

C. EMPLOYEE RECOGNITION AWARDS

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

Kelly Sklarsky – Senior Office Specialist for Resources

311 Employees at the meeting

Donna Arrechea – Customer Service Supervisor

Pauline Brown – Customer Service Lead

Beverly Brown – Customer Service Rep

Aurora Martinez – Customer Service Rep

Tina Papo – Customer Service Rep

311 Employees unable to attend the meeting

Paty Clemente – Customer Service Rep

Cori Godfrey – Customer Service Rep

Melanie Melendez – Customer Service Rep

Kim Thompson – Customer Service Rep

Jann Light – Customer Service Rep

Noemi Garcia – Customer Service Rep

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on February 19, 2010 was approved as submitted.

Motion – Curtin. Second – Scott-Coe.

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

Noes: None.

Abstain: Ament.

Absent: Manny Sanchez (absence due to business)

CITIZENS PARTICIPATION

Residential customer John Lewis reported to the Board that he was concerned about his utility bill because the meters are not read on exact 30 day cycles – at times they are read 28 days or 32 days. General Manager Wright explained that exact 30 day intervals would require additional costs to read meters on Saturdays, Sundays, and holidays to meet the exact 30 day interval, and that this was addressed in the Electric & Water Rules.

COMMITTEE REPORTS

2. WATER COMMITTEE REPORT

The Board of Public Utilities accepted and filed the February 19, 2010 Water Committee minutes.

3. FINANCE/MARKETING COMMITTEE REPORT

The Board of Public Utilities accepted and filed the February 26, 2010 Finance/Marketing Committee minutes.

CONSENT CALENDAR

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

Motion – Davidson. Second – Elliott.

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

Noes: None.

Abstain: None.

Absent: Manny Sanchez (absence due to business)

Electric Items

4. CIRCUIT 1290 RELIEF AT LA SIERRA AVENUE BETWEEN COCHRAN AND CLARKSDALE AVENUES – WORK ORDER NO. 1014689

The Board of Public Utilities approved the estimated capital expenditure of \$94,664 for Circuit 1290 Relief project, which encompasses a small area from Cochran and Clarksdale Avenues along La Sierra Avenue, and all surrounding areas shown on the attached map.

5. CIRCUIT 458 VOLTAGE CONVERSION PROJECT ALONG TIBBETTS STREET – WORK ORDER NO. 1016122

The Board of Public Utilities approved the estimated capital expenditure of \$193,133 to convert a small 4 kV portion to 12 kV along Tibbetts Street from Magnolia to Brockton Avenues.

6. BID SUB-728 BREACH OF CONTRACT AND AWARD TO NEXT LOWEST RESPONSIVE BID FOR CONTROL PANEL EQUIPMENT FOR THE SUBTRANSMISSION PROJECT

The Board of Public Utilities:

1. Declared Harlo Corporation in breach of contract for bid SUB-728 and terminate contract; and
2. Approved the award of bid SUB-728 for relay and control panels, equipment and spare parts to the next lowest responsive bidder, Power Up Controls of Garden Grove, California, in the amount of \$261,819 including sales tax.

7. APPROVAL OF CHANGE ORDER NO. 2 FOR THE UTILITIES OPERATIONS CENTER FIRE SUPPRESSION SYSTEM UPGRADE PROJECT

The Board of Public Utilities:

1. Approved Change Order No. 2 for the Utilities Operations Center Fire Suppression System Upgrade Project with Paul C. Miller Construction Company, Inc. to extend the project schedule for 53 calendar days and increase the contract amount by \$8,211;
2. Approved an increase in the capital expenditure amount for the Utilities Operations Center Fire Suppression System Project from \$427,771 to \$450,000; and

3. Authorized the Public Utilities General Manager, or his designee, to approve up to \$17,670 in change orders for additional work that may be identified during inspection and commissioning.

Water Items

Other Items

8. SERVICE PROPOSAL FOR DEMINERALIZED WATER TREATMENT SERVICES AT THE RIVERSIDE ENERGY RESOURCE CENTER

The Board of Public Utilities:

1. Approved the three-year Service Proposal, with three one-year extension options, from GE Water and Process Technologies Inc. in an amount not-to-exceed \$350,000 per year for demineralized water services at the Riverside Energy Resource Center;
2. Authorized the Public Utilities General Manager to exercise the extension options as more fully described below; and
3. Approved cancellation of the existing contract for such services with GE Mobile Water Inc., dated May 26, 2006.

DISCUSSION CALENDAR

9. VAN BUREN AVENUE STREET WIDENING PROJECT AT THE 91 FREEWAY OVERPASS – WORK ORDER NO. 080015-06

Following discussion, the Board of Public Utilities approved the estimated capital expenditure of \$586,220 (the full amount will be reimbursed to Riverside Public Utilities (RPU) by the Public Works Department) to relocate existing overhead facilities over the 91 Freeway along Van Buren Avenue from Andrew Street to Indiana Avenue.

Motion – Davidson. Second – Titus.

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

Noes: None.

Abstain: None.

Absent: Manny Sanchez (absence due to business)

10. APPROVAL OF THE PRECISION LANDSCAPE IRRIGATION NOZZLE DISTRIBUTION PROGRAM

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

1. Approve the Precision Landscape Irrigation Nozzle Distribution pilot program and multi-year conservation rebate program for Riverside residential and commercial customers;
2. Approve funding in the amount of \$50,000 for the pilot program (July 1, 2010 through September 30, 2010) and \$100,000 for the first year of the RPU rebate program (April 1, 2011 through June 30, 2011);

3. Authorize the City Manager, or his designee, to make any minor, non-substantive changes necessary to implement this program; and
4. Authorize staff to market the program similar to other Riverside Public Utilities' rebate programs.

Motion – Scott-Coe. Second – Davidson.

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

Noes: None.

Abstain: None.

Absent: Manny Sanchez (absence due to business)

11. NEW HIGH VOLTAGE ELECTRIC SERVICE AGREEMENT BETWEEN RALPHS GROCERY COMPANY AND THE CITY OF RIVERSIDE

Following discussion, the Board of Public Utilities recommended that the City Council approve a three-year, High Voltage Electric Service Agreement at a 69 kV level between Ralphs Grocery Company and the City of Riverside.

Motion – Elliott. Second – Curtin.

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

Noes: None.

Abstain: None.

Absent: Manny Sanchez (absence due to business)

12. NEW HIGH VOLTAGE ELECTRIC SERVICE AGREEMENT BETWEEN WILD ROCKET FOODS AND THE CITY OF RIVERSIDE

Following discussion, the Board of Public Utilities recommended that the City Council approve a three-year High Voltage Electric Service Agreement at a 69 kV level between Wild Rocket Foods and the City of Riverside.

Motion – Titus. Second – Scott-Coe.

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

Noes: None.

Abstain: None.

Absent: Manny Sanchez (absence due to business)

13. PUBLIC UTILITIES POWER RESOURCES RISK MANAGEMENT POLICIES

LeeAnne Uhler, Regulatory and Energy Risk Manager, presented the revised Public Utilities Power Resources Risk Management Policies for approval.

Michael Bell of Michael Bell Management Consulting Inc. also reported to the Board that the Power Resources Risk Management Policies provide the necessary guidelines to manage energy risk. Consultant Bell shared the importance of the segregation of duties to ensure strong internal controls.

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

1. Approve the Public Utilities Power Resources Risk Management Policies, including the Energy Risk Management Policy, the Wholesale Counterparty Risk Management Policy and the Authorized Transactions Policy; and
2. Adopt a resolution establishing limits of authority for entry into electric power transactions.

Motion – Scott-Coe. Second – Titus.

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

Noes: None.

Abstain: None.

Absent: Manny Sanchez (absence due to business)

Board Member Gustavo Segura left the meeting at this time.

14. UPDATE ON CALIFORNIA STATE BALLOT PETITION 09-0015, THE "NEW TWO-THIRDS VOTE REQUIREMENT FOR PUBLIC ELECTRICITY PROVIDERS" INITIATIVE

General Manager Wright distributed a fact sheet and explained to the Board regarding the California State Ballot Petition 09-0015, "The New Two-Thirds Vote Requirement for Public Electricity Providers" Initiative. RPU can only educate the customers regarding this ballot petition, but not provide funds to oppose.

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

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

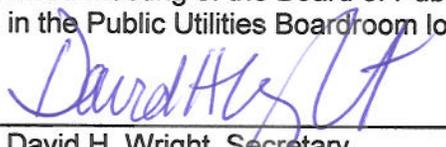
General Manager Wright reported that the Free Tree Campaign had begun and is explained on the back of the March utility bills.

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 – January 2010
19. Financial Statements – November 2009
20. City Council Agendas - February 23, 2010 and March 2, 2010
21. Upcoming Meetings
22. Systematic Reporting on Conferences/Seminars
23. Electric / Water Utility Acronyms

UPCOMING MEETING

Newly appointed Chair Ken Sutter adjourned the meeting at 10:05 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, March 19, 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: March 19, 2010