

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: August 6, 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) Robert Elliott (Vice Chair)
Bernie Titus Ian Davidson
Manny Sanchez Justin Scott-Coe
Darrell Ament

Absent: Mary Curtin (excused absence due to business)
Gustavo Segura (excused absence due to other)

PRESENTATIONS

A. RECOGNITION BY THE BOARD OF PUBLIC UTILITIES OF THE FOLLOWING PUBLIC UTILITIES EMPLOYEES FOR THEIR ACCOMPLISHMENTS OF COMPLETING THE REQUIREMENTS WITHIN THE CITY OF RIVERSIDE'S M3P HIGH PERFORMANCE LEARNING CENTER:

1. Joe Alves, Arturo Avalos, Laura Chapman, Benny Esseling, Christopher Gross, Lupe Gutierrez, Daniel Hernandez, Cindy Herrera-Regaldo, Xavier Jacobo, Bonnie Negrete, Mary Nevarez, Jason Niccoli, and Toni Redman - completed the SOAR Program.
2. Pauline Brown, Rita Nicks, and Stewart Noble – completed the SMART Level 1 Program.
3. Dean Ayer, Joe Carrasco, Steve Lafond, and Carlos Fuentes – completed the SMART Level 2 Program.

B. EMPLOYEE RECOGNITION AWARDS

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

Summer Delgado – Utilities Senior Engineering Tech (Elec)
Sundra Hannah – Development Service Representative III
Serena Eddlemon – Senior Graphic Tech

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on July 16, 2010 was approved as submitted.

Motion – Scott-Coe. Second – Davidson.

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

Noes: None.

Abstain: Titus.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

CITIZENS PARTICIPATION

Mr. John White, Riverside resident, requested that Item 5, The Non-Residential Photovoltaic (PV) System Rebate for the Installation of a 68.2 KW Photovoltaic System, be placed on the discussion calendar to answer some of the following questions:

1. Where are the rebate monies coming from: Riverside, State, or Federal monies?
2. We should be comfortable to where every penny is being spent on PV projects?
3. Every spare money for PV systems should not be a big priority during this economic time
4. Is this approval just a formality?
5. Rebates should be curtailed because of the economy

COMMITTEE REPORTS

2. Committee Reports
 - a. Electric Committee
 - b. Water Committee
 - c. Finance/Marketing Committee
The Board of Public Utilities accepted and filed the July 13, 2010 "Special" Finance/Marketing Committee minutes.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 3, AWARD OF CONSULTANT CONTRACT FOR GROUNDWATER MODELING AND EXPERT WITNESS SERVICES FOR VARIOUS WATER RESOURCES PROJECTS, Item 5, THE NON-RESIDENTIAL PHOTOVOLTAIC (PV) SYSTEM REBATE FOR THE INSTALLATION OF A 68.2 KW PHOTOVOLTAIC SYSTEM, Item 6, FIVE-YEAR ELECTRIC RATE AGREEMENT WITH GOODRICH AEROSTRUCTURES GROUP, and Item 7, FIRST AMENDMENT TO NON-EXCLUSIVE LICENSE FOR USE OF AB BROWN SPORTS COMPLEX WITH AMERICAN YOUTH SOCCER ORGANIZATION, which were moved to the Discussion Calendar.

Motion – Elliott. Second – Scott-Coe.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

Electric Items

Water Items

3. **MOVED TO DISCUSSION CALENDAR**

Other Items

4. **ANNUAL RETAIL ELECTRIC PROVIDER POWER SOURCE DISCLOSURE REPORT TO THE CALIFORNIA ENERGY COMMISSION (CEC), ANNUAL POWER CONTENT LABEL, AND ATTESTATION**

The Board of Public Utilities:

1. Approved the Annual Retail Electric Provider's Report for calendar year 2009;
2. Attested as to the accuracy of the Annual Retail Electric Provider's Report;
3. Approved the annual Power Content Label for calendar year 2009; and
4. Authorized the City Manager, or his designee, to execute and submit the attestation.

5. **MOVED TO DISCUSSION CALENDAR**

6. **MOVED TO DISCUSSION CALENDAR**

7. **MOVED TO DISCUSSION CALENDAR**

DISCUSSION CALENDAR

3. **AWARD OF CONSULTANT CONTRACT FOR GROUNDWATER MODELING AND EXPERT WITNESS SERVICES FOR VARIOUS WATER RESOURCES PROJECTS**

Board Member Sanchez requested this item be placed on the discussion calendar for clarification regarding the two one-year extensions to the term of the agreement.

Following discussion, the Board of Public Utilities:

1. Approved a one-year contract with Geoscience Support Services, Inc. of Claremont, California for a not to exceed amount of \$75,000; and
2. Approved two one-year time extensions to the term of the agreement, should staff determine that consultant requires additional time to complete the services.

Motion – Titus. Second – Davidson.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

5. THE NON-RESIDENTIAL PHOTOVOLTAIC (PV) SYSTEM REBATE FOR THE INSTALLATION OF A 68.2 KW PHOTOVOLTAIC SYSTEM

Board Member Sanchez requested this item be placed on the discussion calendar to discuss that staff periodically summarize how Public Benefit funds are being expended.

Following discussion, the Board of Public Utilities approved and recommended that the City Council approve a rebate to The Salvation Army through the Non-Residential Photovoltaic Rebate Program in the amount of \$200,000.

Motion – Elliott. Second – Davidson.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

6. FIVE-YEAR ELECTRIC RATE AGREEMENT WITH GOODRICH AEROSTRUCTURES GROUP

Board Member Ament requested this item be placed on the discussion calendar for clarification of what percent of load used and the TOU rate for this business customer.

John White, Riverside resident, and Lou Monville, Greater Riverside Chamber of Commerce member, both spoke to support Riverside Public Utilities regarding this rate agreement.

Following discussion, the Board of Public Utilities recommended that the City Council approve the electric rate agreement with Goodrich Aerostructures Group.

Motion – Ament. Second – Titus.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

7. **FIRST AMENDMENT TO NON-EXCLUSIVE LICENSE FOR USE OF AB BROWN SPORTS COMPLEX WITH AMERICAN YOUTH SOCCER ORGANIZATION**

Board Member Sanchez requested this item be placed on the discussion calendar for clarification why the agreement expired before the amendment came to Board. Staff explained that the agreement was sent with plenty of time, but due to the non-profit nature of the AYSO, it took several months before the amendment was returned to the Utility.

Following discussion, the Board of Public Utilities recommended that the City Council Approve the First Amendment to the Non-Exclusive License Agreement with AYSO.

Motion – Scott-Coe. Second – Ament.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

8. **CLEARWATER GENERATION UPDATE**

Assistant General Manager/Resources Gary Noff gave an oral update on the acquisition of Clearwater Generation by Riverside Public Utilities from City of Corona. He also introduced the project team: Chuck Casey, Jerry Rogers, Bob Tang, and Danny Garcia.

Following discussion, the Board of Public Utilities received and filed this oral update and approved closing the transaction on September 1, 2010, or as soon as possible.

Motion – Elliott. Second – Ament.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

9. **SEVEN OAKS DAM UPDATE**

Assistant General Manager/Water Kevin Milligan gave an oral report on the status of the Seven Oaks Dam and additional water supply opportunities.

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

Motion – Elliott. Second – Scott-Coe.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

10. SANTA ANA SUCKER UPDATE

Assistant General Manager/Water Kevin Milligan gave an oral report on the proposed Critical Habitat Designation by the US Fish and Wildlife Service and recent staff activities.

Also, letters from Congress Members Joe Baca, Mary Bono Mack, and Jerry Lewis were distributed regarding their concerns about the effect of potential Santa Ana Sucker fish Critical Habitat Designation.

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

Motion -- Davidson. Second -- Titus

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

11. RIVERSIDE GOLF COURSE UPDATE

General Manager Wright gave an oral report to discuss potential uses of the property.

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

Motion -- Davidson. Second -- Curtin.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

A ten-minute break was taken at this time before continuing with the Board of Public Utilities' meeting.

12. CANCELLATION OF SEPTEMBER 3RD 2010 BOARD MEETING

Following discussion the Board of Public Utilities cancelled the regularly scheduled September 3, 2010 Board meeting because of the holiday.

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

Noes: None.

Abstain: None.

Absent: Mary Curtin (absence due to business)
Gustavo Segura (absence due to other)

13. ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY A MEMBER OF THE BOARD OF PUBLIC UTILITIES
- Update on the Tequesquite PV project
 - Relationship between City of Riverside and Public Utilities
 - Utah Renaissance Geothermal project
 - Renewable potentials

GENERAL MANAGER'S REPORT

Assistant General Manager/Water Kevin Milligan introduced the following new staff to the water division, Rachel McLure and Alex Shorts (intern).

Also Mr. Milligan gave an oral update on the Evans Reservoir construction with a PowerPoint presentation and introduced Eric Escobar, the project manager.

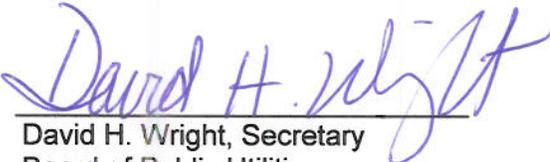
14. E-Help Suspension Update
General Manager Wright reported that the E-Help suspension has been suspended until the Federal Government has made decisions regarding priority of liens and that it will be discussed more at the Finance/Marketing Committee meetings.
15. State and Federal Stimulus Fund Update - Discussion of any potential benefits to Riverside Public Utilities
16. State and Federal Legislative Update - Update on pending legislation that may impact the Water and/or Electric Utility
17. Monthly Power Supply Report – June 2010
18. City Council Agendas – July 27, 2010
19. Upcoming Meetings
20. Systematic Reporting on Conferences/Seminars
21. Electric / Water Utility Acronyms

WORKSHOP

22. CITY CHARTER – BOARD OF PUBLIC UTILITIES
Review of the City Charter including Article XII, "Department of Public Utilities"
That the Board of Public Utilities receive and file this report.
23. PURCHASING AUTHORITY – BOARD OF PUBLIC UTILITIES
That the Board of Public Utilities receive and file this report.
24. DISCUSSION OF PARALLEL GENERAL CITY OPERATIONS AND THEIR INTERRELATION WITH RIVERSIDE PUBLIC UTILITIES' OPERATIONS
That the Board of Public Utilities receive and file this report.

UPCOMING MEETING

Chair Ken Sutter adjourned the meeting at 11:10 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, August 20, 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 20, 2010