



*City of Arts & Innovation*

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: AUGUST 20, 2019**

**FROM: PUBLIC UTILITIES DEPARTMENT      WARDS: ALL**

**SUBJECT: GAGE CANAL WATER COMPANY SHAREHOLDER ASSIGNMENTS TO QUALIFY PERSONS TO BE MEMBERS OF BOARD OF DIRECTORS FOR GAGE CANAL WATER COMPANY**

**ISSUE:**

Confirm the Board of Public Utilities approval to assign one (1) share of the Gage Canal Water Company to each of the Riverside Public Utilities Board Members and Riverside Public Utilities staff, as outlined in this report, in order to qualify each person to be a member of the Board of Directors for the Gage Canal Water Company on behalf of the City of Riverside.

**RECOMMENDATION:**

That the City Council confirm the approval to assign one (1) share of the Gage Canal Water Company to each of the Riverside Public Utilities Board Members and Riverside Public Utilities staff, as outlined in this report, in order to qualify each person to be a member of the Board of Directors for the Gage Canal Water Company on behalf of the City of Riverside.

**BOARD RECOMMENDATION:**

This report is published on August 8, 2019, for the August 20, 2019 City Council Meeting.

On August 12, 2019, the Board of Public Utilities will hear this item for consideration to:

1. Approve and recommend that the City Council confirm the approval to assign one (1) share of the Gage Canal Water Company to each of the Riverside Public Utilities Board Members listed herein and the General Manager of Riverside Public Utilities; and
2. Upon assignment of shares by the City Council, recommend that the Gage Canal Water Company Board appoint Todd Corbin to fill the Board seat vacated by the resignation of Elizabeth Sanchez-Monville.

If the Board of Public Utilities approves to forward the recommendations to City Council, it is respectfully requested that the City Council consider the item at the August 20, 2019, City

Council meeting.

**BACKGROUND:**

The Gage Canal Water Company (Gage) is a private, non-profit California corporation. A condition of the City’s acquisition of the Gage Canal was that Gage would continue to deliver Gage water to shareholders, and Gage has continued to do so to this day.

An eleven-member board, elected annually by the Gage shareholders, governs Gage. Under the Gage Bylaws, each member of the board must be a Gage shareholder. However, the Gage bylaws provide that for the purpose of qualifying a person to be a Director, any corporation shall be allowed to transfer to such person a share of stock for such purpose. The Gage bylaws specifically provide that the transfer of a share for such a purpose does not transfer the right to receive water to such person. The City currently owns approximately 8,569 of the Gages 14,055 shares.

**DISCUSSION:**

Submitted for City Council consideration is the affirmation to assign each of the following City representative’s one (1) share of the Gage Canal Water Company, as listed in the attached document, for the purpose of qualifying each person to be eligible to be elected as a member of the Board of Directors for the Gage Canal Water Company on behalf of the City of Riverside.

- Todd M. Corbin, Public Utilities General Manager
- Todd L. Jorgenson, Utilities Assistant General Manager/Water
- Elizabeth Sanchez-Monville, Board of Public Utilities Member
- Dave Austin, Board of Public Utilities Member
- Gildardo “Gil” Ocegüera, Board of Public Utilities Member
- David Crohn, Board of Public Utilities Member
- Ana Miramontes, Board of Public Utilities Member
- Jennifer O’Farrell, Board of Public Utilities Member
- Jo Lynne Russo-Pereyra, Board of Public Utilities Chair
- Andrew Walcker, Board of Public Utilities Member
- Jeanette Hernandez, Board of Public Utilities Member

When an assigned shareholder separates from the Board of Public Utilities, or from employment with the City of Riverside Public Utilities Department, the shares belonging to said shareholder will be reassigned.

**FISCAL IMPACT:**

There is no fiscal impact associated with this report.

Prepared by:	Todd M Corbin, Public Utilities General Manager
Certified as to	
availability of funds:	Edward Enriquez, CFO/Treasurer
Approved by:	Al Zelinka, City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachment: Gage Canal Shareholders 2019