



**CONSENT CALENDAR** – (Items 4 to 8)

A motion was made to approve the following items on the Consent Calendar:

Motion – Curtin. Second – Tavaglione.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Absent: Bernie Titus (absence due to vacation)  
Ian Davidson (absence due to vacation)

**Electric Items**

4. UNDERGROUND ELECTRIC LINE EXTENSION – CITRUS BUSINESS PARK  
WORK ORDER NO. 080003-89

The Board of Public Utilities approved the estimated capital expenditure of \$80,000 to install an underground electric line extension to serve two new commercial buildings located at 1111 and 1121 Citrus Avenue easterly of Iowa Avenue.

**Water Items**

5. INCREASE WORK ORDER AMOUNT FOR CONSTRUCTION OF SAN BERNARDINO  
WATER TRANSMISSION MAIN REPLACEMENT PROJECT (TRANSIT AVENUE  
SEGMENT)

The Board of Public Utilities authorized an increase of \$50,000 in Work Order No. 0802841 for the construction of the Transit Avenue Segment of the San Bernardino Transmission Main Replacement Project.

**Other Items**

6. PUBLIC UTILITIES INTERNAL COMPLIANCE PROGRAM

The Board of Public Utilities recommended that the City Council adopt by resolution the attached Internal Compliance Program.

7. NEW CONSTRUCTION REBATE OF \$171,578 TO RIVERSIDE MEDICAL CLINIC FOR  
ENERGY EFFICIENCY MEASURES

The Board of Public Utilities recommended that the City Council:

1. Approve the incentive of \$171,578 to Riverside Medical Clinic for the application made for the New Construction Energy-Efficiency Program; and
2. Approve the incentive to be paid across two fiscal years (FY 2008/09 and FY 2009/10) with each year totaling \$85,789.

8. AMENDMENT TO ENERGY PARTNERSHIP AGREEMENT BETWEEN KAISER PERMANENTE AND THE CITY OF RIVERSIDE

The Board of Public Utilities recommended that the City Council approve a two-year contract extension with an associated 20 percent rate increase between Kaiser Permanente and the City of Riverside for their wholesale power contract.

**DISCUSSION CALENDAR**

***Chairman Barnhart requested that Item 11 be the first on the Discussion Calendar as there were many people in the audience that wanted to speak in regards to this item.***

11. RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 & 4

General Manager Dave Wright provided an update on construction activities related to the Riverside Energy Resource Center Units 3 & 4. Mr. Wright stressed the importance of timely completion of this project to ensure that adequate power is available to all Riverside customers. Entering into a project labor agreement (PLA) would help ensure that the project would not be delayed. Construction delays of RERC Units 3 & 4 past the summer of 2009 could cause inadequate power capacity possibly resulting in rolling blackouts in the City of Riverside. It is very likely that not entering into a PLA would delay the completion of RERC Units 3 & 4 until the summer of 2011.

Seven individuals from the audience spoke – three against the PLA and four in support of the PLA.

After audience input, Board members provided their comments. The main concerns focused on the Board's commitment to provide RPU customers with electric reliability and without a project labor agreement the RERC Units 3 & 4 could be delayed, causing rolling blackouts in the future. They also stressed the importance of hiring skilled local contractors.

Following discussion, the Board of Public Utilities unanimously recommended that the City Council approve a Project Labor Agreement for the construction of Riverside Energy Resource Center Units 3 & 4.

Motion – Curtin. Second – Elliott.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Absent: Bernie Titus (absence due to vacation)  
Ian Davidson (absence due to vacation)

***The Board took a 5--minute recess and resumed the meeting at 9:45 a.m.***

9. PHOTOVOLTAIC INCENTIVE FOR PATH OF LIFE MINISTRIES AT THE ACCESS CENTER

Following discussion, the Board of Public Utilities recommended that the City Council approve a one time increased rebate amount of \$252,525 to Path of Life Ministries for the purchase and installation of 68.25 kilowatts of photovoltaic (PV) panels at the City of Riverside's Access Center.

Motion – Tavaglione. Second – Stockton.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Absent: Bernie Titus (absence due to vacation)  
Ian Davidson (absence due to vacation)

10. APPROVAL TO PURCHASE OFFSET CREDITS AND INCREASE THE RIVERSIDE ENERGY RESOURCE CENTER (RERC) UNITS 3 & 4 BUDGET

Following discussion, the Board of Public Utilities recommended that the City Council:

1. Approve an expenditure of \$6,967,896.24 to procure air quality offset credits for the operation of Riverside Energy Resource Center (RERC) Units 3 & 4; and
2. Increase the budget for RERC Units 3 & 4 by \$3,000,000, to a total of \$113,000,000, to pay for an unanticipated increase in the cost of such credits.

Motion – Tavaglione. Second – Elliott.

Ayes: Barnhart, Stockton, Curtin, Sutter, Elliott, Sanchez, and Tavaglione.

Noes: None

Abstain: None.

Absent: Bernie Titus (absence due to vacation)  
Ian Davidson (absence due to vacation)

11. MOVED TO 1<sup>ST</sup> ITEM ON THE DISCUSSION CALENDAR

12. CONCEPTUAL APPROVAL FOR A ONE-MEGAWATT PHOTOVOLTAIC SYSTEM AT THE TEQUESQUITE LANDFILL

That the Board of Public Utilities approve a conceptual one-megawatt photovoltaic power project at the Tequesquite Landfill and direct staff to move forward with the preliminary development.

**DEFERRED TO A FUTURE BOARD MTG**

**Board Member Curtin left the meeting at this time.**

13. UPDATE ON GHG REDUCTION EFFORTS AT IPP

Assistant General Manager/Resources Gary Nolff gave an oral update on the Greenhouse Gas (GHG) reduction efforts at IPP in Utah.

Following discussion, the Board of Public Utilities received and filed this update.

14. ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY A MEMBER OF THE BOARD OF PUBLIC UTILITIES

None.

**GENERAL MANAGER'S REPORT**

14. State and Federal Legislative Update
15. Electric / Water Contract Panel Update – August 2008
16. Monthly Update of Goals
17. Monthly Benchmark Report Cards - July 2008
18. Open and Closed Work Orders - July 2008
19. Water Highlights - July 2008
20. City Council Agenda - August 12, 2008
21. Upcoming Meetings
22. Systematic Reporting on Conferences/Seminars
23. Electric / Water Utility Acronyms

**UPCOMING MEETING**

Chairman Dave Barnhart adjourned the meeting at 10:10 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, September 5, 2008** at **8:30** a.m. in the Public Utilities Boardroom located at 3901 Orange Street in Riverside, California.

By:   
David H. Wright, Secretary  
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: September 5, 2008