

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: November 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

Roll Call

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

Absent: Bob Stockton (absence due to business)
 Bernie Titus (absence due to vacation)
 Gustavo Segura (absence due to business)

PRESENTATION

A. EMPLOYEE RECOGNITION AWARDS

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

Clay Monroe – Utility Programs/Services Representative
Bob Blackmore – Utility Water Maintenance Mechanic
Patti Morrison – Utility Senior Electric Engineer
Irene Martinez – Real Property Agent

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on October 16, 2009 was approved as submitted.

Motion – Elliott. Second – Curtin.

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

Noes: None.

Abstain: None.

Absent: Bob Stockton (absence due to business)
 Bernie Titus (absence due to vacation)
 Gustavo Segura (absence due to business)

CITIZENS PARTICIPATION

No comments.

COMMITTEE REPORTS

2. WATER COMMITTEE REPORT

The Board of Public Utilities accepted and filed the October 16, 2009 Water Committee minutes.

3. FINANCE/MARKETING COMMITTEE REPORT

The Board of Public Utilities accepted and filed the October 23, 2009 Finance/Marketing Committee minutes.

CONSENT CALENDAR

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

Motion – Curtin. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)

Electric Items

4. BOARD APPROVAL FOR PURCHASE AND INSTALLATION OF A CARB LEVEL 3 VERIFIED PARTICULATE TRAP FOR THE DIESEL POWERED EMERGENCY BLACK START GENERATOR FOR RIVERSIDE ENERGY RESOURCE CENTER (RERC) UNITS 1 AND 2

The Board of Public Utilities:

1. Approved the procurement of a CARB Level 3 verified particulate trap from Johnson Power Systems in the amount of \$62,720 plus sales tax; and
2. Approved an increase in Work Order No. 0915514 in the amount of \$62,720 plus sales tax.

5. SANTA ANA SUB-TRANSMISSION ACCESSIBILITY PROJECT – WORK ORDER NO. 1014279

The Board of Public Utilities approved the estimated capital expenditure of \$65,000 for the engineering evaluation, including environmental review, of the in-accessibility of overhead electric facilities located in the Santa Ana River bed.

6. WORK ORDER NO. 1013613 FOR GENERAL ORDER 165 INTRUSIVE POLE INSPECTIONS AND SECOND EXTENSION TO AGREEMENT FOR INSPECTION AND TREATMENT OF IN-SERVICE WOOD POLES WITH INTEC SERVICES, INC.

The Board of Public Utilities:

1. Approved the estimated expenditure of \$200,000 for Work Order No. 1013613 for General Order 165 intrusive inspection of approximately 6,000 poles in the southerly section of the City of Riverside's service territory; and
2. Approved the Second Extension to Agreement for Inspection and Treatment of In-Service Wood Poles with Intec Services, Inc., of Fort Collins, Colorado, in an amount not-to-exceed \$150,000.

Water Items

Other Items

7. EXTENSION OF ENERGY EFFICIENCY PROGRAMS FOR FY 2009/2010

The Board of Public Utilities recommended that the City Council:

1. Approve extending the Residential Low-Income Refrigerator Giveaway program and the \$80,000 for funding the program;
2. Approve extending the Commercial High Intensity Discharge (HID) to T-8 or T-5 Retrofit program and the \$200,000 for funding the program; and
3. Approve extending the Light Emitting Diode (LED) Wall Pack Retrofit program and the \$50,000 for funding the program.

DISCUSSION CALENDAR

8. PUBLIC UTILITIES ELECTRIC ANNUAL RESOURCE ADEQUACY PLAN FOR 2010

Following discussion, the Board of Public Utilities recommended that the City Council approve the attached Annual Resource Adequacy Plan for 2010.

Motion – Curtin. Second – Scott-Coe.

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

Noes: None

Abstain: None.

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)

At this time, Board Member Ian Davidson excused himself from the meeting and sat in the audience due to conflict of interest for Items 9 and 10.

9. CONSTRUCTION OF THE MAGNOLIA AVENUE RAILROAD GRADE SEPARATION WATER MAIN RELOCATION PROJECT (PHASE II)

Following discussion, the Board of Public Utilities approved the capital expenditure of \$216,000 for Work Order No. 1011619, which includes all design and construction costs for the Magnolia Avenue Railroad Grade Separation Water Main Relocation Project (Phase II).

Motion – Curtin. Second – Scott-Coe.

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

Noes: None

Abstain: Ian Davidson (due to conflict of interest)

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)

10. MAGNOLIA AVENUE GRADE SEPARATION PROJECT AND 4 KV TO 12 KV CONVERSION – WORK ORDER NOS. 08001505 AND 09002701

Following discussion, the Board of Public Utilities:

1. Approved the estimated capital expenditure of \$2,071,648.02 for Magnolia Ave. Grade Separation project. This Project encompasses a large area from Sunnyside Drive to Elizabeth Street along Magnolia Avenue and surrounding areas as shown on the attached map; and
2. Approved the estimated capital expenditure of \$165,652.56 for the installation of 15 street lights along Magnolia Avenue from Sunnyside Drive to Elizabeth Street.

Motion – Elliott. Second – Scott-Coe.

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

Noes: None

Abstain: Ian Davidson (due to conflict of interest)

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)

At this time, Board Member Ian Davidson returned to the Board meeting.

11. SUBTRANSMISSION PROJECT - INCREASE AMOUNT OF WORK ORDER NO. 0812940

Following discussion, the Board of Public Utilities approved the increase of \$20,040,779 for Work Order No. 0812940, which includes all estimated costs for completion of the Project: project management, transmission and substation design and construction work, right of way acquisition, construction management, contingencies, inspection and interest during construction.

Motion – Curtin. Second – Davidson.

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

Noes: None

Abstain: None.

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)

12. APPROVAL TO PURCHASE THE ZERO LIQUID DISCHARGE WATER TREATMENT SYSTEM FROM GE MOBILE WATER, INC. FOR THE RIVERSIDE ENERGY RESOURCE CENTER UNITS 3 AND 4.

Following discussion, the Board of Public Utilities:

1. Approved the procurement of the Zero Liquid Discharge (ZLD) Water Treatment System from GE Mobile Water, Inc. for the Riverside Energy Resource Center Units 3 and 4 in the amount of \$595,939.30 including sales tax; and
2. Approved increasing Work Order No. 0703511 by \$595,939.30 – from \$98,951,954.24 to \$99,547,893.54.

Motion – Curtin. Second – Scott-Coe.

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

Noes: None

Abstain: None.

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)

Board Member Bob Elliott left the meeting early.

13. APPROVE THE ISSUANCES OF 2009 ELECTRIC AND WATER REFUNDING BONDS, AND NEW 2009 WATER REVENUE BONDS

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

1. Approve the City's Financing Team;

2. Conduct a public hearing to consider the issuance of Electric and Water Refunding Bonds and the issuance of an amount not-to-exceed \$80 million of new Water Revenue Bonds;
3. Consider and adopt resolutions for the issuance of Electric and Water Refunding Bonds and the issuance of an amount not-to-exceed \$80 million of new Water Revenue Bonds, either as Taxable Direct Subsidy – Build America Bonds ("BABs"), or fixed-rate, tax exempt bonds;
4. Delegate to the City's Financing Team, at the time of issuance, the determination of specific maturities to be refunded and the form of bonds as outlined in Recommendation No. 3 above;
5. Adopt a Reimbursement Resolution to repay operating funds used for eligible bond financed projects prior to issuance of the 2009 Water Revenue Bonds; and,
6. Authorize the City Manager, or his designee, to execute all documents related to these transactions.

Motion – Curtin. Second – Scott-Coe.

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

Noes: None

Abstain: None.

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)
Bob Elliott (left meeting early)

14. SUMMARY OF SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY POSITIONS ON CALIFORNIA AIR RESOURCES BOARD ASSEMBLY BILL 32 SCOPING PLAN ISSUES

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

15a. PROCUREMENT OF EQUIPMENT FOR THE CHLORINE RETROFIT PROJECT - WORK ORDER NO. 0810710

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$1,610,000 for Work Order No. 0810710 which includes all procurement, design, construction, change order contingencies, construction management and inspection for the Chlorine Retrofit Project;
2. Awarded a contract for the purchase of four on-site sodium hypochlorite generation systems to Process Solutions, Inc. (PSI) of Campbell, CA, in an amount not-to-exceed \$692,000; and
3. Awarded a contract for the purchase of four sets of skid-mounted chlorine metering pumps and one portable sodium hypochlorite storage and chemical feed system to Charles P. Crowley Company (Crowley) of Irwindale, CA, in an amount not-to-exceed \$242,000.

Motion – Scott-Coe. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Bob Stockton (absence due to business)
Bernie Titus (absence due to vacation)
Gustavo Segura (absence due to business)
Bob Elliott (left meeting early)

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

None.

GENERAL MANAGER'S REPORT

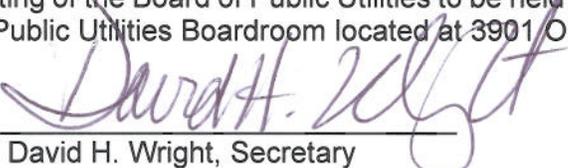
General Manager Wright recognized Board Member Justin Scott-Coe as a recipient of the Water Conservation Iron Eyes Cody Award presented by Keep Riverside Clean and Beautiful.

Mr. Wright also distributed a hand-out regarding the Utility Field Service statistics regarding service turn-offs.

16. State and Federal Stimulus Fund Update - Discussion of any potential benefits to Riverside Public Utilities
17. State and Federal Legislative Update - "Update on pending legislation that may impact the Water and/or Electric Utility
18. Monthly Power Supply Report- September 2009
19. City Council Agendas - October 13, 2009, October 20, 2009, October 27, 2009 and November 3, 2009
20. Upcoming Meetings
21. Systematic Reporting on Conferences/Seminars
22. Electric / Water Utility Acronyms

UPCOMING MEETING

Vice Chairman Ken Sutter 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, November 20, 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: November 20, 2009