

Board Update Meeting Summary | Friday, July 18, 2014

This summary may not include all agenda items and is not considered minutes of the meeting. Click on the link below for complete meeting agenda items.

[LINK TO COMPLETE AGENDA ITEMS & MINUTES](#)

Board Actions:

Employee Recognition Presentation

General Manager Girish Balachandran recognized both, Power Resources Manager, Bob Tang and Sustainability Officer, Ryan Bullard as Employees of the Year.

Board of Public Utilities approves the following consent calendar items:

- Bid rejection of Magnolia Power Reliability Project, Project Demolition and Site Preparation Contract as a qualified contractor could not be procured. The project will be delayed 20 days as staff will utilize the Contractor's Panel in place to separate and divide the project among several contractors for a better result.
- \$135,000 work order for the purchase of PowerBase Software for \$95,193.50 to provide utility protection system software and for the City Manager to execute agreements for licensing and master services.
- \$208,000 for roof replacements at Gateway Building and Utility Operations Center.
- Recommendation for the City Council to approve Pellessier Ranch Solar Project Development Agreement with the City of Colton for the development phase of the proposed project on the 227 acre site. City of Colton is interested in a 30% share of the project output.
- Bid rejection for the rehabilitation of vacant space at Mission Square for relocation of the Public Utilities Board Room.

Board approves construction of the Cook Booster Station Replacement Project

A \$1,542,500 capital expenditure was approved for design, construction, contract administration, inspection and construction contingency to replace the Cook Booster Station. The construction contract was awarded to SCW Contracting for \$1,159,814. The station is located in the La Sierra area and will replace one of the oldest booster stations built in 1975.

Board approves Fourteen Amendment to the Sharing Households Assist Riverside's Energy (SHARE) Program Contract

Assistant General Manager, Michael Bacich gave a presentation detailing the history of the (SHARE) program. The Board discussed creating regularized reporting procedures for the program and approved the annual contract (July 1, 2014-June 30, 2015) with the County of Riverside Department of Public Social Services to administer up to \$1.9 million in low-income utility bill payment assistance. They did not approve utilization of an additional \$475,000 contingency fund requested if program funds are depleted as participation has been decreasing.

Board receives and files 2014 Annual Electric Renewables Portfolio Standard (RPS) Compliance Filing

Assistant General Manager, Reiko Kerr provided a presentation that explained the legal basis for RPS filing, and indicated that we are ahead of most publicly-owned utilities with our current Power Source Disclosure listed as 24.3% renewable power in our power mix, with our potential RPS to be 40% by 2019, well ahead of the SBX1-2 mandate of 33% by 2020.

Board recommends that the City Council approve revisions to the City's Water Shortage Contingency Plan and implement an Emergency Ordinance in response to the State Water Resources Control Board (SWRCB) Mandate

The Board received a comprehensive presentation by Assistant General Managers Kevin Milligan and Michael Bacich. As part of a general overview, Kevin explained that we are required by state law to comply with SWRCB conservation mandates, even though Riverside is uniquely positioned relative to other agencies because we are not dependent upon state water supplies. However, our own basins are at historic lows and local rainfall has been at 63% of normal in the last three years. General Manager Balachandran mentioned that our approach to the situation and the proposed changes to our existing ordinance are being recommended to balance our short-term and long-term reliability with measures so that they will not impact unduly customers or rates. Several ideas and tactics were discussed with the board. General Manager Girish Balachandran assured the board they will remain updated on the situation and will be part of the input process with each step as the drought situation unfolds.

State Mandated Emergency Actions by August 1, 2014

Kevin explained that the SWRCB governs water use once drought declaration has been made by the Governor (January 2014), they met on July 15, and decided to prohibit:

- Application of water to landscape in a manner that causes runoff (applied to potable water and ornamental landscape/turf. Agricultural watering is exempt).
- Washing hard surfaces except to preserve public health and safety.
- Use of decorative fountains or water features except where water is circulated.
- Enforceable by up to \$500 criminal citation.

The City is required to:

- Enforce the actions above as well as implement their own Water Shortage Contingency Plans that include mandatory outdoor water restrictions.
- Report monthly water production beginning 10/2014
- The City could be fined \$10,000 daily following a cease and desist order if we do not comply.

Proposed Changes to our Water Shortage Contingency Plan

Kevin reported that our current ordinance does not include mandatory watering restrictions until stage 3 of our plan, which would only allow 2 days of watering per week, and asked the board to recommend the following changes for the City Council to adopt on July 22, 2014:

Revise current Stage 2:

- Mandatory watering no more than 4 days per week, between 8pm and 8am
- Reduce water use by 15%
- Fix plumbing and irrigation leaks within 72 hours
- Water upon request at restaurants
- For Large customers consider exemption from time/day restrictions with demonstrated 15% conservation

Revise current Stage 3:

- Mandatory watering no more than 3 days per week

Conservation Programs/Communications and Outreach

Mike Bacich indicated that full communication plans are in place at all spectrums of marketing outlets from radio to social media to print ads as well as letters sent directly to the customers. 311 will have full process in place to help customers that call in to report water waste. Door hangers for enforcement will be utilized as a warning mechanism and other enforcement measures will be developed if needed. All water conservation programs are fully funded thanks to the recent adoption of the Water Conservation Surcharge. The main changes in response to the mandatory water restrictions are to the Water Wise Landscaping Program as follows:

- Residential incentive to be increased from .40 cents per square foot to \$2.00 per square foot for turf removal; commercial rate will be \$3.00 per square foot and minimum and maximum area has been removed as well as the incentive cap, which will now cover 100% of the project cost.

General Manager's Report - No report at this time.

Board requests for future updates

- Pellessier Ranch Update/Review
- RPU Space Plan Update