

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: March 6, 2009
Time of Meeting: 8:30 a.m.
Place of Meeting: Public Utilities Boardroom
3901 Orange Street (at Ninth & Orange Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

A. INTRODUCTION OF NEW BOARD MEMBERS

General Manager Dave Wright introduced newly elected Board Members Justin Scott-Coe (Ward 1) and Gustavo Segura (Ward 5) who are replacing Joe Tavaglione and Dave Barnhart, respectively.

PUBLIC HEARING

Interim Chair Bob Stockton called the public hearing meeting to order at 8:32 a.m.

Interim Chair Stockton stated to the audience that the Board of Public Utilities was holding a public hearing to receive public input regarding two items, one of which is adjustments to the City's WA-9 water rate, the second is changes to the City's Master metering rules and that there would be separate public hearings on each of these items. Comments of any individual would be limited to three minutes and would be heard in order of sign up.

Roll Call was called and all Board Members were present except for Ian Davidson.

Roll Call

Present:	Bob Stockton (Interim Chair)	Mary Curtin
	Ken Sutter	Bernie Titus
	Robert Elliott	Manny Sanchez
	Gustavo Segura	Justin Scott-Coe

Absent: Ian Davidson (absence due to vacation)

At this time, Board Member Gustavo Segura excused himself from the meeting regarding Item B and sat in the audience due to conflict of interest.

Staff Presentation

Prior to receiving public input, the Board requested staff to provide a summary of the process, which was presented by General Manager Dave Wright.

Comments from the Audience

There were no public in attendance except for two students that were here to observe a public hearing for a class assignment.

Close Public Hearing

There were no other comments regarding this matter, so the Board of Public Utilities closed the public hearing.

Motion – Curtin. Second – Elliott.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Sanchez, and Scott-Coe.

Noes: None

Abstain: Segura.

Absent: Ian Davidson (absence due to vacation)

B. ENCOURAGE CITRUS TREES ON GREENBELT STREET FRONTAGES AND IMPLEMENT A CONSERVATION REBATE ON NON-POTABLE PRESSURIZED WATER IRRIGATION SYSTEMS

Following discussion, the Board of Public Utilities:

1. Conducted a public hearing to receive public input related to proposed changes to the WA-9 Historic Grove Preservation Rate;
2. Adopted a Resolution approving the following items:
 - a. The application of the WA-9 Historic Grove Preservation Rate to wholesale nurseries located in the Greenbelt on parcels of 20 acres or under that plant staggered rows of citrus trees along street frontage in accordance with the City directed standards adopted for Victoria Avenue on November 12, 2003; and
 - b. Closing the WA-9 Historic Grove Preservation Rate to new customers outside the Greenbelt, as defined by Section 3.a of Measure R, except for parcels that are over 5 acres with a meter that does not serve a residence and are entirely planted by fruit or nut trees.
3. Recommended that the City Council adopt the appropriate resolution approving the revised WA-9 rate; and
4. Recommended that the City Council approve the implementation of a Conservation Rebate to encourage permanent Non-potable Pressurized Water Irrigation Systems that would provide 75% or up to \$10,000 for installation of non-potable pressurized water irrigation systems.

Motion – Curtin. Second – Elliott.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Sanchez, and Scott-Coe.

Noes: None

Abstain: Segura.

Absent: Ian Davidson (absence due to vacation)

At this time, Board Member Segura returned to the Board meeting.

PUBLIC HEARING

Interim Chair Bob Stockton called the public hearing meeting to order at 9:25 a.m. and reviewed the rules of conduct for the Public Hearing.

Staff Presentation

Prior to receiving public input, the Board requested staff to provide a summary of the process, which was presented by General Manager Dave Wright.

Comments from the Audience

There were no public in attendance.

Close Public Hearing

There were no other comments regarding this matter, so the Board of Public Utilities closed the public hearing.

Motion – Elliott. Second – Sutter.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Sanchez, Segura, and Scott-Coe.

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

C. PROPOSED CHANGES TO WATER AND ELECTRIC RULES 12, ELECTRIC RATE SCHEDULE D-DOMESTIC SERVICE AND SCHEDULE PA -POWER-AGRICULTURAL AND PUMPING

Following discussion, the Board of Public Utilities:

1. Conducted a public hearing to receive public input related to proposed changes to Electric Rule 12, Water Rule 12, and Electric Rates Schedule D-Domestic Service and Schedule PA Power-Agricultural and Pumping Rate;
2. Adopted a resolution establishing changes to Water Rule 12, Electric Rule 12, Electric Rate Schedule D-Domestic Service and Electric Rate Schedule PA Power-Agricultural and Pumping Rate of the Rules and Rates to clarify the intent and applicability of the PA Rate; and
3. Recommended that the City Council adopt the appropriate resolution approving the changes to these rules and rates.

Motion – Sutter. Second – Curtin.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Segura, and Scott-Coe.

Noes: Sanchez.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

A short break was taken at this time before the Board of Public Utilities' regular board meeting began.

PRESENTATIONS

D. ELECTION OF PUBLIC UTILITIES BOARD OFFICERS

(1) Chair

Board Member Sutter nominated Board Member Bob Stockton to the position of Chairman of the Board of Public Utilities. No other Board Members were nominated so the election of the Chairman was officially closed and the Board of Public Utilities approved the nomination of Bob Stockton to the position of Chairman of the Board of Public Utilities.

Motion – Sutter. Second – Elliott.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Sanchez, Segura, and Scott-Coe.

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

(2) Vice Chair

Board Member Bernie Titus nominated Board Member Ken Sutter to the position as Vice Chairman of the Board of Public Utilities. No other Board Members were nominated so the election of Vice Chairman was officially closed and the Board of Public Utilities approved the nomination of Ken Sutter to the position of Vice Chairman of the Board of Public Utilities.

Motion – Titus. Second – Scott-Coe.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Sanchez, Segura, and Scott-Coe.

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

E. PUBLIC UTILITIES BOARD COMMITTEE ASSIGNMENTS

Newly appointed Board Chairman Stockton assigned Board Members to the following committees:

(1) **Property Committee**

Ken Sutter (Chair)
Manny Sanchez
Justin Scott-Coe
Ian Davidson

(2) **Electric Committee**

Robert Elliott (Chair)
Gustavo Segura
Mary Curtin
Manny Sanchez

(3) **Water Committee**
Bernie Titus (Chair)
Mary Curtin
Ian Davidson
Justin Scott-Coe

(4) **Finance/Marketing Committee**
Bob Stockton (Chair)
Ken Sutter
Robert Elliott
Bernie Titus

Motion – Sutter. Second – Elliott.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Sanchez, Segura, and Scott-Coe.

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

At this time, Board Member Sanchez left the Board meeting early.

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on February 20, 2009 were approved as submitted.

Motion – Curtin. Second – Sutter.

Ayes: Stockton, Curtin, Sutter, Elliott, and Titus.

Noes: None

Abstain: Segura and Scott-Coe.

Absent: Ian Davidson (absence due to vacation)
Manny Sanchez (left the Board meeting early)

CITIZENS PARTICIPATION

No comments.

COMMITTEE REPORTS

2. WATER COMMITTEE REPORT – The Water Committee meeting scheduled on February 20, 2009 was cancelled.
3. FINANCE/MARKETING COMMITTEE REPORT – The Finance/Marketing Committee meeting scheduled for February 27, 2009 was cancelled.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 5, **CIRCUIT 8 VOLTAGE CONVERSION PROJECT - WORK ORDER NO. 090029-01**, which was moved to the Discussion Calendar.

Motion – Sutter. Second – Titus.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Segura, and Scott-Coe..

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to vacation)
Manny Sanchez (left the Board meeting early)

Electric Items

4. SWITCHGEAR REPLACEMENT – COLE AVENUE AT CHINOTTO LANE
WORK ORDER NO. 090024-02

The Board of Public Utilities approved the estimated capital expenditure of \$59,375 to relocate existing damaged equipment above ground along Cole Avenue on the corner of Chinotto Lane.

5. **MOVED TO DISCUSSION CALENDAR**

Water Items

6. REIMBURSEMENT FOR TRACT 29515 TO UPSIZE THE PLANNED 12-INCH DIAMETER WATER LINE TO 16-INCH DIAMETER WATER LINE

The Board of Public Utilities approved the capital expenditure of \$106,941 to reimburse Pulte Homes for the difference in costs for upsizing from a 12-inch diameter water line to a 16-inch diameter water line within Tract 29515.

Other Items

DISCUSSION CALENDAR

5. CIRCUIT 8 VOLTAGE CONVERSION PROJECT - WORK ORDER NO. 090029-01

Board Member Elliott requested this item to be placed on the discussion calendar to discuss if this was an overhead to underground project. Deputy General Manager Steve Badgett commented that the electric system was just aged overhead distribution and needed to be replaced.

Following discussion, the Board of Public Utilities approved the estimated capital expenditure of \$215,285 to up-grade the electric system in the area along Cedar Avenue between University Avenue and Sixth Street; Mission Inn Avenue from Pine Street to Indian Hill Road; and Indian Hill Road intersecting with Mission Inn Avenue.

Motion – Titus. Second – Elliott.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Segura, and Scott-Coe.

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to vacation)
Manny Sanchez (left the Board meeting early)

7. AMENDMENTS TO POWER PURCHASE AGREEMENTS BETWEEN SHOSHONE RENAISSANCE LLC, AND CITY OF RIVERSIDE

Power Contracts Manager Reiko Kerr reported on this item.

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

1. Approve the proposed Amendment No. 1 To Unit Contingent PPA between Shoshone Renaissance LLC (Renaissance) and the City of Riverside (City) for geothermal power recognized as a certified renewable energy resource;
2. Approve the proposed Amendment No. 1 To Unit Contingent PPA II between Renaissance and the City for geothermal power recognized as a certified renewable energy resource; and
3. Authorize the City Manager, or his designee, to execute the proposed Amendments.

Motion – Elliott. Second – Titus.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Segura, and Scott-Coe.

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)
Manny Sanchez (left the Board meeting early)

8. FIRST AMENDMENT TO MASTER AGREEMENT FOR A ONE-YEAR EXTENSION TO THE CONTRACTOR PANEL – ENERGY DELIVERY WORK

Following discussion, the Board of Public Utilities approved a one-year extension to the Contractor Panel for Energy Delivery Work.

Motion – Elliott. Second – Sutter.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Segura, and Scott-Coe.

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)
Manny Sanchez (left the Board meeting early)

9. PUBLIC UTILITIES OPERATION CENTER FACILITY IMPROVEMENTS
WORK ORDER NO. 0809852

Following discussion, the Board of Public Utilities:

1. Approved Work Order No. 0809852 in the amount of \$1,350,000;
2. Awarded a contract for the remodel, Bid No. 6672, to the lowest responsive bidder, B.J.M.V., Inc doing business as Southern Pacific Coatings, in the amount of \$139,967; and
3. Rejected the bids of West Coast Construction, The Remy Group, Artisan Pacific, Omega Construction and Skrede Construction due to being non-responsive.

Motion – Scott-Coe. Second – Titus.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Segura, and Scott-Coe.

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)
Manny Sanchez (left the Board meeting early)

10. SYNCHRONOUS OPTICAL NETWORK UPGRADE PROJECT
WORK ORDER NO. 0905195

Power Contracts Manager Reiko Kerr reported on this item.

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$750,000 for Work Order No. 0905195; and
2. Approved a contract with General Electric Company for the Synchronous Optical Network Upgrade project for \$575,972.

Motion – Elliott Second – Sutter.

Ayes: Stockton, Curtin, Sutter, Elliott, Titus, Segura, and Scott-Coe.

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)
Manny Sanchez (left the Board meeting early)

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

None.

GENERAL MANAGER'S REPORT

12. State and Federal Stimulus Fund Update – Discussion of any potential benefits to Riverside Public Utilities

Economic Development Manager Tricia Hinkle, gave an update of the on-going and new programs in the City of Riverside, including \$hop Riverside, General Business Education and Finance, available resources for new or renewing businesses, Small Business Fair on May 12, 2009, etc.
13. Monthly Power Supply Report - January 2009
14. Monthly Update of Goals
15. City Council Agendas - February 24, 2009 and March 3, 2009
16. Upcoming Meetings
17. Systematic Reporting on Conferences/Seminars
18. Electric / Water Utility Acronyms
19. State and Federal Legislative Update

UPCOMING MEETING

Chairman Bob Stockton adjourned the meeting at 11:19 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, March 20, 2009 at 8:00 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: April 3, 2009