

CITY OF COLTON  
CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
FOR THE CITY OF COLTON/COLTON UTILITY AUTHORITY/  
COLTON PUBLIC FINANCING AUTHORITY AND  
COLTON HOUSING AUTHORITY  
SPECIAL MEETING/BUDGET WORKSHOP MINUTES

June 12, 2013

The Special Meeting/Budget Workshop of the Colton City Council was held on the above-given date and was called to order at 5:32 p.m., in the Council Chambers of City Hall, with Mayor Sarah S. Zamora presiding. Roll Call was announced by City Clerk Eileen C. Gomez as follows:

CITY COUNCIL ROLL CALL

Council Members Present

Sarah S. Zamora, Mayor  
David J. Toro, Mayor Pro Tem  
Frank A. Gonzales  
Frank J. Navarro  
Susan M. Oliva  
Deirdre H. Bennett  
Isaac T. Suchil

Staff Present

Stephen Compton, Interim City Manager  
Marco Martinez, City Attorney  
Eileen C. Gomez, City Clerk  
Aurelio De La Torre, City Treasurer  
Bonnie Johnson, Management Services Director  
Amer Jakher, Public Works Director  
Bill Smith, Community Services Director  
Mark Tomich, Development Services Director  
David Kolk, Electric Utilities Director  
Tim McHargue, Fire Chief  
Steve Ward, Police Chief

Council Members/Staff Absent

None.

INVOCATION

None

FLAG SALUTE

None

BUSINESS ITEMS

- (1) Budget FY 2013-2014 – Interim City Manager Stephen Compton asked Management Services Director Bonnie Johnson to provide an update on the budget memorandum that was distributed prior to this meeting. Ms. Johnson then introduced Electric Utility Director Dr. David Kolk to provide his budget presentation.

Dr. Kolk continued to provide his PowerPoint budget presentation to Council as follows:

Summary

1. The Colton Electric Department is recommending a total budget of \$62.03 million
2. Approximately \$4.2 million from CAISO PTO revenues and customer initiated programs
3. \$57.8 million requirement from retail customer sales

4. No additional staff
5. Proposing reclassifications
6. Reclassify sr. financial analyst positions to power resource analyst
7. Reclassify work trainee to part-time office specialist

Major Cost Categories

CED's costs can be aggregated into:

	2013/14	2012/13
• Labor	\$5,554,533	\$5,323,119
• Capital	\$2,541,113	\$2,436,628
• Operations and Maintenance	\$4,808,701	\$3,808,930
• Debt	\$4,399,163	\$4,882,207
• GFT/Allocations	\$10,332,614	\$9,483,847
• Power Supply*	\$34,397,749	\$36,927,457
• TOTAL	\$62,033,873	\$62,862,188

Power supply costs include Aqua Mansa Power Plant O&M and debt

Major New Projects

- Acquire resources to help meet Renewable Portfolio Standards and AB 32 (carbon emission reduction requirements)
- New program to inspect poles and create a database of required pole maintenance (GO 174)
- Environmental work at substations to reduce risk of oil spills
- Building new substation near Agua Mansa Power Plant
- \$1.2 million for engineering, planning, environmental studies
- Lay-off of Magnolia Power Plant (in negotiations – may not be successful. If not, power costs will rise)

Revenues

- CED retail sales revenue projection is about \$57.5 million after staff's proposed rate decrease
- CED anticipates being able to meet recommended revenue requirements with proposed rates

Additional Items

- The following 2 items are proposed in addition to the City Manager's proposed budget (approved by City Manager after the budget was submitted to City Council)
- \$45,000 for rate design and appropriate level of financial reserve analysis
- \$25,000 for part-time project manager to oversee Agua Mansa Substation project (will probably need to extend this in FY 2014/15)

Dr. Kolk answered questions from Council and provided additional information regarding the Electric Department budget proposal.

At 7:28 p.m., Mayor Zamora adjourned the special meeting/budget workshop for a brief recess and at 7:52 p.m., the meeting reconvened with all members present as heretofore.

Interim City Manager Compton summarized the budget and thanked staff for all their hard work and continued to answer questions from Council Members. Council Members provided input and there was discussion regarding funding for the Beautification/For The Love of Colton Program. It was decided that \$7,000 would be allocated to assist with promotional items and marketing materials for programs and events to promote Colton and will be handled in-house as opposed to hiring a consultant.

Motion and second by CM Oliva/Suchil, to approve the Electric Department budget as presented with Council recommendations. Unanimous vote.

ADJOURNMENT

At 8:56 p.m., Mayor Zamora thanked staff and Council for their hard work and dedication to complete the budget process and adjourned the special meeting/budget workshop.

A handwritten signature in blue ink, appearing to read "Eileen C. Gomez", is written over a horizontal line.

Eileen C. Gomez, CMC  
City Clerk