

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: February 4, 2011
Time of Meeting: 8:30 a.m. (meeting began at 8:34 am)
Place of Meeting: Public Utilities Boardroom
3901 Orange Street (at Ninth & Orange Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Vice-Chair Robert Elliott chaired this meeting.

Roll Call

Present: Robert Elliott (Vice Chair) Mary Curtin
Bernie Titus Justin Scott-Coe
Gustavo Segura

Absent: Ken Sutter (Chair) (excused absence due to sickness)
Ian Davidson (excused absence due to other)
Darrell Ament (excused absence due to business)

PRESENTATION

A. EMPLOYEE RECOGNITION AWARDS

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

Cheryl Art – Senior Office Specialist
Kathleen Perkins – Senior Office Specialist

MINUTES

1. The approval of the regular and "special" meeting minutes from the Board of Public Utilities meeting held on January 21, 2011 was approved as submitted.

Motion – Titus. Second – Curtin.

Ayes: Elliott, Curtin, Titus, and Scott-Coe.

Noes: None.

Abstain: Gustavo Segura.

Absent: Ken Sutter (excused absence due to sickness)
Ian Davidson (excused absence due to other)
Darrell Ament (excused absence due to business)

CITIZENS PARTICIPATION

None.

COMMITTEE REPORTS

2. Committee Reports
 - a. Electric Committee
February 4, 2011 meeting was cancelled.
 - b. Water Committee
January 7, 2011 meeting was cancelled due to lack of quorum.
 - c. Finance/Marketing Committee
January 28, 2011 Finance/Marketing Committee minutes were approved.

Motion – Davidson. Second – Scott-Coe.

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

CONSENT CALENDAR

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

Motion – Scott-Coe. Second – Segura.

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

Electric Items

3. EMERGENCY WORK REQUIRED DUE TO ANCHOR FAILURE AFFECTING THE VISTA-MT. VIEW 69 KV TRANSMISSION LINE NORTHERLY OF PALO VERDE LANE WORK ORDER NO. 1111528

The Board of Public Utilities approved the estimated capital expenditure of \$100,000 for Emergency Work Order No.1111528 in accordance with City Charter Section 1202(2)(b).

4. ADDITIONS AND DELETIONS TO THE ENERGY DELIVERY AND WATER CONSULTANT PANELS

The Board of Public Utilities:

1. Authorized the Public Utilities General Manager to add additional qualified consultants to the five professional consulting panel currently approved by this Board on June 19, 2009, March 19, 2010, July 16, 2010 and August 20, 2010, and as further described herein, with subsequent reports back to the Board of Public Utilities from time to time on the addition or deletion of such new Panel members; and
2. Authorized the Public Utilities General Manager, to execute the Master Agreements with each firm, in substantially the same form as the form agreements previously approved by this Board.

Water Items

Other Items

5. SEIZING OUR DESTINY: STRATEGIC ROUTE 5 – BECOMING A GREEN MACHINE - THE NON-RESIDENTIAL PHOTOVOLTAIC (PV) SYSTEM REBATE FOR THE INSTALLATION OF A 29.83 KW PHOTOVOLTAIC (PV) SYSTEM

The Board of Public Utilities recommended that the City Council approve a rebate to Maaco Auto Painting through the Non-Residential Photovoltaic Rebate Program in the amount of \$89,490.

6. INTEREST RATE PAID ON CUSTOMER DEPOSITS

The Board of Public Utilities approved the annual interest rate applied to customer deposits of 0.10%.

DISCUSSION CALENDAR

7. CONSTRUCTION OF THE EASTSIDE PHASE I AND MAIN STREET WATER DISTRIBUTION MAIN REPLACEMENT PROJECT – BID No. 6911, WORK ORDER NO. 0908809

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$2,350,000 for Work Order No.0908809, which includes all design, construction, change order contingencies, construction management and inspection for the Eastside Phase I and Main Street Water Distribution Main Replacement Project, Bid No. 6911; and
2. Awarded a contract for the construction of the Eastside Phase I and Main Street Water Distribution Main Replacement Project, Bid No. 6911, to the lowest responsive bidder, Kana Pipeline, Inc., of Placentia, California, in the amount of \$1,687,570.50.

Motion – Titus. Second – Scott-Coe.

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

8. CONSTRUCTION OF THE 8-INCH WATER MAIN REPLACEMENT PROJECT ON IVANHOE, RUTLAND AND REYNARD AVENUES

Following discussion, the Board of Public Utilities approved the capital expenditure of \$1,387,000 for Work Order No. 0814461, which includes all design and construction costs for the 8-inch Water Main Replacement Project on Ivanhoe, Rutland and Reynard Avenues.

Motion – Curtin. Second – Titus.

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

9. **ENGINEERING AND INSPECTION SERVICES FOR THE SAN BERNARDINO WATER SUPPLY PIPELINE CONDITION ASSESSMENT PROJECT**

Following discussion, the Board of Public Utilities approved a total capital expenditure for Work Order No.1109782 in an amount of \$520,000, which includes all planning, project management, field support, pipeline inspection and engineering services for the San Bernardino Water Supply Pipeline Condition Assessment Project.

Motion – Scott-Coe. Second – Curtin.

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

10. **WATER SCADA SYSTEM UPGRADE – WORK ORDER NO. 1108261**

Staff noted that a typo in the report and recommendation regarding the monies should read \$389,461 instead of \$370,537 and also distributed the signed agreement to the Board Members.

Following discussion and amending the recommendation to read \$389,461, the Board of Public Utilities:

1. Approved the capital expenditure of \$400,000 for Work Order No.1108261, which includes all work and contingencies for the Water SCADA System Upgrade; and
2. Approved a professional services agreement for the Water SCADA System Upgrade with Transdyn, Inc. of Pleasanton, California, in the amount of \$389,461 for the Water SCADA System Upgrade.

Motion – Scott-Coe. Second – Curtin.

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

11. **UPDATE ON MUNICIPAL ADVISORY SERVICES SECURITIES AND EXCHANGE COMMISSION**

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

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

- Update report on Seven Oaks Dam testing

GENERAL MANAGER'S REPORT

13. State and Federal Stimulus Fund Update - Discussion of any potential benefits to Riverside Public Utilities
14. State and Federal Legislative Update - Update on pending legislation that may impact the Water and/or Electric Utility
15. Monthly Power Supply Report – December 2010
16. City Council Agendas – January 25, 2011 and February 1, 2011
17. Upcoming Meetings

18. Systematic Reporting on Conferences/Seminars
19. Electric / Water Utility Acronyms

WORKSHOP

20. PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROJECTS (CIP) REVIEW (FY 2011-2016)

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

21. PROPOSED FISCAL YEAR 2011-2012 OPERATING BUDGET

Following discussion, the Board of Public Utilities approved and recommended that the City Council approve the Fiscal Year 2011-2012:

1. Proposed \$388.5M Electric Operating and Capital Improvement (CIP) Budget;
2. Proposed \$90.6M Water Operating and CIP Budget;
3. Proposed \$338.6M Electric Revenues Budget; and
4. Proposed \$67.7M Water Revenues Budget.

Motion – Titus. Second – Curtin

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

22. DISCUSSION OF VARIOUS GENERAL CITY OPERATIONS AND THEIR INTERRELATION WITH RIVERSIDE PUBLIC UTILITIES' OPERATIONS

This workshop item was DEFERRED to a future Board meeting

UPCOMING MEETING

Vice-Chair Robert Elliott adjourned the meeting at 10:15.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, February 18, 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: February 18, 2011