

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: July 16, 2010
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 (Chair) Bob Elliott
 Mary Curtin Ian Davidson
 Manny Sanchez Justin Scott-Coe
 Gustavo Segura Darrell Ament

Absent: Bernie Titus (excused absence due to vacation)
 Ian Davidson (arrived late to meeting @ 8:36 am)

PUBLIC HEARING

Chair Ken Sutter called the public hearing meeting to order at 8:30 a.m.

Chair Sutter stated to the audience that the Board of Public Utilities was holding a public hearing to receive public input regarding the *Riverside Public Utilities Public Health Goals Report 2010*. Comments of any individual would be limited to three minutes and would be heard in order of sign up.

Roll Call was called and all Board Members were present except for Bernie Titus, who was on vacation and Ian Davidson, who arrived later.

Board Member Ian Davidson arrived at the meeting at this time(8:36am)

Staff Presentation

Prior to receiving public input, the Board requested staff to provide a summary of the process, which was presented by Assistant General Manager/Water Kevin Milligan.

Comments from the Audience

Mr. John White, Riverside resident, spoke in support for the consistency and quality of City of Riverside's water.

Close Public Hearing

There were no other comments regarding this matter, so the Board of Public Utilities closed the public hearing.

Motion – Davidson. Second – Scott-Coe.

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

Noes: None

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

Closing Comments from the Board Members

A. PUBLIC HEALTH GOALS – WATER (CALIFORNIA HEALTH AND SAFETY CODE SECTION 116470 (b)) – PUBLIC HEARING

Following discussion, the Board of Public Utilities conducted a public hearing for review of the Public Health Goals Report.

Motion – Scott-Coe. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

PRESENTATION

B. EMPLOYEE RECOGNITION AWARDS

The following employee was presented with a SPAM award from General Manager Dave Wright:

Kim Wyman – Utility Pricing Analyst

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on June 18, 2010 were approved as submitted.

Motion – Curtin. Second – Segura.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused 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.

COMMITTEE REPORTS

2. FINANCE/MARKETING COMMITTEE MEETING – The Finance/Marketing Committee that was scheduled on June 25, 2010 was cancelled.

3. ELECTRIC COMMITTEE MEETING – The Electric Committee that was scheduled on July 2, 2010 was cancelled.

CONSENT CALENDAR

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

Motion – Davidson. Second – Elliott.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

Electric Items

4. APPROVAL TO AWARD OPTIMA NETWORK SERVICES THE CONTRACT FOR SPECIFICATION NO GEN 03100 RIVERSIDE ENERGY RESOURCE CENTER (RERC) 3 AND 4 SECURITY SYSTEM EXPANSION

The Board of Public Utilities:

1. Approved the contract with Optima Network Services, of Chino, California, for the security system expansion for RERC Units 3 and 4 and security system improvements in an amount of \$165,415 plus tax; and
2. Approved an increase in Work Order No. 0703511 of \$165,415 from \$100,828,977.54 to \$100,994,392.54 plus tax.

5. CABLE REPLACEMENT FOR VICTORIA HEIGHTS APARTMENTS
WORK ORDER NO. 1022070

The Board of Public Utilities approved the estimated capital expenditure of \$251,000 to replace out of date and deteriorating underground electrical equipment and structures, located at Victoria Heights Apartments along Lincoln Avenue and Grace Street.

6. EXTEND FIBER OPTIC CABLE NETWORK TO HUNTER HOBBY PARK
WORK ORDER NO. 1026412

The Board of Public Utilities approved the estimated capital expenditure of \$66,000 to extend fiber optic cable to Hunter Hobby Park.

Water Items

7. AGREEMENT APPROVAL WITH THE CITY OF GRAND TERRACE FOR GRAND TERRACE ROAD PAVING REIMBURSEMENT – WORK ORDER NO. 1025658

The Board of Public Utilities approved the Reimbursement Agreement for Improvements to Grand Terrace Road in an amount not to exceed \$70,000, and approve Work Order No. 1025658 in that same amount, for the paving of Grand Terrace Road as delineated in the agreement.

8. CONSTRUCTION OF RIVERSIDE CANAL REPAIRS AT VAN BUREN BOULEVARD CROSSING, BID NO. 6861

The Board of Public Utilities:

1. Approved the capital expenditure of \$62,000 for Work Order No. 1022307, which includes all design, construction, change order contingencies, construction management and inspection for the Riverside Canal Repairs at Van Buren Boulevard Crossing, Bid No. 6861;
2. Determined that the bid submitted by Western Structures in the amount of \$38,726.10 is non-responsive; and
3. Awarded a contract for the construction of the Riverside Canal Repairs at Van Buren Boulevard Crossing, Bid No. 6861 to the lowest responsive bidder, HYM Engineering, Inc. of Buena Park, California, in the amount of \$44,696.25.

9. WEED ABATEMENT AT VARIOUS PUBLIC UTILITIES PROPERTIES – AWARD OF REQUEST FOR PROPOSAL (RFP) NO. 1195

The Board of Public Utilities:

1. Awarded the contract for Weed Abatement at Various Public Utilities Properties, RFP No. 1195, to Merrie (Mary) Scott, doing business as Scott Tractor Service ("Scott Tractor") of Bloomington, California in the amount of \$103,482.00; and
2. Authorized the City Manager, or his designee, to execute up to three additional one-year extensions to the term of the contract, if necessary, in annual amounts not to exceed the sum of (i) cost of the original contract (including change orders), and (ii) any negotiated price modifications based upon the Consumer Price Index (CPI).

Other Items

10. DYNAMIC SCHEDULING OF BOULDER CANYON PROJECT ENTITLEMENTS

The Board of Public Utilities recommended that the City Council:

1. Approve the Dynamic Scheduling Agreement for Scheduling Coordinators between Riverside and the California Independent System Operator ("CAISO")
2. Approve the Funding Agreement between Riverside and the Western Area Power Administration ("Western"); and
3. Authorize the City Manager, or his designee, to execute both agreements, as well as subsequent amendments to the Dynamic Scheduling Agreement for Scheduling Coordinators required as a result of Federal Energy Regulatory Commission ("FERC") directives.

11. SIXTH AMENDMENT TO AGREEMENT FOR OPERATION OF GAGE CANAL FACILITIES

The Board of Public Utilities recommended that the City Council approve the Sixth Amendment to the Agreement.

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

The Board of Public Utilities:

1. Approved a one-year extension to the Agreement between City of Riverside and Power Settlements Consulting and Software, LLC ("Power Settlements") for Fiscal Year 2010-2011, in an amount not to exceed \$114,800;
2. Approved future annual extensions of the Agreement; provided, that such extensions do not materially modify the terms and conditions of the Agreement beyond price escalations not greater than 5 percent of the prior year's cost; and
3. Authorized the City Manager, or his designee, to execute Agreement extensions.

13. NEW HIGH VOLTAGE ELECTRIC SERVICE AGREEMENT BETWEEN KAISER PERMANENTE (KAISER) AND THE CITY OF RIVERSIDE

The Board of Public Utilities recommended that the City Council approve a three-year High Voltage Electric Service Agreement with Kaiser Permanente, from January 1, 2010 through December 31, 2012.

14. URGENT PURCHASE OF REMITTANCE PROCESSING HARDWARE AND RELATED SOFTWARE

The Board of Public Utilities approved an agreement with Netvantage, Inc., of Rockville, Maryland, in the amount of \$65,407 for the urgent purchase of hardware and software for remittance processing system.

DISCUSSION CALENDAR

15. LOW INCOME ASSISTANCE – SHARING HOUSEHOLDS ASSIST RIVERSIDE'S ENERGY (SHARE) PROGRAM CONTRACT AMENDMENT

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

1. Approve a tenth amendment to the SHARE contract with the Community Action Partnership of Riverside County to extend the SHARE program for one year through June 30, 2011 in the amount of \$1.9 million; and
2. Authorize the City Manager, or his designee, to approve payments up to 25 percent, or \$475,000, above the SHARE contract amount if allocated funds are depleted before the contract term ends.

Motion – Davidson. Second – Curtin.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

16. AWARD OF BID NO. 6841 FOR CONSTRUCTION OF THE SUBTRANSMISSION PROJECT (STP) PHASE 1C – 1.3 MILES OF TWIN CIRCUIT 69 KV TRANSMISSION LINE FROM TENTH STREET AND COMMERCE AVENUE TO TWELFTH STREET AND CHICAGO AVENUE, WORK ORDER NO. 1022854

Following discussion, the Board of Public Utilities:

1. Approved Work Order No. 1022854 for the estimated capital expenditure of \$1,500,000 for the construction of the Subtransmission Project (STP) Phase 1C;
2. Awarded a contract to Wilson Utility Construction of Canby, Oregon, for the construction of the STP Phase 1C in the amount of \$1,137,523.82; and
3. Authorized the City Manager, or his designee, to prepare and execute all necessary documents.

Motion – Scott-Coe. Second – Elliott.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

17. PAYMENT SCHEDULE LETTER AGREEMENT FOR THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT

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

1. Approve the Payment Schedule Letter Agreement (Letter Agreement) between City of Riverside and Southern California Edison Company to revise the payment schedule pursuant to the Interconnection Facilities Agreement (IFA) for the Riverside Reliability Transmission Project (RTRP); and
2. Authorize the City Manager, or his designee, to execute the Letter Agreement and take the necessary actions to implement the Letter Agreement.

Motion – Curtin. Second – Scott-Coe.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

18. PROFESSIONAL CONSULTANT SERVICES PANEL FOR ENGINEERING SERVICES FOR G.O. 165 PUBLIC UTILITIES ENERGY DELIVERY – AWARD OF MASTER AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR VARIOUS CONSULTING FIRMS

Following discussion, the Board of Public Utilities:

1. Approved the Agreement for Professional Services for Various Public Utilities Capital Services Projects in amounts not-to-exceed \$300,000 with four (4) professional firms for engineering and other services for transmission and distribution lines for GO 165 projects; and
2. Authorized the City Manager, or his designee, to execute the Master Agreements with each listed Panel member, in substantially the same form as attached to this report.

Motion – Curtin. Second – Davidson.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

19. CONSTRUCTION OF THE TWELFTH STREET WATER DISTRIBUTION MAIN REPLACEMENT PROJECT – PHASE II, WORK ORDER NO. 1013088

Following discussion, the Board of Public Utilities approved the capital expenditure in the amount of \$1,294,000 for Work Order No. 1013088, which includes design and construction costs for the Twelfth Street Water Distribution Main Replacement Project – Phase II.

Motion – Davidson. Second – Curtin.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)

Board Member Darrell Ament left the meeting at this time for a few minutes.

20. SMART METER AND RELATED CUSTOMER INFORMATION SYSTEM PROJECT IMPLEMENTATION

Following discussion, the Board of Public Utilities approved the implementation of Smart Meters (Advanced Metering Infrastructure –AMI) and replacement of the Customer Information System (CIS).

Motion – Curtin. Second – Davidson.

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

Noes: None.

Abstain: None.

Absent: Bernie Titus (excused absence due to vacation)
Darrell Ament (left the meeting for a few minutes)

21a. STRATEGIC PLAN STATUS REPORT

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

Board Member Darrell Ament returned to the meeting at this time.

21b. ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY A MEMBER OF THE BOARD OF PUBLIC UTILITIES

- IT Update
- Board Orientation Workshop I – August 6
- Board Orientation Workshop II – August 16

GENERAL MANAGER'S REPORT

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 – May 2010
25. Monthly Update of Goals
26. Electric / Water Contract Panel Update - July 2010
27. Open and Closed Work Orders - June 2010
28. Water Highlights - June 2010
29. Financial Statements - May 2010
30. City Council Agendas – June 22, 2010 and July 13, 2010
31. Upcoming Meetings
32. Systematic Reporting on Conferences/Seminars by Board Members and/or Staff
33. Electric / Water Utility Acronyms

UPCOMING MEETING

Chairman Ken Sutter adjourned the meeting at approximately 10:37 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, August 6, 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: August 6, 2010