

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Special Meeting of the Board of Public Utilities
Date of Meeting: April 2, 2015
Time of Meeting: 8:30 a.m.
Place of Meeting: Utility Operations Center (UOC)
2911 Adams Street
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Roll Call

Present: Susan Cash (Chair) Dave Austin (Vice-Chair)
 Darrell Ament Ron Cole
 Nick Ferguson Jennifer O'Farrell
 David Roberts Justin Scott-Coe
 Andrew Walcker

Absent: None.

PRESENTATION

1 EMPLOYEE RECOGNITION AWARDS

General Manager Girish Balachandran recognized the following employees:

Oscar Khoury – Principal Water Engineer
Christina Guerrero – Project Assistant

MINUTES

- 2 The special minutes from the Board of Public Utilities workshop meeting held on February 27, 2015 were approved after a few clerical errors were corrected.

Motion – Scott-Coe. Second – Ferguson.

Ayes: Cash, Austin, Scott-Coe, Ament, Roberts, Walcker, Cole, Ferguson, and O'Farrell.

Abstain: None.

Absent: None.

- 3 The special minutes from the Board of Public Utilities meeting held on March 5, 2015 were approved as submitted.

Motion – Ferguson. Second – O'Farrell.

Ayes: Cash, Austin, Scott-Coe, Roberts, Walcker, Cole, Ferguson, and O'Farrell.

Abstain: Ament

Absent: None.

CITIZENS PARTICIPATION

NONE.

CONSENT CALENDAR

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

Motion – Cole. Second – Ferguson.

Ayes: Cash, Austin, Scott-Coe, Ament, Roberts, Walcker, Cole, Ferguson, and O'Farrell.

Abstain: None.

Absent: None.

Electric Items

5 ELECTRICAL DISTRIBUTION FACILITIES INSTALLATION FOR THE BRUNTON WELL ON GARNER ROAD - WORK ORDER NO. 1510314

The Board of Public Utilities approved the estimated capital expenditure of \$55,000 for Work Order No. 1510314 for the installation of electrical distribution facilities for the Brunton Well on Garner Road.

6 UNDERGROUND ELECTRICAL INSTALLATION NEAR CANYON CREST AND EL CERRITO DRIVES FOR THE CANYON BLUFFS APARTMENT COMPLEX- WORK ORDER NO. 1507267

The Board of Public Utilities approved the estimated capital expenditure of \$76,000 for Work Order No. 1507267 for the installation of electrical distribution facilities for the Canyon Bluffs Apartment Complex.

7 ACQUISITION EXPENDITURE IN CONNECTION WITH THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT

The Board of Public Utilities:

1. Recommended that the City Council approve the Agreement For Conveyance of Easement with K.J.P. & F. Reference Supervision General Management Service Company, LLC in the amount of \$78,000 for an easement over APN 145-220-033; and
2. Approved the expenditure of \$78,000 for that acquisition.

8 POLE REPLACEMENT ON THE VISTA-MOUNTAIN VIEW 69 kV TRANSMISSION LINE – WORK ORDER NO. 1516026

The Board of Public Utilities approved the estimated capital expenditure of \$85,000 for Work Order No. 1516026 for pole replacements on the Vista-Mountain View 69 kV Transmission Line.

Water Items

9 CONSTRUCTION OF THE TYLER AND HOLE WATER MAIN REPLACEMENT PROJECT – WORK ORDER NO. 1515502

The Board of Public Utilities approved the capital expenditure of \$325,000 for Work Order No. 1515502, which includes all design, construction, paving, contract administration, inspection and construction contingency costs for the Tyler and Hole Water Main Replacement Project.

10 CONSTRUCTION OF THE LA SIERRA PRESSURE REDUCING STATION REPLACEMENT PROJECT – WORK ORDER NO. 1508407

The Board of Public Utilities approved the capital expenditure of \$325,500 for Work Order No. 1508407, which includes all design, construction, paving, contract administration, inspection and construction contingency costs for the La Sierra Pressure Reducing Station Replacement Project.

Other Items

11 PUBLIC UTILITIES BOARD COMMITTEE ASSIGNMENTS

The Board of Public Utilities approved the following assignments:

- (1) Electric Committee
Justin Scott-Coe (Chair)
Ron Cole
Nick Ferguson
Andrew Walcker
- (2) Water Committee
David Roberts (Chair)
Dave Austin
Darrell Ament
Jennifer O'Farrell
- (3) Customer Relations/Finance Committee
Susan Cash (Chair)
Dave Austin (Vice Chair)
Justin Scott-Coe (Electric Chair)
David Roberts (Water Chair)

12 SURPLUS PROPERTY DECLARATION/SALE AND DISPOSITION OF A PORTION OF ABANDONED RIVERSIDE WATER COMPANY CANAL - KARGER CORPORATION

The Board of Public Utilities recommended that the City Council approve:

1. The declaration that 17,165 square feet of abandoned Riverside Water Canal Company parcel is surplus to its needs;
2. The Purchase and Sale Agreement for the net fee transfer of 7,115 square feet of the abandoned Riverside Water Company Canal property to Karger Corporation for \$2,900; and

3. The acceptance of 10,050 square feet of street right of way per recordation of Tract Map No. 34236.

DISCUSSION CALENDAR

- 13 **MAGNOLIA 4 KV TO 12 KV UNDERGROUND CONVERSION – WORK ORDER NO. 1411795**

Following discussion, the Board of Public Utilities approved the estimated capital expenditure of \$2,250,000 for Work Order No. 1411795 for the Magnolia areas 4 kV to 12 kV underground conversion.

Motion – Scott-Coe. Second – Cole.

Ayes: Cash, Austin, Scott-Coe, Ament, Roberts, Walcker, Cole, Ferguson, and O'Farrell.

- 14 **MISSION SQUARE FIFTH FLOOR MULTI-PURPOSE ROOM IMPROVEMENTS - BID NO. RPU-7303**

Following discussion, the Board of Public Utilities:

1. Rejected the bid from Ultimate Development, Inc. as non-responsive and award a contract for the construction of the Mission Square Fifth Floor Multi-Purpose Room, Bid No. RPU-7303 to the lowest responsive bidder, New Dynasty Construction Co., of Tustin, California, in the amount \$393,744;
2. Authorized the expenditure of \$117,371 to G/M Business Interiors for furniture including computer training tables, multi-purpose tables, chairs and casework in accordance with Purchasing Resolution No. 22576, Section 201 (g); and
3. Authorized the estimated capital expenditure for Work Order No. 1415543 in the amount of \$630,034, including a 10% contingency for general construction.

Motion – Roberts. Second – Ament.

Ayes: Cash, Austin, Scott-Coe, Ament, Roberts, Walcker, Cole, Ferguson, and O'Farrell.

- 15 **POWER PURCHASE AGREEMENT BETWEEN SOLAR STAR CALIFORNIA XXXIX, LLC AND THE CITY OF RIVERSIDE – SAN BERNARDINO WELLS SOLAR PHOTOVOLTAIC PROJECT**

Deputy General Manager Milligan and Assistant General Manager Kerr gave a presentation explaining how this Power Purchase agreement will save an estimated \$1,000,000 annually.

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

1. Approve the 25-year Power Purchase Agreement (PPA) between Solar Star California XXXIX, LLC and the City of Riverside to design, construct and operate a cumulative 5.5 MW solar photovoltaic (PV) power plant located on the Well Sites;

2. Authorize the City Manager, or his designee, to execute the PPA, as well as any future amendments or extensions to the PPA under terms and conditions substantially similar or superior to this PPA;
3. Authorize the City Manager, or his designee, to execute any documents necessary to administer the PPA that are consistent with the established policies of the City Council; and
4. Authorize the City Manager, or his designee, to terminate the PPA for circumstances provided in the PPA.

Motion – Scott-Coe. Second – Cole.

Ayes: Cash, Austin, Scott-Coe, Ament, Roberts, Walcker, Cole, Ferguson, and O'Farrell.

16 DISCUSSION OF CURRENT PROCESS FOR COMMUNICATIONS WITH CITY COUNCIL AND ANY CHANGES TO CURRENT PROCESS

Board Chair Susan Cash led a discussion about current communication processes with City Council Members. She provided an update to the board to gain understanding of what communication tools were available to them and how to use them. This discussion was born from concern about how recent public comments to the City Council were received and how it was important for the Board to be able to define and communicate their role instead of having board critics define the validity of their actions.

Deputy City Attorney Susan Wilson provided advice and guidance about appropriate communication paths and boundaries. When communications are needed, the Board's appropriate communication options are no response, provide an annual report as per City Charter, direct the Chair to make public comments at a City Council Meeting, write letters to City Council, or initiate direct contact with their specific Council Member.

General Manager Girish Balachandran also indicated that City Council Members will be meeting alongside the Board in future joint meetings and this will also aid communication efforts and mutual understanding.

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

BOARD MEMBER/STAFF COMMUNICATIONS

17 SYSTEMATIC REPORTING ON CONFERENCES/SEMINARS BY BOARD MEMBERS AND/OR STAFF

Board Member Ferguson reported that he attended the San Bernardino Valley Board meeting on March 12, 2015.

Board Member Scott-Coe reported that he attended the CMUA Capitol Day in Sacramento on February 2, 2015 and he also attended the APPA Legislative Rally on March 9-11, 2015

Board Chair Cash reported that she attended the Gage Canal Board meeting on March 10, 2015.

18 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 Balachandran reported the following:

- At the next meeting the Board will be presented with a high level schedule for the continuation of Strategic Planning for the next 8-10 months.
- A Board Governance presentation will be arranged through APPA to assist with more training for Board best practices.
- Tequesquite solar project is under construction. Interpretative signage will also be developed to explain the benefits when it is complete.
- Standard & Poors ratings have been revised and our new ratings are AAA for the Water Utility and AA+ for the Electric Utility.
- Governor signed an Executive Order related to the drought on Tuesday, March 31, mandating a 25% potable water reduction over 2013 levels. There are 31 items on the order and meetings are being held within the City to anticipate next steps in advance of the next State Water Resources Board meeting that determines the regulatory aspects of the Executive Order.

19 Safety Update

20 State and Federal Legislative and Regulatory Update - Update on pending legislation that may impact the Water and/or Electric Utility

21 Committee Reports – Electric Committee, Water Committee and Customer Relations/Finance Committee

22 Monthly Power Supply Report – January 2015

23 Electric / Water Contract Panel Update – March 2015

24 Open and Closed Work Orders – February 2015

25 Water Highlights – February 2015 – *deferred to April 17th Board Meeting*

26 Financial Report – December 31, 2014 and January 31, 2015

27 Monthly Update of Goals

28 City Council Agendas – March 10, 2015, March 17, 2015, and March 24, 2015

29 Upcoming Meetings

30 Electric / Water Utility Acronyms

31 SCPPA Monthly Agenda / Minutes – February 19, 2015

UPCOMING MEETING

Chair Cash adjourned the meeting at approximately 10:00 a.m. The next meeting of the Board of Public Utilities is to be held on Friday, April 17, 2015 @ 8:30 a.m. in the Art Pick Council Chambers in Riverside, California.

By: 

Girish Balachandran, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: April 17, 2015