

## Board Update Meeting Summary | Friday, February 5, 2016

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

### Employee Recognition:

General Manager Girish Balachandran recognized Billing Supervisor Rita Nicks for her hard work and dedication. She has been integral to the CIS system changeover, and her 30 year longevity at RPU has served as an invaluable, vital resource for her division.

### Board approved the following items on the Consent Calendar:

- Annual interest rate of 0.03% paid for customer deposits.
- Work Order for \$342,000 for a Professional Services Agreement with Securicon, LLC to provide a Vulnerability Assessment Report.

### Board received and filed a report on Northside Properties Transactions provided by Baker Tilly Virchow Krause, LLP (Baker Tilly) and directed staff to implement changes proposed by this report

General Manager Girish Balachandran introduced Russ Hissom, a partner from Baker Tilly, who provided a presentation explaining their findings related to the property transactions on the Northside Properties. A few members of the public spoke during public comment, disagreeing with the findings. Two findings and recommendations were identified; verification that the property that included water assets were recorded in the correct fund and that an independent appraisal was not sought for the golf course, but rather a fair market estimate was done. City policy now includes independent appraisals for these types of transactions. Further Baker Tilly determined that best practices were followed. Board received the report and recommended that in addition to staff recommendations that Board also recommends that moving forward all properties have independent appraisals. The next step is to present the report and findings to the Council's Finance Committee on March 9 and then to the full City Council at a date soon after.

### Board received and filed a State and Federal Legislative update, and recommended that the City Council adopt the 2016 Legislative Platform

Assistant General Manager Milligan presented the 2015 legislative year in review which highlighted the changes to law that impact RPU. These items are Senate Bill 350 which requires us to have 50% renewable energy resources by 2030, target setting to double energy savings through efficiency by 2030 and mandatory Integrated Resource Plans reported to the State. At the federal level, a transportation bill was signed that includes plan to develop strategic reserve of transformer equipment and gives the President authority to declare grid emergency. In August, President Obama introduced a Clean Power Plan to reduce carbon emissions and grow the green economy.

RPU's proposed 2016 Federal Legislative Platform for the City focuses on supporting initiatives that allow local control; protecting resource supplies for the city (energy and water); promoting financial well-being for RPU; efforts to modernize the Endangered Species Act in support of regulations to allow water infrastructure projects, while protecting species. The proposed 2016 State Legislative Platform for the City also supports local control but also supports maintaining and protecting affordable resource supply to the City as well as supporting green initiatives and drought resiliency measures that do not cause undue burden to the ratepayer or resources. Federal actions will be focused on changes to the Critical Habitat Designation process, while State action items will encourage greater incentives for local water use efficiency programs; more interagency collaboration to support regional reliability; appropriate risk assessments for drinking water standards, and a streamlined approach to water reuse regulations and funding. This platform will be brought to the City Council for discussion and approval.

### Items requested by the Board at Future Meetings:

Update on Riverside's lawsuit on Drought Measures  
Report on extended drought emergency regulations