

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: June 5, 2009
Time of Meeting: 8:32 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

Roll Call

Present:	Bob Stockton (Chair)	Ken Sutter (Vice Chair)
	Mary Curtin	Robert Elliott
	Bernie Titus	Ian Davidson
	Manny Sanchez	Justin Scott-Coe

Absent: Gustavo Segura (absence due to medical)

Assistant City Manager Belinda Graham was in attendance.

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on May 15, 2009 were approved as submitted.

Motion – Davidson. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)

CITIZENS PARTICIPATION

No comments.

COMMITTEE REPORTS

2. WATER COMMITTEE REPORT

The Board of Public Utilities accepted and filed the May 15, 2009 Water Committee minutes.

3. FINANCE/MARKETING COMMITTEE REPORT

The Board of Public Utilities accepted and filed the May 22, 2009 Finance/Marketing Committee minutes.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 6, **HUNTER SUBSTATION DRIVEWAY, SIDEWALK, AND SEWER, LATERAL PROJECT REJECTION OF BID NO. 6593**, which was moved to the Discussion Calendar:

Motion – Sutter. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)

Electric Items

4. RIVERSIDE RENAISSANCE – UNDERGROUND ELECTRIC LINE EXTENSION – MAIN STREET PEDESTRIAN MALL RENOVATION PROJECT – WORK ORDER NO. 080003-29

The Board of Public Utilities approved the estimated capital expenditure of \$60,000 to install an underground electric line extension to serve new service panels as part of the Main Street Pedestrian Mall Renovation Project.

5. UNDERGROUND ELECTRIC LINE EXTENSION – TRACT 29515 PHASE 3 WORK ORDER NO. 080016- 01

The Board of Public Utilities approved the estimated capital expenditure of \$94,000 to install an underground electric line extension to serve 14 residences located at Lone Peak Court and Mountain House Drive, southerly of Green Orchard Drive.

6. **MOVED TO DISCUSSION CALENDAR**

Water Items

7. TOWABLE EMERGENCY DIESEL GENERATORS - AWARD OF BID NO. 6741

The Board of Public Utilities:

1. Approved the capital expenditure of \$385,000 for the purchase of five towable emergency diesel generators for Water Operations, and associated work, spare parts and accessories related delivery and start-up testing under Work Order No. 0916048;
2. Rejected the bid submitted by Federal Contracts Corp as non-responsive; and
3. Awarded a contract for the purchase of three 400 KW and two 150 KW towable emergency diesel generators, Bid No. 6741, to the lowest responsive bidder, Yale Chase Equipment & Services Inc. in the amount of \$360,709.62.

Other Items

8. EXTENSION OF CONSULTING SERVICES AGREEMENT WITH POWER SETTLEMENTS CONSULTING AND SOFTWARE, LLC

The Board of Public Utilities:

1. Approved the extension of the agreement between City of Riverside and Power Settlements Consulting and Software, LLC (Power Settlements) for Fiscal Year 2009-2010, in an amount not to exceed \$99,800;
2. Approved an additional three-year extension of the Agreement, if necessary and if budgeted funds are available, as described therein;
3. Approved Task Assignments under the Agreement to address any software modifications necessary to ensure proper settlement of charges and payments with the CAISO, in an amount not to exceed \$100,000; and
4. Authorized the City Manager, or his designee, to terminate the Agreement in the event of default by Power Settlements or by mutual consent, pursuant to the Agreement.

9. GREENHOUSE GAS EMISSION INVENTORY UPDATE

The Board of Public Utilities approved the First Amendment to Agreement with URS Corporation for the 2007 Baseline Community Greenhouse Gas Inventory in the amount of \$40,600, for a total contract cost of \$89,100.

DISCUSSION CALENDAR

6. HUNTER SUBSTATION DRIVEWAY, SIDEWALK, AND SEWER LATERAL PROJECT REJECTION OF BID NO. 6593

Board Member Manny Sanchez requested this item be placed on the discussion calendar due to wanting further information as to why the bids are being rejected.

Following discussion, the Board of Public Utilities rejected all bids for the award of the contract for construction of the Hunter Substation Driveway, Sidewalk, and Sewer Lateral Project, Bid No. 6593.

Motion – Sutter. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)

10. CONSIDER RESCINDING THE PELLISSIER RANCH PURCHASE BY THE CITY – ADDITIONAL APPROPRIATION

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

1. Approve the expenditure of \$9,258,818.19 from the Water Fund to reacquire 190 acres of Pellissier Ranch from the City of Riverside General Fund as of July 1, 2008;
2. Adopt a resolution amending Resolution No. 21080, which transferred approximately 190 acres of Pellissier Ranch surplus property ("Property") from Public Utilities Water Utility to the City's General Fund pursuant to the terms and conditions, through adoption of a new resolution, transferring such ownership back to the Water Utility;
3. Determine that the Property is no longer surplus to the needs of the Public Utilities Water Utility;
4. Approve repayment of the Electric Fund loan to the General Fund in the amount of \$9,258,818.19, adjusted for any payments made by the General Fund to the Electric Fund from the original date of the loan; and
5. Approve a supplemental appropriation in the amount of \$9,258,818.19 from the Water Utility Fund Balance to the Water Capital Property Acquisition Account No. 6230000-470805 for purchase of the Pellissier Ranch Property.

Motion – Elliott. Second – Sanchez.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)

11. BOARD APPROVAL FOR PURCHASE AND INSTALLATION OF DIESEL POWERED EMERGENCY BLACK START GENERATOR AND ASSOCIATED CONTROL EQUIPMENT FOR RIVERSIDE ENERGY RESOURCE CENTER (RERC)

Following discussion, the Board of Public Utilities:

1. Approved the procurement of a diesel engine powered emergency black start generator and associated control equipment from Johnson Power Systems in the amount of \$498,312;
2. Approved the estimated expenditure of \$150,000 for City of Riverside (City) staff to design and build the generator foundation and install and integrate the emergency generator; and
3. Approved an increase in Work Order No. 0703511 in an amount not to exceed \$650,000.

Motion – Titus. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)

At this time, Board Member Ian Davidson left the meeting early.

12. AGREEMENT FOR DESIGN-BUILD SERVICES FOR THE UTILITIES OPERATIONS CENTER UPGRADES AND FIRE SUPPRESSION SYSTEM PROJECT

Following discussion, the Board of Public Utilities:

1. Approved the attached Agreement for Design-Build Services for the Utilities Operations Center Upgrades and Fire Suppression System Project with Paul C. Miller Construction Company, Inc., in the amount of \$388,883; and
2. Authorized the City Manager, or his designee, to execute the Agreement for Design-Build Services including making minor non-substantive changes and to sign all documents and instruments necessary to complete this transaction for a total capital expense of \$427,800 that includes 10 percent contingency.

Motion – Curtin. Second – Titus.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)
Ian Davidson (left meeting early)

13. SECURITY SYSTEM UPGRADE PROJECT – WORK ORDER NO. 0909712

Following discussion, the Board of Public Utilities approved the estimated capital expenditure of \$1,750,000 for Work Order No. 0909712 to prepare engineering design, purchase materials and equipment, construct and install the first phase of Riverside Public Utilities' electric security system upgrade project.

Motion – Elliott. Second – Scott-Coe.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)
Ian Davidson (left meeting early)

14. DEMAND RESPONSE PROGRAM

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

1. Adopt an ordinance amending Title 14 (Public Utilities) of the Riverside Municipal Code by adding Chapter 14.32 to prohibit entities other than Riverside Public Utilities from aggregating Demand Response on behalf of retail customers in the City of Riverside; and
2. Authorize the General Manager, or his designee, to establish further programs to meet requirements of the Federal Energy Regulatory Commission (FERC) rule.

Motion – Sutter. Second – Titus.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)
Ian Davidson (left meeting early)

15. ANNUAL PURCHASE ORDER REQUIREMENTS FOR FISCAL YEAR 2009-10

Following discussion, the Board of Public Utilities approved the annual purchase order requirements for Fiscal Year 2009-10 in the estimated amount of \$9,245,308.

Motion – Sutter. Second – Titus.

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

Noes: None

Abstain: None.

Absent: Gustavo Segura (absence due to medical)
Ian Davidson (left meeting early)

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

None.

GENERAL MANAGER'S REPORT

16. State and Federal Stimulus Fund Update - Discussion of any potential benefits to Riverside Public Utilities – *Legislative Analyst Elizabeth Sanchez gave the update*
18. State and Federal Legislative Update - Update on pending legislation that may impact the Water and/or Electric Utility – *Legislative Analyst Elizabeth Sanchez gave the update*
19. Fiscal Year-End Update
20. Monthly Power Supply Report - April 2009
21. City Council Agendas - May 19, 2009, May 26, 2009, and June 2, 2009
22. Upcoming Meetings
23. Systematic Reporting on Conferences/Seminars
24. Electric / Water Utility Acronyms

UPCOMING MEETING

Chairman Robert Stockton adjourned the meeting at 10:09 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, June 19, 2009 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: June 19, 2009