



City of Arts & Innovation

Mutual Water Company Voting Proxy Ad Hoc Committee Memorandum

TO: MUTUAL WATER COMPANY VOTING PROXY AD HOC COMMITTEE **DATE: NOVEMBER 23, 2020**

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

SUBJECT: AD HOC COMMITTEE FOR MUTUAL WATER COMPANY PROXIES

ISSUE:

Discuss the process for the selection of voting and alternate City representatives on mutual water company Board of Directors.

RECOMMENDATIONS:

That the City Council and Board of Public Utilities members of the Mutual Water Committee Ad Hoc Committee:

1. Receive an update on the process for the selection of voting and alternate City representatives on mutual water company Board of Directors;
2. Provide direction to staff on the process for selection of voting and alternative City representatives on mutual water company Board of Directors

CITY COUNCIL ACTION:

On October 6, 2020, the City Council unanimously voted to (1) approve and confirm the voting representatives and alternates outlined in the written staff report and delegated authority to any designated representative or alternate to vote the City's shares as the City's proxy at all meetings of the respective mutual water companies from the date of this action until amended; and (2) refer to City Council Economic Development, Placemaking, and Branding/Marketing Committee to discuss next year's appointments; and (3) request Councilwoman Plascencia and Councilmember Fierro to meet with a Riverside Public Utilities Board Ad Hoc Committee to discuss the appointments.

BACKGROUND:

The City Council is required to approve and confirm the voting representatives and alternates to vote the City's shares as the City's proxy at all meetings of mutual water companies in which the City has a Board seat. This action is usually completed on an annual basis.

Each mutual water company is governed by a Board of Directors which vote on issues of the companies. The City's authorized representatives and alternates have the responsibility to represent the City's interests to protect the water rights represented by the share(s) of stock owned in the respective mutual water companies. The Gage Canal Company Board is the largest and most active of the mutual water companies with a monthly meeting schedule and subcommittees while others such as the Trujillo Mutual Water Company which may meet and only hold one meeting annually.

DISCUSSION:

Staff will present the Committee with information regarding the appointment of authorized representatives and alternates to vote the City's shares as the City's proxy at all meetings of the mutual water companies; Gage Canal Company, Jurupa Ditch Water Company, Riverside Highland Water Company, Trujillo Water Company and Meeks and Daley Water Company. Shares in these mutual water companies were acquired over the years to provide water rights or rights to receive water to supplement the City's water supplies from these companies which owned water rights.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

Prepared by: Todd M. Corbin, Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Kristi J. Smith, Chief Assistant City Attorney

Attachment: October 6, 2020 Shareholder Proxy Authority Report