

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: June 3, 2011
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: Bob Elliott (Chair) Bernie Titus (Vice Chair)
Mary Curtin Ian Davidson
Justin Scott-Coe Gustavo Segura
Darrell Ament Susan Cash

Absent: Ken Sutter (excused absence due to business)

PRESENTATIONS

A. EMPLOYEE RECOGNITION AWARDS

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

None

MINUTES

1. The approval of the regular meeting minutes from the Board of Public Utilities meeting held on May 20, 2011 was approved as submitted.

Motion – Titus. Second – Cash.

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

Absent: Ken Sutter (excused absence due to business)

CITIZENS PARTICIPATION

None.

COMMITTEE REPORTS

2. Committee Reports– are included as applicable
 - a. Electric Committee - None
 - b. Water Committee – May 20, 2011 meeting cancelled
 - c. Finance/Marketing Committee – May 27, 2011 meeting cancelled

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 6, **AGREEMENT FORMALIZING THE SANTA ANA SUCKER CONSERVATION TEAM**, which was moved to the Discussion Calendar.

Motion – Scott-Coe. Second – Segura.

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

Absent: Ken Sutter (excused absence due to business)

Electric Items

3. **REPLACEMENT OF DETERIORATED OIL SWITCHES AND ASSOCIATED EQUIPMENT - WORK ORDER NOS. 1117665 AND 1117666**

The Board of Public Utilities approved the estimated capital expenditure of \$250,000 for Work Order No. 1117665 and \$200,000 for Work Order No. 1117666 to replace deteriorated oil switches, as well as associated underground equipment with new pad mounted equipment.

Water Items

4. **CONSTRUCTION OF PERIMETER FENCE AT WHITEGATES RESERVOIR NO. 2 – AWARD OF BID NO. 6962**

The Board of Public Utilities:

1. Approved an additional capital expenditure of \$125,000 for Work Order No. 0805918, which includes all design, construction, change order contingencies, construction management and inspection for the wrought iron Perimeter Fence Project, Bid No. 6962; and
2. Awarded a contract for the construction of the Perimeter Fence Project at Whitegates Reservoir No. 2 to the lowest responsive bidder, Scorpion Backhoe, Inc. of Hemet, California, in the amount of \$97,834.

5. **FREEWAY WELL DESTRUCTION PROJECT – STATE OF CALIFORNIA ROUTE 91 HOV PROJECT, UTILITY AGREEMENT NO. 21731 - WORK ORDER NO. 1103139; AUTHORIZE ADDITIONAL CHANGE ORDERS**

The Board of Public Utilities authorized an increase in change order authority in the amount of \$1,500 to Work Order No. 1103139.

6. **MOVED TO DISCUSSION CALENDAR**

Other Items

7. **APPROVAL OF SPARE PARTS PROPOSAL AND SERVICE CONTRACT FROM ABB GROUP FOR THE CLEARWATER COGENERATION POWER PLANT**

The Board of Public Utilities:

1. Approved the issuance of a purchase order for the single source purchase of spare parts from the ABB Group in an amount not to exceed \$111,791; and

2. Approved the proposed three-year service contract between Riverside and the ABB Group in the amount of \$46,701.

DISCUSSION CALENDAR

6. AGREEMENT FORMALIZING THE SANTA ANA SUCKER CONSERVATION TEAM

Board Member Ian Davidson requested this item be placed on the discussion calendar to ask why Western Municipal Water District (WMWD) was not part of the agreement. Assistant General Manager/Water Kevin Milligan explained that WMWD has not participated in the Sucker Conservation Team work to date, but is supporting efforts of the Santa Ana Sucker Task Force relative to the recent Critical Habitat Designation by US Fish and Wildlife Service.

Following discussion, the Board of Public Utilities recommended that the City Council approve the Agreement Formalizing the Santa Ana Sucker Conservation Team.

Motion – Titus. Second – Curtin.

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

8. CONSTRUCTION OF THE FLUME WELL NO. 7 PROJECT – BID NO. 6939, WORK ORDER NO. 0909965

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$1,381,000 for Work Order No. 0909965, which includes all design, construction, change order contingencies, construction management and inspection for the Flume Well No. 7 Project, Bid No. 6939; and
2. Awarded a contract for the construction of the Flume Well No. 7 Project, Bid No. 6939, to the lowest responsive bidder, Cora Constructors, Inc., of Palm Desert, California, in the amount of \$1,059,890.

Motion – Davidson. Second – Scott-Coe.

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

9. CONSTRUCTION OF THE IOWA AVENUE RAILROAD GRADE SEPARATION 12-INCH, 16-INCH AND 48-INCH WATER PIPELINE RELOCATION PROJECT – AWARD OF BID NO. 6949

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$3,232,000 for Work Order No. 0905545, which includes all design, construction, easement acquisition, change order contingencies, system connections, construction management, inspection and geotechnical testing for the Iowa Avenue Railroad Grade Separation 12-inch, 16-inch and 48-inch Water Pipeline Relocation Project, Bid No. 6949;
2. Determined that the lowest bid submitted by WEKA, Inc. in the amount of \$2,213,276.00 is non-responsive;
3. Awarded a contract for the construction of the Iowa Avenue Railroad Grade Separation 12-inch, 16-inch and 48-inch Water Pipeline Relocation Project, Bid No. 6949 to the lowest responsive bidder, E.J. Meyer Company of Highland, California, in the amount of \$2,282,222.00; and

4. Authorized the issuance of change orders to the purchase order of up to 20% of the original amount for Bid No. 6949.

Motion – Davidson. Second – Titus.

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

10. CREATION AND IMPLEMENTATION OF THE SMART IRRIGATION PROGRAM

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

1. Approve the Smart Irrigation Program;
2. Approve funding in the amount of up to \$200,000 for F/Y 2011-12 and inclusion in the budget for the following two (2) fiscal years; and
3. Authorize the City Manager, or his designee, to make any minor, non-substantive changes necessary to implement this program.

Motion – Scott-Coe. Second – Curtin.

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

11. ANNUAL PURCHASE ORDER REQUIREMENTS FOR FISCAL YEAR 2011-12

Following discussion, the Board of Public Utilities approved the annual purchase order requirements for Fiscal Year 2011-12 in the estimated amount of \$6,118,702, subject to approval by the City Council of the Fiscal Year 2011-12 budget.

Motion – Curtin. Second – Titus.

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

12. PROPOSED CHANGES TO ELECTRIC AND WATER RULES AND FEES AND CHARGES SCHEDULES

Following discussion, the Board of Public Utilities:

1. Adopted a Resolution to modify the Electric Fees and Charges Schedule (Appendix A) that reflect fees and charges associated with Electric Rules 8, 11, and 22, Electric Rule 22, the Water Fees and Charges Schedule (Appendix A) that reflect fees and charges associated with Water Rule 10, and Water Rule 10; and
2. Recommended that the City Council adopt the appropriate Resolution approving the above updates to the Electric and Water Rules after the public hearing scheduled for Tuesday, June 21, 2011 at the Art Pick Council Chamber at City Hall.

Motion – Curtin. Second – Ament.

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

13. RESULTS OF ELECTRIC AND WATER BOND FINANCINGS AND CREDIT RATING REPORTS

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

14. CANCELLATION OF JUNE 17, 2011 BOARD MEETING

Following discussion, the Board of Public Utilities approved cancelling the regularly scheduled June 17, 2011 Board meeting.

Motion – Titus. Second – Curtin.

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

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

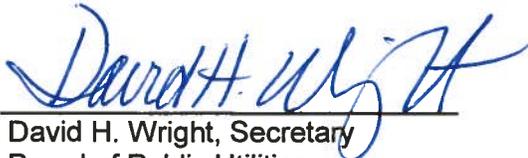
- Update on the City's Succession Plan

GENERAL MANAGER'S REPORT

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 – April 2011
19. City Council Agendas – May 24, 2011
20. Upcoming Meetings
21. Systematic Reporting on Conferences/Seminars
Board Member Ian Davidson reported that he and Board Member Susan Cash attended the Intermountain Power Project (IPP) tour in Delta, Utah, on May 23, 2011.
22. Electric / Water Utility Acronyms

UPCOMING MEETING

Chair Bob Elliott adjourned the meeting at approximately 9:36 a.m. The next regularly scheduled meeting of the Board of Public Utilities is to be held on **July 1, 2011** 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: July 1, 2011