In Section 4.5(f) of the Renewable Power Purchase Agreement, the phrase “or Buyer Scheduling Coordinator” is added immediately after the phrase “Buyer’s Agent”.

2. **Representations and Warranties.**

- a. Seller. Seller hereby reaffirms those representations and warranties set forth in Section 13.1 of the Renewable Power Purchase Agreement as if fully set forth herein, with each use of the term “Agreement” changed to “First Amendment.”
- b. Buyers. Buyers hereby reaffirm those representations and warranties set forth in Section 13.2 of the Renewable Power Purchase Agreement as if fully set forth herein, with each use of the term “Agreement” changed to “First Amendment.”

3. **Miscellaneous.**

- a. This First Amendment, when executed by the Parties, shall be effective as of the Effective Date.
- b. This First Amendment fully and completely expresses the agreement of the Parties with respect to subject matter hereof and amendments herein and shall not be modified or amended except by written agreement executed by each of the Parties. All prior understandings and agreements heretofore had among Buyers and Seller with respect to the subject matter hereof and amendments set forth herein are merged into or superseded by this First Amendment.
- c. Except as expressly amended by this First Amendment, the Renewable Power Purchase Agreement is hereby ratified and confirmed and all other terms of the Renewable Power Purchase Agreement not expressly modified herein shall remain in full force and effect, unaltered and unchanged by this First Amendment. References to the “Agreement” and terms of similar import included in the Renewable Power Purchase Agreement mean the Renewable Power Purchase Agreement as amended by this First Amendment.
- d. This First Amendment and the rights and duties of the Parties hereunder shall be governed by and construed, enforced and performed in accordance with the laws of the state of California, without regard to principles of conflicts of Law. To the extent enforceable at such time, each Party waives its respective right to any jury trial with respect to any litigation arising under or in connection with this First Amendment. The Parties agree that any suit, action or other legal proceeding by or against any party (or its affiliates or designees) with respect to or arising out of this First Amendment shall be brought in the federal courts of the United States or the courts of the State of California sitting in the County of Los Angeles, California.

- e. This First Amendment may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original.
- f. This First Amendment may be duly executed and delivered by a Party by execution and facsimile or electronic format (including portable document format (.pdf)) delivery of the signature page of a counterpart to the other Party, and, if delivery is made by facsimile or other electronic format, the executing Party shall promptly deliver, via overnight delivery, a complete original counterpart that it has executed to the other Party, but this First Amendment shall be binding on and enforceable against the executing Party whether or not it delivers such original counterpart.
- g. This First Amendment shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this First Amendment to the Renewable Power Purchase Agreement to be executed by their duly authorized representatives, effective as of the Effective Date.

BUYERS:

**CITY OF VICTORVILLE, A CALIFORNIA
MUNICIPAL CORPORATION AND
CHARTER CITY**

APPROVAL AS TO FORM:

CITY OF VICTORVILLE

By: _____
Name: Debra Jones
Title: Mayor

ATTEST

By: _____
Name: Jennifer Thompson
Title: City Clerk

APPROVED AS TO FORM:

By: _____
Name: Andre de Bortnowsky
Title: City Attorney

**CITY OF VICTORVILLE RISK
MANAGEMENT:**

By: _____
Name:
Title:

**INDUSTRY PUBLIC UTILITIES, ALSO
KNOWN AS CITY OF INDUSTRY PUBLIC
UTILITIES COMMISSION, A PUBLIC
AGENCY**

By: _____
Name: Cory C. Moss
Title: President

ATTEST

By: _____
Name: Julie Gutierrez-Robles
Title: Commission Secretary

APPROVED AS TO FORM:

By: _____
Name: James M. Casso
Title: General Counsel

**CITY OF CORONA, A CALIFORNIA
MUNICIPAL CORPORATION**

APPROVED AS TO FORM:

By: _____
Name: Dean Derleth
Title: City Attorney

APPROVED AS TO FORM:

By: _____
Name: Justin Wynne
Title: Braun Blaising Smith Wynne, P.C.

**APPROVAL BY CITY OF CORONA
UTILITIES DEPARTMENT**

By: _____
Name: Tom Moody
Title: General Manager

SELLER:

RE GASKELL WEST 2 LLC

By: _____

Name: Spivey Paup

Title: Vice President

INDUSTRY PUBLIC UTILITIES COMMISSION


ITEM NO. 5.7



INDUSTRY PUBLIC UTILITIES COMMISSION

MEMORANDUM

TO: Honorable President Moss and Commissioners

FROM: Joshua Nelson, Public Utilities Director 

STAFF: Dev Birla, Operations Manager, CNC Engineering

DATE: March 10, 2022

SUBJECT: Consideration of Amendment No. 4 to the Maintenance Services Agreement for the Electrical Distribution System, with Pacific Utility Installation, Inc., revising the scope of services and increasing compensation by \$180,000.00

Background:

On September 8, 2016, the City Council approved a Maintenance Services Agreement (“Agreement”) with Pacific Utility Installation, Inc., (“PUI”) to provide normal and emergency operation and maintenance services for electrical distribution and streetlight systems in an amount not-to-exceed \$150,000.00. On September 28, 2017, the Industry Public Utilities Commission (“IPUC”) approved the Amendment No. 1 to reassign PUI’s Agreement from the City of Industry (“COI”) to the IPUC, expanding the services to include extension of distribution system and electrical services to five customers at Azusa–Chestnut, increasing compensation by \$270,000.00. On June 13, 2019, IPUC approved Amendment No. 2 to provide labor and equipment for installation of electrical services for ten (10) irrigation control service pedestals at IBC East and IBC West, a 5-year cycle detailed Inspection and Maintenance of Distribution System to comply with California Public Utilities Commission (“CPUC”) General Order 165 (“GO165”) requirements, and increase compensation by \$190,000.00.

On October 14, 2021, IPUC approved Amendment No. 3, extending the term through June 30, 2024, revising the rate schedule, increasing compensation by \$450,000.00, including language requiring indemnity specific to independent contractors, and revising the address for Industry Public Utilities.

Since September 8, 2016, Applied Metering Technologies, Inc. (“AMT”) has provided the services to IPU for monthly meter reading, meter installation, meter testing and other related services for monthly billing to IPU customers. AMT suddenly closed its business effective January, 28, 2022, with meter readings due at the first of each month. IPU meters are manually read so Staff contacted PUI to start providing these additional metering reading and other related services effective February 1, 2022.

Discussion:

Monthly meter reading is an essential functional for IPU in order to bill its customers. In addition to meter testing, replacement of meters and installation of new meters is part of IPU's day-to-day operation. With AMT no longer able to perform these tasks, Staff recommends for meter readings and other related services be incorporated into PUI's scope with a companion increase in compensation by \$180,000.00.

Fiscal Impact:

The fiscal impact for Amendment No. 4 is \$180,000.00. On October 14, 2021, \$200,000.00 was appropriated for AMT under Contract Labor Professional and Technical (Account No. 161-300-6200) for these services and out of that only approximately \$20,000 is spent as of February 1, 2022 and no additional appropriation is required.

Recommendation:

Staff recommends that the IPUC approve Amendment No. 4 to the Maintenance Services Agreement with PUI.

Exhibit:

- A. Amendment No. 4 to the Pacific Utility Installation, Inc., Maintenance Services Agreement, dated March 10, 2022

JN/DB:jf

EXHIBIT A

Amendment No. 4 to the Pacific Utility Installation, Inc., Maintenance Services Agreement, dated March 10, 2022

[Attached]

**AMENDMENT NO. 4
TO MAINTENANCE SERVICES AGREEMENT**

This Amendment No. 4 to the Agreement for Maintenance Services (“Agreement”), is made and entered into this 10th day of March 10, 2022, between the Industry Public Utilities, a municipal corporation under the existing laws of the state of California (“IPU”) and Pacific Utility Installation, Inc., a California corporation (“Consultant”). The IPU and Consultant are hereinafter collectively referred to as the “Parties.”

RECITALS

WHEREAS, on or about September 8, 2016, the City of Industry, a municipal corporation (“City”), entered into a Maintenance Services Agreement with the Consultant, to provide normal and emergency operations and maintenance services for electrical distribution and streetlight systems in an amount not-to-exceed \$150,000.00; and

WHEREAS, immediately before entering into the First Amendment, the City, as "Assignor", and the IPUC, as "Assignee", entered into that certain Assignment and Assumption of Maintenance Services Agreement ("Assignment"), with respect to the Agreement, whereby Assignor assigned all its rights and delegated all its duties under the Agreement to Assignee, and Assignee accepted such assignment and delegation; and

WHEREAS, on or about September 28, 2017, the IPUC approved Amendment No. 1 to the Agreement for Maintenance Services to modify the Agreement to (a) confirm the effect of the Assignment, (b) expand the Services to include extension of distribution system and provide electrical services to five customers at Azusa-Chestnut, (c) increase the aggregate limit on payments to Consultant to \$420,000.00, and (d) make various other changes to the Agreement; and

WHEREAS, on or about June 13, 2019, the IPUC approved Amendment No. 2 to the Agreement to increase the compensation by \$190,000.00 to provide labor and equipment for installation of electrical services for ten irrigation control service pedestals and other related equipment at IBC East and West and 5-year cycle detailed Inspection and Maintenance to comply with CPUC GO 165 Requirements; and

WHEREAS, on or about October 14, 2021, the IPUC approved Amendment No. 3 to clarify that Industry Public Utilities (“IPU”) is the correct contracting party, extend term through June 30, 2024, revise the rate schedule, increase compensation by \$450,000.00, include language requiring indemnity specific to independent contractors, and revise the address for Industry Public Utilities; and

WHEREAS, the company that previously read meters for IPU unexpectedly went out of business effective February 1, 2022, the Parties therefore desire to amend the scope of services to allow Consultant to provide monthly meter readings, meter installation, meter testing, and other related services with a companion increase in compensation of \$180,000.00 to cover these additional services, and to allow the meter reading services to take effect on February 1, 2022; and

WHEREAS, for the reasons set forth herein, the IPU and Consultant desire to enter into this Amendment No. 4, as set forth below.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement, and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided:

1. TERM

Section 1 is hereby amended to read in its entirety as follows:

This Agreement shall commence on February 1, 2022, and shall remain and continue in effect until the tasks described herein are completed, but in no event later than June 30, 2024, unless sooner terminated pursuant to the provisions of this Agreement.

4. PAYMENT

The second sentence in 4(a) is hereby amended to read as follows:

This amount shall not exceed One Million Two Hundred Forty Thousand Dollars (\$1,240,000.00) for the total Term of the Agreement, unless additional payment is approved as provided in this Agreement.

Exhibit A, Scope of Services

The Scope of Services is hereby revised to include additional work as set forth in Attachment 1, attached hereto, and incorporated herein by reference.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 4 to the Agreement as of the Effective Date.

**“IPU”
INDUSTRY PUBLIC UTILITIES**

**“CONSULTANT”
PACIFIC UTILITY INSTALLATION,
INC.**

By: _____
Joshua Nelson, Public Utilities Director

By: _____
William Pfeifer, President/CEO

Attest:

By: _____
Julie Gutierrez-Robles, Commission Secretary

APPROVED AS TO FORM

By: _____
James M. Casso, General Counsel

ATTACHMENT 1

EXHIBIT A

SCOPE OF SERVICES

Consultant shall perform the following tasks of meter reading, meter replacement, meter installation and other related services, which shall include, but is not limited to:

- Provide all labor, equipment, material, supervision, tools and handheld devices, transportation, and software, if applicable, to deliver monthly meter reading services
- Manual meter reads and related data and process for billing
- Download meter data and process for billing
- Maintain hourly and monthly data records up to three years
- Provide customized spreadsheets as needed for monthly billing
- Assist IPU's consultant, ENCO, in preparation of monthly line losses report
- Service investigations, trouble-shooting meter issues, and reported problems
- Meter testing for accuracy to ensure proper billing and functioning of meters
- Replacement of defective meters and Current Transformers ("CT"), as required
- Meter programming, configuration, and commissioning, as required
- New meter installation including CTs, test switches, and secondary wiring
- Replacement of existing 145 electric meters with smart electric meters when automated meter reading is implemented
- Meter engineering support
- California Independent Service Operator ("CAISO") meter certification, testing, and programming at IPU interconnections with SCE, if required
- Maintain an inventory of parts and equipment necessary to support and execute the services listed above
- Coordinate with the IPU's Operations Management and IPU's engineering and construction contractors to ensure IPU's meter system is accurate, reliable, and functioning properly.

EXHIBIT B TO AMENDMENT NO. 4:

**AGREEMENT FOR MAINTENANCE SERVICES WITH PACIFIC UTILITIES
INSTALLATION, INC. DATED SEPTEMBER 8, 2016**

CITY OF INDUSTRY

MAINTENANCE SERVICES AGREEMENT

This MAINTENANCE SERVICES AGREEMENT ("Agreement"), is made and effective as of September 8, 2016 ("Effective Date"), between the City of Industry, a municipal corporation ("City") and Pacific Utility Installation, Inc., a California corporation ("Consultant"). The City and Consultant are hereinafter collectively referred to as the "Parties".

RECITALS

WHEREAS, City desires to engage Consultant to perform the services described herein, and Consultant desires to perform such services in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than September 8, 2019, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

(a) Consultant shall perform the tasks ("Services") described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. ("Scope of Services"). Tasks other than those specifically described in the Scope of Services shall not be performed without prior written approval of the City. The Services shall be performed by Consultant, unless prior written approval is first obtained from the City. In the event of conflict or inconsistency between the terms of this Agreement and Exhibit A, the terms of this Agreement shall prevail.

(b) City shall have the right to request, in writing, changes to the Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

(c) Consultant shall perform all Services in a manner reasonably satisfactory to the City and in a first-class manner in conformance with the standards of quality normally observed by an entity providing underground electric distribution line extension services, serving a municipal agency.

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, all labor laws, including any and all Cal/OSHA requirements, and the conflict

of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working on the Effective Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) City has not consented in writing to Consultant's performance of such work. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.* Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et. seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for Services performed pursuant to this Agreement, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

(e) Consultant represents that it has, or will secure at its own expense, all licensed personnel required to perform the Services. This includes qualified electrical workers, in accordance with Cal/OSHA guidelines, for all work on energized conductors or equipment connected to energized High-Voltage Systems ("defined as electrical conductors and equipment operating at or intended to operate at a sustained voltage of more than 600 volts between conductors"). All Services shall be performed by Consultant, and all personnel engaged in the Services shall be qualified and licensed to perform such services. In addition, a proven record of work safety must be provided and maintained by the Consultant, with records made available to the City upon request.

3. MANAGEMENT

City's City Manager, or his designee, shall represent the City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but shall have no authority to modify the Services or the compensation due to Consultant.

4. PAYMENT

(a) The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed One Hundred Fifty Thousand Dollars (\$150,000.00) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

(c) Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

5. LABOR CODE AND PREVAILING WAGES

(a) Consultant represents and warrants that it is aware of the requirements of California Labor Code Section 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 16000, *et seq.*, ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. If the Services are being performed as part of an applicable "Public Works" or "Maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$15,000.00 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and any location where the Services are performed. Consultant shall indemnify, defend and hold harmless, the City, its elected officials, officers, employees and agents, from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, Consultant's or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant, failure or alleged failure to comply with Prevailing Wage Laws.

(b) In accordance with the requirements of Labor Code Section 1776, Consultant shall keep accurate payroll records which are either on forms provided by the Division of Labor Standards Enforcement or which contain the same information required by such forms. Consultant shall make all such records available for inspection at all reasonable hours.

(c) To the extent applicable, Consultant shall comply with the provisions of Section 1777.5 of the Labor Code with respect to the employment of properly registered apprentices upon public works.

(d) Consultant shall comply with the legal days work and overtime requirements of Sections 1813 and 1815 of the Labor Code.

(e) If the Services are being performed as part of an applicable Public works or Maintenance project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such Services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Agreement and require the same of any subconsultants, as applicable. This Services set forth in this Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements.

6. SUSPENSION OR TERMINATION OF AGREEMENT

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant shall submit an invoice to the City pursuant to Section 5 of this Agreement.

7. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to review such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office, and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the services under this Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the City.

8. INDEMNIFICATION

(a) Indemnity for professional liability

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless the City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or Subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) Indemnity for other than professional liability

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

(c) DUTY TO DEFEND. In the event the City, its officers, employees, agents and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by City, Consultant shall have an immediate duty to defend the City at Consultant's cost or at City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters.

Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Consultant and City, as to whether liability arises from the sole negligence of the City or its officers, employees, or agents, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

9. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and incorporated herein by reference.

10. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

11. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

12. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee

or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

13. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

14. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City, unless otherwise required by law or court order. (b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City, unless Consultant is prohibited by law from informing the City of such Discovery, court order or subpoena. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

15. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City:

City of Industry
15625 E. Stafford, Suite 100
City of Industry, CA 91744

Attention: City Manager

With a Copy To:

James M. Casso, City Attorney
P.O. Box 4131
West Covina, CA 91791

To Consultant:

Bill Pfeifer, President/CEO
Pacific Utility Installation, Inc.
1585 Harmony Circle
Anaheim, CA 92807

16. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

Before retaining or contracting with any subconsultant for any services under this Agreement, Consultant shall provide City with the identity of the proposed subconsultant, a copy of the proposed written contract between Consultant and such subconsultant which shall include and indemnity provision similar to the one provided herein and identifying City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

Notwithstanding Consultant's use of any subconsultant, Consultant shall be responsible to the City for the performance of its subconstultant as it would be if Consultant had performed the Services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the City and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall indemnify, defend and hold harmless the Indemnified Parties for any claims arising from, or related to, the services performed by a subconsultant under this Agreement.

17. GOVERNING LAW/ATTORNEYS' FEES

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

18. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

19. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

20. COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

21. CAPTIONS

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

22. WAIVER

The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

23. REMEDIES

Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of

all of such other rights, powers or remedies.

24. AUTHORITY TO EXECUTE THIS AGREEMENT


The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

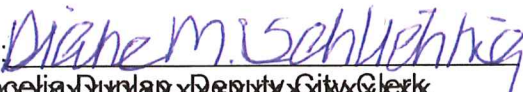
“CITY”
City of Industry

“CONSULTANT”
Pacific Utility Installation, Inc.

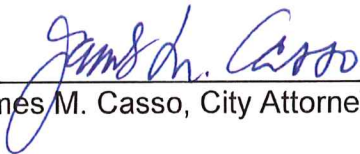
By: 
Paul Philips, City Manager

By: 
Bill Pfeifer, President/CEO

Attest:

By: 
~~Geocelia Dunlap, Deputy City Clerk~~
Diane M. Schlichting, Chief Deputy City Clerk

Approved as to form:

By: 
James M. Casso, City Attorney

Attachments: Exhibit A Scope of Services
 Exhibit B Rate Schedule
 Exhibit C Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

Consultant shall perform emergency and scheduled field operations and maintenance ("O&M") including, but not limited to:

- Cabling;
- Splicing;
- Procuring equipment for operations and maintenance repairs;
- Troubleshooting issues out in the field;
- Streetlight replacement;
- Inspections;
- Switching procedures and energizing; and
- Maintain an inventory of parts and equipment necessary to support and execute the scope of services, as detail in Exhibit D.

EXHIBIT B

RATE SCHEDULE

Contractor shall charge the City the following hourly rates for services rendered pursuant to the Scope of Services ("Exhibit A") set forth herein.

Item No.	Description	Hourly Rate	Straight Time Shift: 1 thru 8 Hours	Premium Time Shift: Over 8 Hours
1	General Foreman		\$ 110.00	\$ 156.00
2	Cable Splicer Foreman		\$ 105.00	\$ 149.00
3	Cable Splicer/Lineman		\$ 95.00	\$ 132.00
4	Groundman/Cable Splicer Helper		\$ 68.00	\$ 93.00
5	Senior Test Tech or Electrical Engineer		\$ 166.00	N/A
6	Test Technician		\$ 151.00	N/A
7	Backhoe Equipment and Operator		\$ 162.00	\$ 198.00
8	Splicing Truck & Tools		\$ 52.00	N/A
9	Pick Up Truck		\$ 35.00	N/A
10	Heavy Duty Equipment (Line Truck, Boom Truck, Bucket Truck)		\$ 73.00	N/A
11	Delivery and Pickup Charge for Heavy Equipment (each way)		\$325.00	

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of City, and prior to commencement of the Services, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Agency.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000.00 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000.00).

Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of Agency, its officers, agents, employees and volunteers.

Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may

arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant, or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the Agency nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass Through Clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

City's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 6.1
No Back-up Material

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 7.1



Staff Report

To: Industry Public Utilities Commission
From: Roy Frausto, General Manager
Date: March 10, 2022
Subject: Stage 1 Water Supply Emergency Declaration

Purpose - Consideration of Resolution No. IPUC 2022-04, a Resolution of the Industry Public Utilities Commission Declaring a Stage 1 Water Supply Emergency for the City of Industry Waterworks System, Making Findings in Support thereof, and Adopting a Notice of Exemption Regarding Same

Recommendation - Adopt Resolution No. IPUC 2022-04.

Fiscal Impact - Mandatory water conservation measures may result in a reduction of water sales revenue and also a reduction of water production assessment expenses for the 2021-22 Industry Public Utilities Water Operations Budget. The 2022-23 Industry Public Utilities Water Operations Budget will account for an approximate reduction of 15% of water sales and 15% reduction in assessment expenses.

Background

On July 8, 2021, the Governor of the State of California issued Executive Order No. N-10-21 directing actions on all Californians to voluntarily reduce their water use by 15 percent from their 2020 levels. Furthermore, on October 19, 2021, the Governor issued a Proclamation of a State of Emergency proclaiming that eight southern California counties, including Los Angeles County, are experiencing severe drought conditions. The proclamation directs, as applicable, local water suppliers to execute their Water Shortage Contingency Plans at levels appropriate to local conditions that take into account the possibility of a third consecutive dry year; and authorizes the State Water Resources Control Board (“SWRCB”) to adopt emergency regulations to prohibit certain wasteful water practices.

In response to these actions, on December 21, 2021, the Industry Public Utilities Commission (“IPUC”) adopted Resolution No. IPUC 2021-11, declaring water use efficiency practices and water conservation measures for users.

Summary

Communities across California are experiencing more frequent, prolonged, and severe impacts of climate change including catastrophic wildfires, extreme heat and unprecedentedly dry conditions that threaten the health of our people, habitat for species and our economy. Drought conditions present urgent challenges, including the risk of drinking water shortages in communities, greatly increased wildfire activity, diminished water for agricultural production, adverse impacts on fisheries, and additional water scarcity if drought conditions continue into next year. As a result of these drought conditions and in response to the Governor’s proclamation, the SWRCB found that

an emergency exists due to severe drought conditions and that the adoption of emergency regulations is necessary. On January 4, 2022, the SWRCB adopted an emergency regulation by resolution that prohibits certain wasteful water use practices statewide and encourages Californians to monitor their water use more closely while supporting habits to use water wisely. These regulations will remain in effect for one year from the effective day of January 18, 2022, unless the SWRCB acts to end, modify, or readopt it. A summary of the adopted regulations is enclosed for the IPUC's reference as **Attachment 1**.

Locally, the Main San Gabriel Groundwater Basin ("Basin"), which the City of Industry Waterworks System ("CIWS") relies upon as its primary source of water to meet its customers' needs, remains close to its historic low level. Rainfall in the San Gabriel Valley has averaged about 12.52 inches for the past nine years, which is significantly below the long-term annual average of about 18 inches for the entire San Gabriel Valley. Furthermore, the average annual stormwater replenishment has averaged about 57,000 acre-feet for the past nine years, whereas the long-term stormwater replenishment in the San Gabriel Valley has averaged about 110,000 acre-feet per year. Consequently, over those nine years the average annual deficit of stormwater replenishment has been about 53,000 acre-feet, which represents a Basin deficit of about 477,000 acre-feet, representing about 60 feet at the Key Well.

Discussion

In response to the SWRCB's emergency regulations and local groundwater conditions, Staff drafted a resolution, enclosed herein as **Attachment 2**, that declares a Stage 1 Water Supply Emergency for the CIWS. The purpose of this Resolution is to promote permanent water use efficiency practices and declare that a water supply emergency exists, which will reduce water consumption within the CIWS by assuring reasonable and beneficial use of water, preventing waste of water, and maximizing the efficient use of water within the CIWS.

If the IPUC declares a Stage 1 Water Supply Emergency, the CIWS shall immediately notify all users that the following water use restrictions and water conservation actions are to be implemented and followed:

- Outdoor watering limited to three (3) times a week on Monday, Wednesday and Friday
- Outdoor watering is prohibited between the hours of 9:00 AM and 5:00 PM
- Leaks must be repaired within 5 days after receiving notice from the CIWS
- The CIWS will provide educational materials to assist with the implementation of water conservation measures for residential, commercial, industrial and institutional properties

In addition, the notification enclosed herein as **Attachment 3**, will also include the recently adopted permanent water conservation measures listed as follows:

- Limited Hours for Watering and Irrigating
- Prohibited Periods for Watering and Irrigating
- Prohibited Water Flows and Irrigation Runoff
- Prohibited Washing Down of Hard Surfaces and Paved Areas
- Obligated Responsibilities for Water Leaks, Breaks, or Malfunctions

- Limited Practices for Washing Motorized Vehicles and Non-Motorized Equipment
- Prohibited Installation of Non-Re-circulating Equipment in Commercial Car Wash and Laundromat Systems
- Prohibited Use of Non-Re-circulating Equipment for Water Fountains and Decorative Water Features
- Offered Option for Declining Daily Linen Services at Lodging Establishments
- Restricted Service for Drinking Water at Eating or Drinking Establishments
- Prohibited Installation of Single Pass Cooling Systems

Violations of the water use restrictions and/or water conservation measures may be punished as an infraction as set forth in Section 1.08.070.A. of the City of Industry Municipal Code. These conservation measures will be administered initially on an educational basis and escalate to fines for repeated violations as follows:

- **First Violation:** Users will have the opportunity to work closely with representatives of the La Puente Valley County Water District (District) to obtain useful information and material pertaining to appropriate water use efficiency practices and water conservation measures. The District may also issue a written door-hanger notification and cause it to be personally placed at the user's address where the violation occurred.
- **Second Violation:** Users who have already been provided information and material pertaining to appropriate water use efficiency practices and water conservation measures from a District representative within six months of a first violation will be issued a written warning outlining the need for action to implement appropriate corrective measures, and notifying the user of the penalties that may be imposed for any subsequent violations.
- **Third Violation:** The District may issue a written door-hanger notification and cause it to be personally placed at the user's address where the violation occurred, and also send a written letter by United States mail notifying the user of the repeat violation, and issue a citation fine in the amount of \$100.00 pursuant to Section 1.08.070.A.1. of the Code.
- **Fourth Violation:** The District may issue a written door-hanger notification and cause it to be personally placed at the user's address where the violation occurred, and also send a written letter by United States mail notifying the user of the repeat violation, and issue a citation fine in the amount of \$200.00 pursuant to Section 1.08.070.A.2. of the Code, and install a flow restricting device of two gallons per minute (2 gpm) capacity for services up to one and one-half inches (1.5") and comparatively sized restrictors for large service, on the user's service where the violation occurred, for a period of not less than 72 hours, of the violation has occurred within one year of a previous violation.
- **Fifth Violation:** The District will provide the same notices and impose the same penalty measures as for the Fourth Violation, and may, at the discretion of the General Manager of the District, discontinue water service to that user at the premises at which the violation occurred, if the violation has occurred within one year of a previous violation.

Decisions made by the CIWS may be appealed by customers in accordance with the procedures set forth in Chapter 13.03.170 of the City's Municipal Code relating to the CIWS.

Recommendation

Staff recommends that the IPUC adopt Resolution No. IPUC 2022-04 Declaring a Stage 1 Water Supply Emergency for the City of Industry Waterworks System.

Attachment(s)

1. State Water Resources Control Board Resolution No. 2022-0002
2. Resolution No. IPUC 2022-04 Declaring a Stage 1 Water Supply Emergency for the City of Industry Waterworks System
3. Draft Stage 1 Water Supply Emergency Notification

Attachment 1

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2022-0002**

**TO ADOPT AN EMERGENCY REGULATION
TO SUPPLEMENT VOLUNTARY WATER CONSERVATION**

WHEREAS:

1. On April 21, May 10, and July 8, 2021, Governor Newsom issued proclamations that a state of emergency exists in a total of 50 counties due to severe drought conditions and directed state agencies to take immediate action to preserve critical water supplies and mitigate the effects of drought and ensure the protection of health, safety, and the environment.
2. On October 19, 2021, Governor Newsom signed a proclamation extending the drought emergency statewide and further urging Californians to reduce their water use.
3. There is no guarantee that winter precipitation will alleviate the current drought conditions.
4. Many Californians have taken bold steps over the years to reduce water use; nevertheless, the severity of the current drought and uncertainty about Water Year 2022 require additional conservation actions from residents and businesses.
5. Water conservation is the easiest, most efficient, and most cost-effective way to quickly reduce water demand and extend supplies into the next year, providing flexibility for all California communities. Water saved is water available next year, giving water suppliers the flexibility to manage their systems efficiently. The more water that is conserved now, the less likely it is that a community will experience such dire circumstances or that water rationing will be required.
6. Most Californians use more water outdoors than indoors. In many areas, 50 percent or more of daily water use is for lawns and outdoor landscaping. Outdoor water use is generally discretionary, and many irrigated landscapes would not suffer greatly from receiving a decreased amount of water.

7. Public information and awareness are critical to achieving conservation goals, and the Save Our Water campaign ([SaveOurWater.com](https://www.saveourwater.com)), run jointly by the Department of Water Resources (DWR) and the Association of California Water Agencies, is an excellent resource for conservation information and messaging that is integral to effective drought response.
8. [SaveWater.CA.Gov](https://www.savewater.ca.gov) is an online tool designed to help save water in communities. This website lets anyone easily report water waste from their phone, tablet, or computer by simply selecting the type of water waste they see, typing in the address where the waste is occurring, and clicking send. These reports are filed directly with the State Water Resources Control Board (State Water Board or Board) and relevant local water supplier.
9. Enforcement against water waste is a key tool in conservation programs. When conservation becomes a social norm in a community, the need for enforcement is reduced or eliminated.
10. On October 19, 2021, the Governor suspended the environmental review required by the California Environmental Quality Act to allow State Water Board-adopted drought conservation emergency regulations and other actions to take place quickly to respond to emergency conditions.
11. Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in certain drought years in order to: “prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter’s priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports.”
12. On November 30, 2021, the State Water Board issued public notice that the State Water Board would consider the adoption of the regulation at the Board’s regularly scheduled January 4, 2022 public meeting, in accordance with applicable State laws and regulations. The State Water Board also distributed for public review and comment a Finding of Emergency that complies with State laws and regulations.
13. The emergency regulation sets a minimum standard that many communities are already doing more but not everyone is taking these low-cost, easy to implement actions that can save significant amounts of water during a drought emergency.

14. Disadvantaged communities may require assistance in increasing water conservation, and state and local agencies should look for opportunities to provide assistance in promoting water conservation, including but not limited to translation of regulation text and dissemination of water conservation announcements into languages spoken by at least 10 percent of the people who reside in a water supplier's service area, such as in newspaper advertisements, bill inserts, website homepage, social media, and notices in public libraries.
15. The Board directs staff to consider the following in pursuing any enforcement of section 995, subdivision (b)(1)(A)-(F): before imposing monetary penalties, staff shall provide one or more warnings; monetary penalties must be based on an ability to pay determination, consider allowing a payment plan of at least 12 months, and shall not result in a tax lien; and Board enforcement shall not result in shutoff.
16. The Board encourages entities other than Board staff that consider any enforcement of this regulation to apply these same factors identified in resolved paragraph 15. Nothing in the regulation or in the enforcement provisions of the regulation precludes a local agency from exercising its authority to adopt more stringent conservation measures. Moreover, the Water Code does not impose a mandatory penalty for violations of the regulation adopted by this resolution, and local agencies retain their enforcement discretion in enforcing the regulation, to the extent authorized, and may develop their own progressive enforcement practices to encourage conservation.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board adopts California Code of Regulations, title 23, section 995, as appended to this resolution as an emergency regulation.
2. State Water Board staff will submit the regulation to the Office of Administrative Law (OAL) for final approval.
3. If, during the approval process, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director or designee may make such changes.

4. This regulation shall remain in effect for one year after filing with the Secretary of State unless the State Water Board determines that it is no longer necessary due to changed conditions or unless the State Water Board renews the regulation due to continued drought conditions, as described in Water Code section 1058.5.
5. The State Water Board directs State Water Board staff to work with the Department of Water Resources and the Save Our Water campaign to disseminate information regarding the emergency regulations.
6. Nothing in the regulation or in the enforcement provisions of the regulation precludes a local agency from exercising its authority to adopt more stringent conservation measures. Local agencies are encouraged to develop their own progressive enforcement practices to promote conservation.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on January 4, 2022.

AYE: Vice Chair Dorene D'Adamo
Board Member Sean Maguire
Board Member Laurel Firestone
Board Member Nichole Morgan

NAY: None

ABSENT: Chair E. Joaquin Esquivel

ABSTAIN: None



Jeanine Townsend
Clerk to the Board

ADOPTED TEXT OF EMERGENCY REGULATION

Title 23. Waters

Division 3. State Water Resources Control Board and Regional Water Quality Control Boards

Chapter 3.5. Urban Water Use Efficiency and Conservation

Article 2. Prevention of Drought Wasteful Water Uses

§ 995. Wasteful and Unreasonable Water Uses.

(a) As used in this section:

(1) "Turf" has the same meaning as in section 491.

(2) "Incidental runoff" means unintended amounts (volume) of runoff, such as unintended, minimal overspray from sprinklers that escapes the area of intended use. Water leaving an intended use area is not considered incidental if it is part of the facility or system design, if it is due to excessive application, if it is due to intentional overflow or application, or if it is due to negligence.

(b)(1) To prevent the unreasonable use of water and to promote water conservation, the use of water is prohibited as identified in this subdivision for the following actions:

(A) The application of potable water to outdoor landscapes in a manner that causes more than incidental runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;

(B) The use of a hose that dispenses water to wash a motor vehicle, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use;

(C) The use of potable water for washing sidewalks, driveways, buildings, structures, patios, parking lots, or other hard surfaced areas, except in cases where health and safety are at risk;

(D) The use of potable water for street cleaning or construction site preparation purposes, unless no other method can be used or as needed to protect the health and safety of the public;

(E) The use of potable water for decorative fountains or the filling or topping-off of decorative lakes or ponds, with exceptions for those decorative fountains, lakes, or ponds that use pumps to recirculate water and only require refilling to replace evaporative losses;

(F) The application of water to irrigate turf and ornamental landscapes during and within 48 hours after measurable rainfall of at least one fourth of one inch of rain. In determining whether measurable rainfall of at least fourth of one inch of rain occurred in a given area, enforcement may be based on records of the National Weather Service, the closest CIMIS station to the parcel, or any other reliable source of rainfall data available to the entity undertaking enforcement of this subdivision; and

(G) The use of potable water for irrigation of ornamental turf on public street medians.

(2) Notwithstanding subdivision (b)(1), the use of water is not prohibited by this section to the extent necessary to address an immediate health and safety need. This may include, but is not limited to, the use of potable water in a fountain or water feature when required to be potable because human contact is expected to occur.

(c)(1) To prevent the unreasonable use of water and to promote water conservation, any homeowners' association or community service organization or similar entity is prohibited from:

- (A) Taking or threatening to take any action to enforce any provision of the governing documents or architectural or landscaping guidelines or policies of a common interest development where that provision is void or unenforceable under section 4735, subdivisions (a) and (b) of the Civil Code;
- (B) Imposing or threatening to impose a fine, assessment, or other monetary penalty against any owner of a separate interest for reducing or eliminating the watering of vegetation or lawns during a declared drought emergency, as described in section 4735, subdivision (c) of the Civil Code; or
- (C) Requiring an owner of a separate interest upon which water-efficient landscaping measures have been installed in response to a declared drought emergency, as described in section 4735, subdivisions (c) and (d) of the Civil Code, to reverse or remove the water-efficient landscaping measures upon the conclusion of the state of emergency.

(2) As used in this subdivision:

- (A) "Architectural or landscaping guidelines or policies" includes any formal or informal rules other than the governing documents of a common interest development.
- (B) "Homeowners' association" means an "association" as defined in section 4080 of the Civil Code.
- (C) "Common interest development" has the same meaning as in section 4100 of the Civil Code.
- (D) "Community service organization or similar entity" has the same meaning as in section 4110 of the Civil Code.
- (E) "Governing documents" has the same meaning as in section 4150 of the Civil Code.
- (F) "Separate interest" has the same meaning as in section 4185 of the Civil Code.

(3) If a disciplinary proceeding or other proceeding to enforce a rule in violation of subdivision (c)(1) is initiated, each day the proceeding remains pending shall constitute a separate violation of this regulation.

(d) To prevent the unreasonable use of water and to promote water conservation, any city, county, or city and county is prohibited from imposing a fine under any local maintenance ordinance or other relevant ordinance as prohibited by section 8627.7 of the Government Code.

(e) The taking of any action prohibited in subdivision (b), (c) or (d) is an infraction punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs. The fine for the infraction is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(f) A decision or order issued under this section by the Board or an officer or employee of the Board is subject to reconsideration under article 2 (commencing with section 1122) of chapter 4 of part 1 of division 2 of the Water Code.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 4080, 4100, 4110, 4150, 4185, and 4735, Civil Code; Section 8627.7, Government Code; Sections 102, 104, 105, 275, 350, 491, and 1122, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463; *Stanford Vina Ranch Irrigation Co. v. State of California* (2020) 50 Cal.App.5th 976.

Attachment 2

RESOLUTION NO. IPUC 2022-04

**RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES
COMMISSION, DECLARING A STAGE 1 WATER SUPPLY EMERGENCY, MAKING
FINDINGS IN SUPPORT THEREOF, AND ADOPTING A
NOTICE OF EXEMPTION REGARDING SAME**

WHEREAS, pursuant to Section 350 of the Water Code, the governing body of a distributor of a public water supply is required to declare a water shortage emergency when it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation and fire protection; and

WHEREAS, in accordance with the provisions set forth in Water Code Section 353, upon declaration of a water shortage emergency with its service area, the governing body is required to adopt regulations and restrictions on the delivery of water and the consumption of water within the service area of water supplied for public use as will in the sound discretion of the governing body conserve the water supply for the greatest public benefit with particular regard to domestic use, sanitation and fire protection; and

WHEREAS, under Water Code Section 354, after allocating and setting aside the amount of water which in the opinion of the governing body will be necessary to supply water needed for domestic use, sanitation and fire protection, the regulations adopted by the governing body may establish priorities in the use of water for other purposes and provide for the allocation, distribution and delivery of water for such other purposes, without discrimination between consumers using water for the same purpose or purposes; and

WHEREAS, communities across California are experiencing more frequent, prolonged, and severe impacts of climate change including catastrophic wildfires, extreme heat and unprecedentedly dry conditions that threaten the health of our people, habitat for species and our economy; and

WHEREAS, drought conditions present urgent challenges, including the risk of drinking water shortages in communities, greatly increased wildfire activity, diminished water for agricultural production, adverse impacts on fisheries, and additional water scarcity if drought conditions continue into next year; and

WHEREAS, on July 8, 2021, Governor Newsom issued Executive Order No. N-10-21 directing actions on all Californians to voluntarily reduce their water use by 15 percent from their 2020 levels; and

WHEREAS, on October 19, 2021, Governor Newsom issued a Proclamation of a State of Emergency that proclaimed that eight southern California counties, including Los Angeles County, are experiencing severe drought conditions; and

WHEREAS, Governor Newsom's October 19th Proclamation directs, as applicable, local water suppliers to execute their Water Shortage Contingency Plans at levels appropriate to local conditions that take into account the possibility of a third consecutive dry year; and authorizes the State Water Resources Control Board ("SWRCB") to adopt emergency regulations to prohibit certain wasteful water practices; and

WHEREAS, on January 4, 2022, the SWRCB adopted a resolution establishing emergency regulations prohibiting certain wasteful water use practices statewide, and encouraging Californians to monitor their water use more closely, while supporting habits to use water wisely; and

WHEREAS, the Main San Gabriel Groundwater Basin (the “Basin”), which the City of Industry Waterworks System relies upon as its primary source of water to meet its customers’ needs, remains close to its historic low level, which is far below the preferred operating range for the Basin. Rainfall in the San Gabriel Valley has averaged about 12.52 inches for the past nine years, which is significantly below the long-term annual average of about 18 inches for the entire San Gabriel Valley. Furthermore, the average annual stormwater replenishment has averaged about 57,000 acre-feet for the past nine years, whereas the long-term stormwater replenishment in the San Gabriel Valley has averaged about 110,000 acre-feet per year. Consequently, over those nine years the average annual deficit of stormwater replenishment has been about 53,000 acre-feet, which represents a Basin deficit of about 477,000 acre-feet, representing about 60 feet at the Key Well; and

WHEREAS, water use efficiency requirements and water shortage emergency stages are necessary to manage the potable water supply to avoid or minimize the effects of drought and shortage within the City of Industry Waterworks System. Such measures are essential to ensure a reliable and sustainable minimum supply of water for the public health, safety, and welfare; and

WHEREAS, pursuant to Section 356 of the Water Code, a governing body may establish penalties for violations of the regulations established during a water shortage emergency, including discontinuing service to customers willfully violating the regulations and restrictions; and

WHEREAS, on December 21, 2021, the Commission adopted Resolution No. 2021-11, declaring water use efficiency practices and water conservation measures for users, which established penalties for violating any water use restrictions and/or water conservation measures required during a Stage 1 Water Shortage Emergency; and

WHEREAS, based on independent Staff analysis, this declaration of a Stage 1 Water Shortage Emergency is exempt from CEQA per Section 15269 of the CEQA Guidelines, as the measures are being undertaken to prevent and mitigate an emergency, exempt per Section 15269 of the CEQA Guidelines. As set forth herein, the Governor has proclaimed a state of emergency for Los Angeles County due to drought conditions; and

WHEREAS, notice of the Commission’s March 10, 2022, public hearing on this declaration of a Stage 1 Water Supply Emergency was published in the San Gabriel Valley Tribune, on February 25, 2022, in accordance with State law, and was posted at City Hall, City Council Chambers and on the website of the Industry Public Utilities’ Waterworks System; and

WHEREAS, on March 10, 2022, the Commission conducted a duly noticed public hearing on the water conservation measures; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE INDUSTRY PUBLIC UTILITIES COMMISSION DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

Section 1: The above recitals are true and correct, and are incorporated herein by reference.

Section 2: In accordance with the provisions set forth in Water Code Section 350, and for the reasons set forth herein, the Commission hereby declares that a water supply emergency now exists throughout the area served by the City of Industry Waterworks System.

Section 3: Pursuant to Section 353 of the Water Code, the Commission hereby adopts the following regulations and restrictions on the delivery of water and the consumption of water within the City of

Industry Waterworks System, which shall conserve the water supply for the greatest public benefit with particular regard to domestic use, sanitation, and fire protection:

a. **Limited Days and Hours for Watering and Irrigating without Use of Drip Irrigation Systems:** Watering outdoors for the purposes of irrigating landscape, lawns, vegetated areas, and plant material without the use of a drip irrigation system is limited to three (3) times per week, Monday, Wednesday, and Friday, and is prohibited between the hours of 9:00 AM and 5:00 PM.

b. **Obligated Responsibilities for Water Leaks, Breaks, or Malfunctions:** All users shall prevent, repair, and eliminate all leaks, breaks, and/or malfunctions of water served to their property, including but not limited to, water served through plumbing fixtures, indoor pipelines, outdoor pipelines, irrigation fixtures, irrigation controllers, and other water service equipment. All users shall repair leaks, breaks, and/or malfunctions when they are discovered, but not more than five (5) days after receiving notice from the City of Industry Waterworks System.

c. **Coordinated Efforts and Resources to Reduce Potable Water Use of Residential Properties:** The City of Industry Waterworks System will provide educational material and develop, coordinate, and implement water conservation programs in conjunction with the Upper San Gabriel Valley Municipal Water District and the Main San Gabriel Basin Watermaster for residential users. These resources, including but not limited to usable water saving household fixtures, obtainable water saving household appliance rebates, and offered drought tolerant landscape and turf removal incentives, will be made available to assist residential properties in attaining the overall potable water usage reduction targets set by the State Water Resources Control Board and/or the Governor of the State of California.

d. **Coordinated Efforts and Resources to Reduce Potable Water Use of Commercial, Industrial, and Institutional Properties:** The City of Industry Waterworks System will provide educational material and develop, coordinate, and implement water conservation programs in conjunction with the Upper San Gabriel Valley Municipal Water District for commercial, industrial, and institutional users. These resources, including but not limited to obtainable weather-based irrigation controller rebates and offered drought tolerant landscape and turf removal incentives, will be made available to assist commercial, industrial, and institutional properties in attaining the overall potable water usage reduction targets set by the State Water Resources Control Board and/or the Governor of the State of California.

Section 4: Based on independent staff analysis and in accordance with the California Environmental Quality Act (“CEQA”), the Commission finds that this declaration of a Stage 1 Water Shortage Emergency is exempt from CEQA per Section 15269 of the CEQA Guidelines, as the measures are being undertaken to prevent and mitigate an emergency. As set forth herein, the Governor has proclaimed a state of emergency for Los Angeles County due to drought conditions. The Commission therefore adopts the Notice of Exemption, and directs Staff to file same.

Section 5: Severability. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 6: Effective Date. That the Commission Secretary shall certify to the adoption of this Resolution and that the same shall be in full force and effect until the supply of water available for distribution within the City of Industry Waterworks System has been replenished or augmented, at which time the Commission will declare an end to the water shortage emergency.

PASSED, APPROVED AND ADOPTED by the Industry Public Utilities Commission at a regular meeting held on March 10, 2022.

Cory C. Moss, President

ATTEST:

Julie Gutierrez-Robles, Secretary

Attachment 3



make it last,
INDUSTRY

CONSERVING WATER TODAY FOR THE COMMUNITY OF TOMORROW STAGE 1 WATER SUPPLY EMERGENCY AND PERMANENT WATER CONSERVATION MEASURES

STAGE 1 RESTRICTIONS

A State of Emergency proclaimed that eight Southern California counties, including Los Angeles County, are experiencing severe drought conditions. As a result of these conditions, the **Industry Public Utilities Commission** has declared a **STAGE 1 WATER SUPPLY EMERGENCY** and has also adopted **PERMANENT WATER CONSERVATION MEASURES**.



STAGE 1 RESTRICTIONS

- **OUTDOOR WATERING IS LIMITED TO 3 DAYS PER WEEK BETWEEN 5 P.M. AND 9 A.M. ON MONDAY, WEDNESDAY, AND FRIDAY**
- Repair leaks within 5 days after receiving notice from IPU

PERMANENT WATER CONSERVATION MEASURES



OUTDOOR WATERING

- No outdoor irrigation from 9 a.m. to 5 p.m.
- No irrigation runoff to sidewalks/streets
- No watering public street medians



USE A BROOM

- Sweep sidewalks, driveways and hardscapes instead of hosing them down



FIX LEAKS

- Check for leaks and repair them regularly



BUSINESSES

- Option to decline daily linens at lodging establishments
- Serving drinking water, other than upon request, shall be prohibited in eating and drinking establishments

OTHER WATERING RESTRICTIONS

- Use only recirculating water in decorative fountains
- Turn sprinklers off during rain
- No watering for 48 hours after rainfall
- Use a shut-off nozzle when washing cars



Learn more water saving tips and view available rebates at INDUSTRYPUBLICUTILITIES.COM
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