

Board Update Meeting Summary | Friday, May 1, 2015

This summary may not include all agenda items and is not considered minutes of the meeting. For complete meeting agenda, click [here](#).

Employee Recognition Presentation:

There were no Employee Recognition Presentations at this meeting.

Board Actions:

Board of Public Utilities approves Consent Calendar Items without comment as listed below:

- The Board approved the estimated capital expenditure of \$61,000 for Primary Conduit and Cable Replacement at Mendocino and Tanforan Drives.
- A work order for \$80,000 was approved for Primary Conduit and Cable Replacement at Charleston and Kilkenny Drives.
- The Board approved the estimated capital expenditure of \$57,000 for Primary Conduit and Cable Replacement at Cherokee Street and Comanche Avenue.
- A Third Amendment was approved to the Master Agreement for General Landscape Maintenance at various Public Utilities Properties with Mariposa Landscapes, Inc. of Irwindale, California, from July 1, 2015 to June 30, 2016 in the amount of \$241,071.96.
- The Board excused Board Member David Roberts' absences from regular meetings of May 15, 2015, June 4, 2015, and June 19, 2015 for scheduled vacation time.

Board approves Construction of the Riverside Airport Water Main Replacement project

Board Chair Susan Cash asked for more explanation of the project; would residents be affected, and will any source of the funds be reimbursed. Deputy General Manager Kevin Milligan explained the project is to replace aging infrastructure and to abandon waterlines onsite that are in conflict with recent and planned expansions at the airport. New hangars are being built where the waterlines run; therefore, it's best to move the lines offsite and meters to the street, as we do with many businesses such as the Riverside Plaza, where they won't interfere with airport operations. Several existing fire hydrants located along the taxiway will also be relocated to the edge of airport property to eliminate obstructions. There is no reimbursement but this will reduce maintenance cost and residents will have better service.

Board approves Lease Agreement and Water Sale Agreement with American Youth Soccer Organization Region 47 for use of Ab Brown Sports Complex

General Manager Girish Balachandran provided background related to the new lease agreement with AYSO. The Board of Public Utilities wants to go on record stating they are looking for fair market value on all real estate transactions. The Water Sale Agreement was based on the cost to serve this facility with non-potable water. The potable water service is under standard commercial tariffs.

Board approves the award of a contract for the Magnolia-Plaza Reliability Project, the construction of a Block Wall at the Plaza Substation

The Magnolia-Plaza Reliability Project was approved by the Board of Public Utilities on December 7, 2012. After several failed attempts at bids for a block wall and other improvements, staff revised the bid for a new block wall. The lowest bid response is from Genesis Construction of Hemet, California in the amount of \$640,777 when utility engineers estimated the cost to be much higher. A discussion ensued about the cost being too high. It was explained that the energized circuits, qualified electric workers, the height of the wall, barbed wire installation, and gate installations add to the complexity of the construction. Assistant General Manager Pat Hohl stated it is a prevailing wage job.

Board discussed the May 7, 2015 Joint Workshop planned with the Board of Public Utilities and the City Council

This will be the first time in many years that the City Council and Board of Public Utilities (Board) will meet jointly. The purpose of the workshop is to align between the City Council and Board of Public Utilities strategic planning efforts and goals. They should address the future of the utility, challenges and opportunities, the City Charter, Board rules and responsibilities, and the Action Plan for Utility 2.0. Deputy General Manager Kevin Milligan will facilitate breakout sessions. Public Utilities General Manager Girish Balachandran will present on short and long term goals and code of ethics. He believes the two governance boards need to talk to each other.

Board discussed the Water Drought, Governor's Executive Order B-29-15 and the California Stet Water Resources Control Board Mandatory Emergency Drought Response Regulations; Update on Coty of Riverside Response

The second round of drought comments will be held Monday, May 4, 2015, in Sacramento. It was shared that there is a possibility that utilities with an independent water source and a water reserve of four years could possibly move into a 4% reserve category. General Manager Girish Balachandran feels strongly that Riverside Public Utilities belongs in that category and is working on a letter to support it. Deputy General Manager Kevin Milligan will be in Sacramento on Tuesday to provide comments to the State Board. The City water usage is 70,000 acre ft. per year. In order to comply with a 28% reduction, the city would have to reduce water usage by 19,000 acre ft. per year. More than ninety percent of Riverside residents would have to stop outdoor watering completely in order to meet this goal and this is of course, not possible. Therefore, in order to meet the goal, commercial customers would also have to reduce their usage. Regardless if we move into a 4% category, median watering would have to cease. Governor Brown met in Sacramento on Tuesday, April 28, 2015, with mayors from across the state, including Riverside's Mayor Bailey. When the governor asked the Mayors if they could achieve the 28% goal, the Mayors answered that this would most likely not be possible. There was a sense the Governors goals were aspirational. He indicated that the state wouldn't be quick to fine if utilities are attempting to meet the goals. The Mayors asked for consistent communication.

At the next Board meeting, General Manager Girish Balachandran plans to outline actions we should take and what our target is. Assistant General Manager Michael Bacich commented there will be need for a strong educational component to the plan and a joint outreach with Western Municipal Water District.

Board Member/Staff Communications

Items for future Board of Public Utilities consideration:

1. RTRP
2. Response to the public related to our accounting practices

General Manager's Report

- Government Affairs Committee requests a report on roles of staff on other Boards in the community.