

City Council Agenda Item Report

Agenda Item No. COV-869-2021

Submitted by: Carlos Fandino

Submitting Department: City Administration

Meeting Date: November 16, 2021

SUBJECT

Approval of Purchase and Sale Agreement for the Malburg Generating Station and Related Assets -
SUPPLEMENTAL

Recommendation:

- A. Find that the proposed action is categorically exempt from California Environmental Quality Act (CEQA) review, in accordance with CEQA Guidelines §15601(b)(3), the general rule that CEQA only applies to projects that may have a significant effect on the environment, and § 15301 because the City's acquisition of the Malburg Generating Station (MGS) facilities and property involves negligible or no expansion of an existing use; and
- B. Adopt Resolution No. 2021-41 authorizing and approving a Purchase and Sale Agreement with respect to the Malburg Generating Station and related assets; approving other documents in connection with such acquisition; and authorizing certain other matters relating thereto.

Background:

Minor modifications on the schedules to the Purchase and Sale Agreement are shown in the attached.

Fiscal Impact:

There is no fiscal impact associated with this supplemental report.

Attachments:

1. [Vernon - PSA Schedules \(Changed Pages\)](#)

**SCHEDULES TO THE
CITY OF VERNON PURCHASE AND SALE AGREEMENT**

Schedule 2.1(g)

Assigned Agreements

1. LTSA.
2. Purchase Order No. MGS21896 issued by Colorado Energy Management, LLC to Cormetech Inc. dated April 22, 2021 for the supply, delivery and installation of two Catalysts, SCR1, SCR2 and related Standard Terms and Conditions between Colorado Energy Management, LLC and Cormetech Inc. dated October 14, 2013.
3. Purchase Order No. MGS22472 issued by Colorado Energy Management, LLC to Cormetech Inc. dated September 21, 2021 for the catalyst storage services and related Standard Terms and Conditions between Colorado Energy Management, LLC and Cormetech Inc. dated October 14, 2013.
- ~~4. — Agreements with Naleo (to extent such assignment is required to be approved by Naleo by the terms of such agreement)~~
- ~~4.~~ 5. Agreements with Hill Brothers (to extent such assignment is required to be approved by Hill Brothers by the terms of such agreement) Standard Terms and Conditions between Colorado Energy Management, LLC and Hill Brothers Chemical Company dated December 12, 2014.

Schedule 3.1(b)

Required Consents

Applicable Agreement	Consenting Party
1. LTSA	Siemens Energy, Inc.
2. Purchase Order No. MGS21896 issued by Colorado Energy Management, LLC to Cormetech Inc. dated April 22, 2021 for the supply, delivery and installation of two Catalysts, SCR1, SCR2 and related Standard Terms and Conditions between Colorado Energy Management, LLC and Cormetech Inc. dated October 14, 2013.	Cormetech Inc.
3. Purchase Order No. MGS22472 issued by Colorado Energy Management, LLC to Cormetech Inc. dated September 21, 2021 for the catalyst storage services and related Standard Terms and Conditions between Colorado Energy Management, LLC and Cormetech Inc. dated October 14, 2013.	Cormetech Inc.
4. — Agreements with Naleo (to extent such assignment is required to be approved by the terms of such agreement)	Naleo
5. Agreements with <u>Standard Terms and Conditions between Colorado Energy Management, LLC and Hill Brothers</u> (to extent such assignment is required to be approved by the terms of such agreement) <u>Chemical Company dated December 12, 2014.</u>	Hill Brothers <u>Chemical Company</u>

~~Consent of the foregoing parties shall be evidenced by the assignment of the respective agreements.~~

Schedule 5.2(a)(1)

Compliance with Governmental Rules and Permits

1. SCAQMD Notice of Violation P68325 – No disposition date assigned, follow up status In Compliance
2. SCAQMD Notice of Violation P66127 – No disposition date assigned, follow up status In Compliance
3. [On November 15, 2021, CT2 exceeded the allowable NOx lb/startup emissions under the Facility's South Coast Air Quality Management District RECLAIM/Title V Facility Permit. The permit limit is 51.3 and actual was 51.5.](#)
4. ~~3-~~ Steam Boiler Permit No. B009956-05 – permit expired on 11/3/2021. A 6-month extension was verbally granted by the inspector on 11/3/21, however physical copies of the extension has not yet been delivered
5. ~~4-~~ Steam Boiler Permit No. B009955-05 – Permit expired on 11/3/2021. A 6-month extension was verbally granted by the inspector on 11/3/21, however physical copies of the extension has not yet been delivered

Schedule 5.2(i)

Facility Employees

1. Michael Bonfiglio Operations Manager
2. Ian Everts Maintenance Manager
3. Mark Flynn Safety/Training Administrator
4. Adriano Marki Plant Engineer
5. Charlotte Mclemore Division Accounting Manager
6. Juan Avalos ~~Field~~[Control Room](#) Operator
7. Kevin Burke Mechanic
8. Craig Cooper Field Operator
9. Michael Gordon Material Control Administrator
10. Jesse Palomarez ~~Field~~[Control Room](#) Operator
11. Ricardo Recano Field Operator
12. Pedro Revuelta I&C Technician
13. Robert Shelton Mechanic - Lead
14. Ethan Slater Field Operator
15. Sean Taylor Control Room Operator
16. Serafin Tinoco Field Operator
17. Gary Wheaton ~~Electrician~~[IC&E Technician](#)
18. Mark Yeaman Control Room Operator - Senior
19. Thomas Barnhart Environmental Specialist
20. Matt Richards Plant Manager

Schedule 9.3(a)

Facility Employees to be Offered City Employment

<u>Name</u>	<u>Bicent Position</u>	<u>City Position</u>
<u>Michael Bonfiglio</u>	<u>Operations Manager</u>	<u>Operations Manager</u>
<u>Ian Everts</u>	<u>Maintenance Manager</u>	<u>Maintenance Manager</u>
<u>Mark Flynn</u>	<u>Safety/Training Administrator</u>	<u>Site Safety Administrator/CRO</u>
<u>Adriano Marki</u>	<u>Plant Engineer</u>	<u>Plant Engineer</u>
<u>Charlotte Mclemore</u>	<u>Division Accounting Manager</u>	<u>Administrative Analyst</u>
<u>Juan Avalos</u>	<u>Control Room Operator</u>	<u>Control Room Operator</u>
<u>Kevin Burke</u>	<u>Mechanic</u>	<u>Mechanic/Welder</u>
<u>Craig Cooper</u>	<u>Field Operator</u>	<u>Field Operator</u>
<u>Michael Gordon</u>	<u>Material Control Administrator</u>	<u>Material Control Administrator</u>
<u>Jesse Palomarez</u>	<u>Control Room Operator</u>	<u>Control Room Operator</u>
<u>Ricardo Recano</u>	<u>Field Operator</u>	<u>Field Operator</u>
<u>Pedro Revuelta</u>	<u>Instrument & Controls Technician</u>	<u>Instrument & Controls Technician</u>
<u>Robert Shelton</u>	<u>Mechanic - Lead</u>	<u>Mechanic/Welder - Lead</u>
<u>Ethan Slater</u>	<u>Field Operator</u>	<u>Field Operator</u>
<u>Sean Taylor</u>	<u>Control Room Operator</u>	<u>Control Room Operator</u>
<u>Serafin Tinoco</u>	<u>Field Operator</u>	<u>Field Operator</u>
<u>Gary Wheaton</u>	<u>IC&E Technician</u>	<u>Plant Electrician</u>
<u>Mark Yeaman</u>	<u>Control Room Operator - Senior</u>	<u>Control Room Operator, Senior</u>

-*Still under review – Matt Richards, Plant Manager

City Council Agenda Item Report

Agenda Item No. COV-868-2021

Submitted by: Michael Earl

Submitting Department: Human Resources

Meeting Date: November 16, 2021

SUBJECT

Amendment to Classification and Compensation Plan - SUPPLEMENTAL

Recommendation:

A. Approve new or revised job descriptions for Assistant General Manager - Generation and Operations; Control Room Operator; Control Room Operator, Senior; Field Operator; Human Resources Analyst (revised), Instrument and Controls Technician; Maintenance Manager; Material Control Administrator; Mechanic/Welder; Mechanic/Welder, Lead; Operations Manager; Plant Electrician; Plant Engineer; Senior Human Resources Analyst (revised); Site Safety Administrator/Control Room Operator; and B. Adopt Resolution No. 2021-42 amending Exhibit A of the Classification and Compensation Plan, adopted by Resolution No. 2021-36, as amended by Resolution Nos. 2021-27 and 2021-37, approving new or revised salary ranges for the above referenced classifications.

Background:

The Salary Schedule originally distributed contained an error. The proposed salary for the classification of Assistant General Manager – Generation & Operations should have been salary range 44 instead of salary range 43. Attached is Resolution No. 2021-42 with the correct Salary Schedule.

Fiscal Impact:

There is no fiscal impact associated with this supplemental agenda report.

Attachments:

1. [Resolution No. 2021-42](#)

RESOLUTION NO. 2021-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON AMENDING EXHIBIT A OF THE CLASSIFICATION AND COMPENSATION PLAN ADOPTED BY RESOLUTION NO. 2021-16 TO ADD AND REVISE VARIOUS CLASSIFICATIONS AND ASSOCIATED SALARY RANGES

SECTION 1. Recitals.

A. On June 1, 2021, the City Council adopted Resolution No. 2021-16, as amended by Resolution Nos. 2021-27 and 2021-37, adopting the Classification and Compensation Plan in accordance with Government Code Section 20636(b)(1).

B. Based on the potential re-purchase of the Malburg Generation Station, 13 new classifications and associated salary ranges are necessary in the Public Utilities Department for power plant operations. Based on the recent resignation of the long-term Human Resources Analyst incumbent, staff has also reviewed the Human Resources Analyst series and recommends revisions to both classifications in this series and a salary change to the Human Resources Analyst position.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 2. The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

SECTION 3. The Classification and Compensation Plan adopted by Resolution No. 2021-16, as amended by Resolution Nos. 2021-27 and 2021-37, is hereby amended to revise and add classifications and associated compensation for the positions of Assistant General Manager – Generations and Operations, Control Room Operator, Control Room Operator, Senior, Field Operator, Human Resources Analyst (revised) Instrument & Controls Technician, Maintenance Manager, Material Control Administrator, Mechanic/Welder, Mechanic/Welder, Lead, Operations Manager, Plant Electrician, Plant Engineer, Senior Human Resources Analyst (revised), and Site Safety Administrator/Control Room Operator, as shown in Exhibit A of this Resolution and referred to as Exhibit A of the City’s Classification and Compensation Plan.

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SECTION 4. The City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

APPROVED AND ADOPTED this 16th day of November, 2021.

MELISSA YBARRA, Mayor

ATTEST:

LISA POPE, City Clerk
(seal)

APPROVED AS TO FORM:

ZAYNAH N. MOUSSA,
Interim City Attorney



City of Vernon
Classification and Compensation Plan
Management, Confidential, Elected Officials, and Unclassified
Exhibit A
Fiscal Year: 2021-2022
Effective November 16, 2021

CLASS CODE	OCCUPATIONAL JOB FAMILIES AND JOB CLASSES	FLSA	EMPLOYEE GROUP	PAY GRADE	{a} ANNUAL	{a} MONTHLY	HOURLY	PAY PERIOD
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HUMAN RESOURCES DEPARTMENT

1420	Human Resources Analyst	E	C	28				
	Step 1				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
	Step 2				\$ 100,481	\$ 8,373	\$ 48.3081	\$ 3,864.65
	Step 3				\$ 105,505	\$ 8,792	\$ 50.7235	\$ 4,057.88
	Step 4				\$ 110,780	\$ 9,232	\$ 53.2597	\$ 4,260.78
	Step 5				\$ 116,319	\$ 9,693	\$ 55.9227	\$ 4,473.81
1415	Senior Human Resources Analyst	E	C	33				
	Step 1				\$ 122,135	\$ 10,178	\$ 58.7188	\$ 4,697.50
	Step 2				\$ 128,242	\$ 10,687	\$ 61.6547	\$ 4,932.38
	Step 3				\$ 134,654	\$ 11,221	\$ 64.7375	\$ 5,179.00
	Step 4				\$ 141,387	\$ 11,782	\$ 67.9743	\$ 5,437.95
	Step 5				\$ 148,456	\$ 12,371	\$ 71.3731	\$ 5,709.84

PUBLIC UTILITIES DEPARTMENT

8311	Assistant General Manager - Generation and Operation	E	M	44				
	Step 1				\$ 208,893	\$ 17,408	\$ 100.4292	\$ 8,034.33
	Step 2				\$ 219,337	\$ 18,278	\$ 105.4506	\$ 8,436.05
	Step 3				\$ 230,304	\$ 19,192	\$ 110.7232	\$ 8,857.86
	Step 4				\$ 241,819	\$ 20,152	\$ 116.2593	\$ 9,300.75
	Step 5				\$ 253,910	\$ 21,159	\$ 122.0723	\$ 9,765.78

Electric Operations Division

8320	Maintenance Manager	E	M	36				
	Step 1				\$ 141,387	\$ 11,782	\$ 67.9743	\$ 5,437.95
	Step 2				\$ 148,456	\$ 12,371	\$ 71.3731	\$ 5,709.84
	Step 3				\$ 155,879	\$ 12,990	\$ 74.9417	\$ 5,995.34
	Step 4				\$ 163,673	\$ 13,639	\$ 78.6888	\$ 6,295.11
	Step 5				\$ 171,856	\$ 14,321	\$ 82.6233	\$ 6,609.86
8316	Operations Manager	E	M	37				
	Step 1				\$ 148,456	\$ 12,371	\$ 71.3731	\$ 5,709.84
	Step 2				\$ 155,879	\$ 12,990	\$ 74.9417	\$ 5,995.34
	Step 3				\$ 163,673	\$ 13,639	\$ 78.6888	\$ 6,295.11
	Step 4				\$ 171,856	\$ 14,321	\$ 82.6233	\$ 6,609.86
	Step 5				\$ 180,449	\$ 15,037	\$ 86.7545	\$ 6,940.36

Malburg Generation Station Division

8355	Control Room Operator	NE	U	26				
	Step 1				\$ 86,799	\$ 7,233	\$ 41.7304	\$ 3,338.43
	Step 2				\$ 91,139	\$ 7,595	\$ 43.8169	\$ 3,505.35
	Step 3				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
	Step 4				\$ 100,481	\$ 8,373	\$ 48.3081	\$ 3,864.65
	Step 5				\$ 105,505	\$ 8,792	\$ 50.7235	\$ 4,057.88



City of Vernon
Classification and Compensation Plan
Management, Confidential, Elected Officials, and Unclassified
Exhibit A
Fiscal Year: 2021-2022
Effective November 16, 2021

CLASS CODE	OCCUPATIONAL JOB FAMILIES AND JOB CLASSES	FLSA	EMPLOYEE GROUP	PAY GRADE	{a} ANNUAL	{a} MONTHLY	HOURLY	PAY PERIOD
8340	Control Room Operator, Senior	NE	U	28				
	Step 1				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
	Step 2				\$ 100,481	\$ 8,373	\$ 48.3081	\$ 3,864.65
	Step 3				\$ 105,505	\$ 8,792	\$ 50.7235	\$ 4,057.88
	Step 4				\$ 110,780	\$ 9,232	\$ 53.2597	\$ 4,260.78
	Step 5				\$ 116,319	\$ 9,693	\$ 55.9227	\$ 4,473.81
8370	Field Operator	NE	U	24				
	Step 1				\$ 78,729	\$ 6,561	\$ 37.8507	\$ 3,028.06
	Step 2				\$ 82,666	\$ 6,889	\$ 39.7433	\$ 3,179.46
	Step 3				\$ 86,799	\$ 7,233	\$ 41.7304	\$ 3,338.43
	Step 4				\$ 91,139	\$ 7,595	\$ 43.8169	\$ 3,505.35
	Step 5				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
8360	Instrument & Controls Technician	NE	U	25				
	Step 1				\$ 82,666	\$ 6,889	\$ 39.7433	\$ 3,179.46
	Step 2				\$ 86,799	\$ 7,233	\$ 41.7304	\$ 3,338.43
	Step 3				\$ 91,139	\$ 7,595	\$ 43.8169	\$ 3,505.35
	Step 4				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
	Step 5				\$ 100,481	\$ 8,373	\$ 48.3081	\$ 3,864.65
8390	Material Control Administrator	NE	U	20				
	Step 1				\$ 64,771	\$ 5,398	\$ 31.1399	\$ 2,491.19
	Step 2				\$ 68,010	\$ 5,667	\$ 32.6969	\$ 2,615.75
	Step 3				\$ 71,410	\$ 5,951	\$ 34.3317	\$ 2,746.54
	Step 4				\$ 74,980	\$ 6,248	\$ 36.0483	\$ 2,883.86
	Step 5				\$ 78,729	\$ 6,561	\$ 37.8507	\$ 3,028.06
8365	Mechanic/Welder	NE	U	24				
	Step 1				\$ 78,729	\$ 6,561	\$ 37.8507	\$ 3,028.06
	Step 2				\$ 82,666	\$ 6,889	\$ 39.7433	\$ 3,179.46
	Step 3				\$ 86,799	\$ 7,233	\$ 41.7304	\$ 3,338.43
	Step 4				\$ 91,139	\$ 7,595	\$ 43.8169	\$ 3,505.35
	Step 5				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
8350	Mechanic/Welder, Lead	NE	U	27				
	Step 1				\$ 91,139	\$ 7,595	\$ 43.8169	\$ 3,505.35
	Step 2				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
	Step 3				\$ 100,481	\$ 8,373	\$ 48.3081	\$ 3,864.65
	Step 4				\$ 105,505	\$ 8,792	\$ 50.7235	\$ 4,057.88
	Step 5				\$ 110,780	\$ 9,232	\$ 53.2597	\$ 4,260.78
8335	Plant Electrician	NE	U	28				
	Step 1				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
	Step 2				\$ 100,481	\$ 8,373	\$ 48.3081	\$ 3,864.65
	Step 3				\$ 105,505	\$ 8,792	\$ 50.7235	\$ 4,057.88
	Step 4				\$ 110,780	\$ 9,232	\$ 53.2597	\$ 4,260.78
	Step 5				\$ 116,319	\$ 9,693	\$ 55.9227	\$ 4,473.81



City of Vernon
Classification and Compensation Plan
Management, Confidential, Elected Officials, and Unclassified
Exhibit A
Fiscal Year: 2021-2022
Effective November 16, 2021

CLASS CODE	OCCUPATIONAL JOB FAMILIES AND JOB CLASSES	FLSA	EMPLOYEE GROUP	PAY GRADE	{a} ANNUAL	{a} MONTHLY	HOURLY	PAY PERIOD
8330	Plant Engineer	NE	U	35				
	Step 1				\$ 134,654	\$ 11,221	\$ 64.7375	\$ 5,179.00
	Step 2				\$ 141,387	\$ 11,782	\$ 67.9743	\$ 5,437.95
	Step 3				\$ 148,456	\$ 12,371	\$ 71.3731	\$ 5,709.84
	Step 4				\$ 155,879	\$ 12,990	\$ 74.9417	\$ 5,995.34
	Step 5				\$ 163,673	\$ 13,639	\$ 78.6888	\$ 6,295.11
8345	Site Safety Administrator/Control Room Operator	NE	U	27				
	Step 1				\$ 91,139	\$ 7,595	\$ 43.8169	\$ 3,505.35
	Step 2				\$ 95,696	\$ 7,975	\$ 46.0078	\$ 3,680.62
	Step 3				\$ 100,481	\$ 8,373	\$ 48.3081	\$ 3,864.65
	Step 4				\$ 105,505	\$ 8,792	\$ 50.7235	\$ 4,057.88
	Step 5				\$ 110,780	\$ 9,232	\$ 53.2597	\$ 4,260.78

 {a} - The annual and monthly salaries are reported as whole dollar without the cents ONLY for reporting purposes.