

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: February 20, 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:	Dave Barnhart (Chair)	Bob Stockton (Vice Chair)
	Mary Curtin	Ken Sutter
	Bernie Titus	Robert Elliott
	Manny Sanchez	Joe Tavaglione

Absent: Ian Davidson (absence due to vacation)

General Manager Wright introduced City Manager Brad Hudson, Assistant City Manager Paul Sundeen, and newly appointed Riverside Public Utilities Board Member Justin Scott-Coe who were attending to wish their farewell to Joe Tavaglione and Dave Barnhart.

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on February 6, 2009 were approved as submitted.

Motion – Tavaglione. Second – Sutter.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

CITIZENS PARTICIPATION

No comments.

COMMITTEE REPORTS

2. PROPERTY COMMITTEE REPORT – February 6, 2009
3. ELECTRIC COMMITTEE REPORT - The Electric Committee meeting scheduled on February 11, 2009 was cancelled.

CONSENT CALENDAR – (Items 4 to 9)

A motion was made to approve the following item on the Consent Calendar with the exception of Item 5, **APPROVAL OF CHANGE ORDERS AND ADDITIONAL CONTINGENCY FOR THE POWER DISTRIBUTION CENTER (PDC) FOR THE RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 AND 4 PROJECT**, which was moved to the Discussion Calendar.

Motion – Curtin. Second – Tavaglione.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

Electric Items

4. UNDERGROUND ELECTRIC LINE EXTENSION – FRANK AUGUSTUS MIDDLE SCHOOL – WORK ORDER NO. 080003- 96

The Board of Public Utilities approved the estimated capital expenditure of \$68,000 to install an underground electric line extension to serve a new middle school located between Krameria and Alta Cresta Avenues.

5. **MOVED TO DISCUSSION CALENDAR**

6. FOURTEENTH STREET OVERHEAD TO UNDERGROUND CONVERSION MIRAMONTE PLACE, TO GLENWOOD DRIVE WORK ORDER NO. 080003-66

The Board of Public Utilities approved the estimated capital expenditure of \$225,000 to convert the overhead electrical facilities to underground on Fourteenth Street from Miramonte Place to Glenwood Drive.

Water Items

7. INSTALLATION OF WATER SERVICES AND ADJUSTMENTS FOR ALVORD UNIFIED SCHOOL DISTRICT – HILLCREST HIGH SCHOOL, 11800 INDIANA AVENUE

The Board of Public Utilities:

1. Approved capital Work Order No. 0909661 in the amount of \$125,900; and
2. Approved capital Work Order No. 0910007 in the amount of \$55,000.

Other Items

8. INTEREST RATE PAID ON CUSTOMER DEPOSITS

The Board of Public Utilities approved an annual interest rate applied to customer deposits of 0.25%.

9. NOTIFICATION OF PROPOSED PUBLIC HEARING ON MARCH 6, 2009 AT 8:30 A.M. IN THE PUBLIC UTILITIES BOARD ROOM, 3901 ORANGE STREET, REGARDING WA-9 WATER RATE AND RELATED REBATE PROGRAM; ELECTRIC PA POWER-AGRICULTURAL AND PUMPING RATE; ELECTRIC AND WATER RULE 12; AND ELECTRIC SCHEDULE D DOMESTIC SERVICE RATE

The Board of Public Utilities received and filed this notification.

DISCUSSION CALENDAR

5. APPROVAL OF CHANGE ORDERS AND ADDITIONAL CONTINGENCY FOR THE POWER DISTRIBUTION CENTER (PDC) FOR THE RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 AND 4 PROJECT

Board Member Manny Sanchez requested that this item be placed on the discussion calendar for more clarification regarding the sales tax, contingency, and the switchgear.

Following discussion, the Board of Public Utilities:

1. Approved change orders for the amount of \$325,502 plus tax;
2. Approved additional contingency in the amount of \$50,000; and
3. Approved an increase to Purchase Order 092195 to not exceed \$3,140,811 plus sales tax.

Motion – Titus. Second – Sutter.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

10. THE BUSINESS PHOTOVOLTAIC REBATE FOR \$127,569 SUBMITTED BY CITY NATIONAL BANK FOR THE INSTALLATION OF A 42.5 KW PHOTOVOLTAIC (PV) SYSTEM

Customer Relations/Marketing Manager Mike Bacich presented a rebate check of \$127,569 to City National Bank. The City National Bank's staff that personally accepted the check was Mr. Breck Fleming, senior vice president, and Karen Carver, vice president and branch manager.

Following discussion, the Board of Public Utilities recommended that the City Council approve City National Bank's application for a \$127,569 rebate from the Business Photovoltaic Rebate Program.

Motion – Tavaglione. Second – Curtin.

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

Noes: None.

Abstain: None.

11. REMODEL PUBLIC UTILITIES OPERATIONS CENTER
WORK ORDER NO. 0800882

That the Board of Public Utilities:

DEFERRED TO THE NEXT BOARD MTG

12. APPROVAL TO PURCHASE TWO FIELD ERECTED, COATED AND LINED CARBON STEEL DEMINERALIZED WATER TANKS FOR THE RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 AND 4

Following discussion, the Board of Public Utilities:

1. Approved the procurement of the two field erected tanks from Chicago Bridge & Iron in the amount of \$784,690 plus sales taxes; and
2. Approved an increase in Work Order No. 0703511 in the amount of \$784,690 plus sales taxes.

Motion – Curtin. Second – Tavaglione.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

13. SYNCHRONOUS OPTICAL NETWORK UPGRADE PROJECT
WORK ORDER NO. 0800882

That the Board of Public Utilities:

DEFERRED TO THE NEXT BOARD MTG

14. INTERCONNECTION FACILITIES AGREEMENT (IFA) BETWEEN SOUTHERN CALIFORNIA EDISON (SCE) AND THE CITY OF RIVERSIDE (CITY)

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

1. Approve the proposed IFA between SCE and the City; and
2. Authorize the City Manager, or his designee, to execute the IFA for filing with the Federal Energy Regulatory Commission ("FERC").

Motion – Curtin. Second – Elliott.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

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

None.

GENERAL MANAGER'S REPORT

Deputy General Manager Steve Badgett introduced the following new staff in Energy Delivery division:

1. Christina Guerrero – Utilities Project Assistant
2. Jim Copeland – Central Stores Warehouse Supervisor
3. Bob Smith - Utilities Safety Officer

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

Principal Management Analyst Cindie Doke (from from Public Works Department on special assignment to City Manager's Office) gave a PowerPoint presentation that she had presented at the City Council meeting recently on the State and Federal Stimulus Fund pertaining to the City of Riverside.

Board Member Curtin suggested local hiring for weatherization program incentive dollars.

17. State and Federal Legislative Update
18. Electric / Water Contract Panel Update - February 2009
19. Monthly Benchmark Report Cards - January 2009
20. Open and Closed Work Orders - January 2009
21. Water Highlights - January 2009
22. Financial Statements - December 2008
23. City Council Agendas - February 10, 2009 and February 17, 2009
24. Upcoming Meetings
25. Systematic Reporting on Conferences/Seminars
26. Electric / Water Utility Acronyms

RECOGNITIONS

27. RECOGNITION OF BOARD MEMBERS JOE TAVAGLIONE AND DAVE BARNHART

General Manager Dave Wright presented Board Members Tavaglione and Barnhart with various memorable gifts and thanked them for their dedication and willingness to serve on the Board of Public Utilities for 8 years.

The Board took a 5--minute recess and resumed the meeting at 9:50 a.m.

At this time the following Board Members left the meeting:

Joe Tavaglione
Dave Barnhart

WORKSHOP

Items 28 and 29 were reported out of order by beginning with Item 29 and then finishing with Item 28.

29. FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (CIP) REVIEW (FY 2009-2014)

Assistant General Managers Milligan, Nolff and Deputy General Manager Badgett each reported on their division's budgets.

Following discussion, the Board of Public Utilities recommended that the City Council approve the five-year CIP.

Motion – Sanchez. Second – Titus.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

28. MID-YEAR REVIEW OF PROPOSED FISCAL YEAR 2009-2010 OPERATING BUDGET

Finance/Rates Manager Brian Seinturier provided a mid-year update of projected operating results for electric and water for fiscal year 2009/10.

Following discussion, the Board of Public Utilities recommended that the City Council approve the proposed FY 2009-2010 Electric Operating Budget.

Motion – Sanchez. Second – Titus.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

Following discussion, the Board of Public Utilities recommended that the City Council approve the proposed FY 2009-2010 Water Operating Budget.

Motion – Titus. Second – Elliott.

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

Noes: None.

Abstain: None.

Absent: Ian Davidson (absence due to vacation)

UPCOMING MEETING

Vice Chair Bob Stockton adjourned the meeting at 11:27 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, March 6, 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: March 6, 2009