

CITY OF RIVERSIDE
BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: December 18, 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

Roll Call

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

Absent: Mary Curtin (absence due to vacation)

PRESENTATION

A. EMPLOYEE RECOGNITION AWARDS

The following employees were each presented with a SPAM award from General Manager Wright:

Dave Knapp – SCADA System Supervisor
Lyle Hill – Principal Electrical Engineer
Marjorie Mitchell – Utility Programs/Services Rep
Ryan Bullard – Utility Programs/Services Rep
Bryan Atkisson – Utility Substation Construction/Maintenance Supervisor

MINUTES

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

Motion – Titus. Second – Sutter.

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

Noes: None

Abstain: None.

Absent: Mary Curtin (absence due to vacation)

CITIZENS PARTICIPATION

If you would like to speak regarding a matter not on the printed Agenda, please come forward and stand until recognized by the Chair – ***Public Participation is limited to 3 minutes on all items included in the agenda.***

None.

B. NOTICE OF SPECIAL MEETING OF THE BOARD OF PUBLIC UTILITIES

Due to the press coverage of the water quality of the City of Riverside, the Board of Public Utilities Chair Stockton called upon Public Utilities General Manager Dave Wright to update the Board. City Manager Brad Hudson was in attendance for this report.

1. PRESENTATION ON CITY OF RIVERSIDE'S WATER RESOURCES

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

COMMITTEE REPORTS

2. WATER COMMITTEE REPORT – The Water Committee meeting scheduled on November 20, 2009 was cancelled.
3. FINANCE/MARKETING COMMITTEE REPORT - November 20, 2009 and December 4, 2009 "special" meetings.
4. ELECTRIC COMMITTEE REPORT – The Electric Committee meeting scheduled on December 4, 2009 was cancelled.

CONSENT CALENDAR

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

Motion – Elliott. Second – Davidson.

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

Noes: None

Abstain: None.

Absent: Mary Curtin (absence due to vacation)

Electric Items

5. FREEMAN SUBSTATION – AUTOMATION SYSTEM REPLACEMENT AND AWARD OF PURCHASE ORDER - WORK ORDER NO. 913624

The Board of Public Utilities:

1. Approved the award of a purchase order for Substation Automation System (SAS) equipment from Power Up Controls, Garden Grove, California, in the amount of \$44,329 including sales tax; and
2. Approved the estimated capital expenditure of \$336,001 to replace the SAS equipment at Freeman Substation.

6. APPROVAL TO PURCHASE RELAY AND CONTROL PANELS FOR THE RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 AND 4

The Board of Public Utilities:

1. Approved the procurement of relay and control panels including spare parts from Harlo Corporation, from Grandville, Michigan, in the amount of \$199,404 including sales tax;
2. Approved an increase in Work Order No. 0703511 by \$199,404 – from \$99,547,893.54 to \$99,747,297.54; and
3. Declared that the proposal from Keystone Electrical Manufacturing Co. is non-responsive.

7. ELECTRICAL TRANSMISSION POLE REPLACEMENT AT CHICAGO AND MARLBOROUGH AVENUES - WORK ORDER NO. 1014420

The Board of Public Utilities approved the estimated capital expenditure of \$75,000 for Work Order No. 1014420 to replace an existing deteriorated electrical Transmission pole as well as replacing distribution primary cable.

Water Items

8. CEQA INITIAL STUDY/MITIGATED NEGATIVE DECLARATION (IS/MND) FOR THE PROPOSED TEQUESQUITE LANDFILL SOLAR PHOTOVOLTAIC (PV) PROJECT

The Board of Public Utilities authorized the capital expenditure of \$204,727 for Work Order No. 1016331 for the preparation of a California Environmental Quality Act (CEQA) Initial Study for the Tequesquite Landfill Solar PV Project (Project).

Other Items

9. AMENDED AND RESTATED SCHEDULING COORDINATOR AGREEMENT, METER SERVICE AGREEMENT FOR SCHEDULING COORDINATORS, AND CRR ENTITY AGREEMENT WITH CALIFORNIA INDEPENDENT SYSTEM OPERATOR ("CAISO")

The Board of Public Utilities recommended that the City Council:

1. Approve the Amended and Restated Scheduling Coordinator Agreement between Riverside and the CAISO;
2. Approve the Amended and Restated Meter Service Agreement for Scheduling Coordinators between Riverside and the CAISO;
3. Approve the Amended and Restated CRR Entity Agreement between Riverside and the CAISO; and
4. Authorize the City Manager, or his designee, to execute subsequent amendments to the Proposed Agreements that are required as a result of Federal Energy Regulatory Commission ("FERC") approved modifications to the CAISO's Operating Agreement and Tariff.

DISCUSSION CALENDAR

10. CIRCUIT 441 VOLTAGE CONVERSION PROJECT WORK ORDER NO 100026-01

Following discussion, the Board of Public Utilities approved the estimated capital expenditure of \$756,730 to replace approximately 52 poles, changing out 36 transformers, replacing approximately 8988 feet of overhead cable, and convert approximately 1.7MW of 4 kV located along Jurupa and Palm Avenues from Emerson Drive to Rubidoux Avenue.

Motion – Sutter. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Mary Curtin (absence due to vacation)

11. CANCELLATION OF CURRENT CONTRACTUAL SERVICES AGREEMENT AND AUTHORIZATION TO ENTER INTO NEW SERVICE AGREEMENT BETWEEN CITY OF RIVERSIDE AND GE OIL & GAS FOR THE MAINTENANCE OF THE FOUR GE-10 10 MW TURBINE GENERATORS LOCATED AT THE SPRINGS GENERATING STATION

Following discussion, the Board of Public Utilities:

1. Approved a Termination Agreement for the termination of the Contractual Service Agreement with GE Oil & Gas Inc, dated September 11, 2003 for a negotiated termination amount of \$89,833.21; and
2. Approved a five-year Service Agreement with GE Oil & Gas with three, one-year options to renew, by mutual consent.

Motion – Davidson. Second – Sutter.

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

Noes: None

Abstain: None.

Absent: Mary Curtin (absence due to vacation)

12. APPROVAL OF SERVICE PROPOSAL FROM TRANSCANADA TURBINES FOR REPAIR OF RIVERSIDE ENERGY RESOURCE CENTER LM 6000 GENERATION UNITS 1 AND 2

Following discussion, the Board of Public Utilities:

1. Approved acceptance of the Service Proposal from TransCanada Turbines, of Calgary, Canada (Alberta), in an amount not-to-exceed \$600,000 for gas turbine repair work on Riverside Energy Resource Center Units 1 and 2; and
2. Authorized change orders of up to \$100,000 per unit for additional work that may be identified during equipment inspection.

Motion – Sutter. Second – Titus.

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

Noes: None

Abstain: None.

Absent: Mary Curtin (absence due to vacation)

13. RIVERSIDE NORTH AQUIFER STORAGE AND RECOVERY PROJECT UPDATE

Following discussion, the Board of Public Utilities received and filed the Riverside North Aquifer Storage and Recovery Project Update.

14. CONSTRUCTION OF THE RIVERSIDE ENERGY RESOURCE CENTER (RERC) 12-INCH RECYCLED WATER MAIN PROJECT

Following discussion, the Board of Public Utilities approved the capital expenditure of \$520,000 for Work Order No. 0906510, which includes all design and construction costs for the Riverside Energy Resource Center (RERC) 12-inch Recycled Water Main Project.

Motion – Elliott. Second – Scott-Coe.

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

Noes: None

Abstain: None.

Absent: Mary Curtin (absence due to vacation)

15. PROPOSAL FOR SMALL HYDROELECTRIC DEMONSTRATION PROJECT

Following discussion, the Board of Public Utilities

1. Approved capital Work Order No. 101712 in the amount of \$50,000 for the installation and monitoring of the Northwest PowerpipeTM; and
2. Conceptually approved the Field Demonstration Test Proposal Agreement between Riverside and Northwest Pipe Company; and

The Board of Public Utilities recommended that the City Council:

3. Accept the donation of the Northwest Power Pipe System in accordance with the terms and conditions of the attached proposal.

Motion – Scott-Coe. Second – Titus.

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

Noes: None

Abstain: None.

Absent: Mary Curtin (absence due to vacation)

16. APPROVAL OF THE WHOLE HOUSE REHABILITATION PROGRAM – SUPPLEMENTAL APPROPRIATION

DEFERRED TO A FUTURE BOARD MEETING

17. RESULTS OF ELECTRIC AND WATER BOND FINANCINGS AND CREDIT RATING REPORTS

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

18. 2008-2009 YEAR-FINANCIAL RESULTS

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

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

None.

GENERAL MANAGER'S REPORT

20. Notice of Public Hearing – "Special" Riverside Public Utilities Board Meeting on January 6, 2010 at 8:00 a.m.
21. Cancellation of the January 1, 2010 Riverside Public Utilities Board Meeting due to the holiday
22. State and Federal Stimulus Fund Update - Discussion of any potential benefits to Riverside Public Utilities
23. State and Federal Legislative Update - Update on pending legislation that may impact the Water and/or Electric Utility
24. Monthly Power Supply Report - October 2009
25. Monthly Update of Goals
26. Electric / Water Contract Panel Update – December 2009
27. Open and Closed Work Orders - November 2009
28. Water Highlights - November 2009
29. City Council Agenda - December 1, 2009, December 8, 2009, and December 15, 2009
30. Upcoming Meetings
31. Systematic Reporting on Conferences/Seminars
32. Electric / Water Utility Acronyms

UPCOMING MEETING

Chairman Bob Stockton adjourned the meeting at 10:50 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, January 15, 2010 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: January 15, 2010