

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: February 3, 2006
Time of Meeting: 8:15 a.m. (meeting began @ 8:17 a.m.)
Place of Meeting: Art Pick Council Chamber, City Hall
3900 Main Street (at Tenth & Main Streets)
Riverside, California

PLEDGE OF ALLEGIANCE WAS GIVEN TO THE FLAG

Roll Call

Present: Peter Hubbard (Chairman)	Jim Anderson (Vice Chair)
Bob Stockton	Ken Sutter
Joe Tavaglione	Conrad Newberry, Jr., P.E.
Dave Barnhart	Lalit Acharya

Absent: None.

Assistant City Manager Michael Beck attended this meeting.

MINUTES

- (1) The regular meeting minutes from the Board of Public Utilities meeting held on January 20, 2006 were approved as submitted.

Motion – Anderson. Second – Tavaglione.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Sutter, Stockton, Acharya, and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: None

CITIZENS PARTICIPATION

No comments were made.

COMMITTEE REPORTS

PROPERTY COMMITTEE REPORT

The Board of Public Utilities accepted and filed the January 6, 2006, Property Committee minutes.

FINANCE/MARKETING COMMITTEE REPORT – The Finance/Marketing Committee meeting scheduled on January 27, 2006 was cancelled.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 4, **APPROVAL OF MUTUAL ASSISTANCE AGREEMENT FOR THE CITY OF RIVERSIDE, AS A MEMBER OF THE CALIFORNIA UTILITIES EMERGENCY ASSOCIATION (CUEA)**, which was moved to the Discussion Calendar:

Motion – Tavaglione. Second – Barnhart.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Sutter, Stockton, Acharya, and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: None

ELECTRIC ITEMS

(2) **CIRCUIT 1251 UNDERGROUND LINE REBUILD
REVISED WORK ORDER 060114-08**

The Board of Public Utilities approved the revised estimated capital expenditure of \$105,000 to replace one failed switch and install an additional switch in the area of Mary Street and Victoria Avenue.

Funds are budgeted and available for this project in the Line Rebuilds Account No. 6130000-470603.

(3) **12 kV UNDERGROUND SERVICE UPGRADE
WORK ORDER 0603552**

The Board of Public Utilities approved the estimated capital expenditure of \$70,000 to replace underground primary cables and related electric facilities to serve the planned load addition for Anheuser Busch located at 1400 Marlborough Avenue.

Funds are budgeted and available for this project in the Services Account No. 6130000-470615.

(4) **MOVED TO DISCUSSION CALENDAR**

WATER ITEMS

OTHER ITEMS

DISCUSSION CALENDAR

(4) APPROVAL OF MUTUAL ASSISTANCE AGREEMENT FOR THE CITY OF RIVERSIDE, AS A MEMBER OF THE CALIFORNIA UTILITIES EMERGENCY ASSOCIATION (CUEA)

Vice Chair Jim Anderson requested this item be placed on the Discussion Calendar for more clarity on how the agreement worked. Vice-Chair Anderson's questions concerned possible labor shortages due to work stoppage beyond the scope of the agreement; insurance issues during a disaster; definition of who is qualified to work; fuel issues for vehicles; does it have to be a Governor declared disaster; and why the cities of Colton, Pasadena, and Azusa are not participants.

Principal Electric Engineer Dave Redding gave a brief update on the terms of the agreement and answered questions with the assistance of Deputy City Attorney Susan Wilson.

The Board of Public Utilities approved and recommended that the City Council approve the Mutual Assistance Agreement with the California Utilities Emergency Association (CUEA) and authorized the General Manager of Riverside Public Utilities, or his designee, to execute this agreement.

Motion – Anderson. Second – Tavaglione.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Sutter, Stockton, Acharya, and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: None

(5) ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY A MEMBER OF THE BOARD OF PUBLIC UTILITIES

None.

DIRECTOR'S REPORT

- (A) State and Federal Legislative Update
- (B) Monthly Power Supply Report — December 2005
- (C) Financial Statements – November 2005
- (D) Rolling Calendar Outlining Future Utility Projects as of January 27, 2006
- (E) City Council Agenda – January 24, 2006

SYSTEMATIC REPORTING ON CONFERENCES/SEMINARS

General Manager Wright reported that he, Deputy Director Badgett, and Vice-Chair Anderson went to Sacramento for Capitol Days on January 31 and discussed with elected officials the Governor's Water Bond, among other issues. The Governor's Water Bond is a surcharge of \$3 for residential, \$7 for commercial, \$10 for industrial, and \$2 per-acre-foot for agriculture per month. *(Please see the summary memo distributed with the Director's Report for more detail)*

The Board of Public Utilities moved the meeting to the Board Room to discuss Item 6.

WORKSHOP

(6) SAFE W.A.T.E.R. PLAN ALTERNATIVE WATER RATE ADJUSTMENTS

After a brief presentation by General Manager Wright identifying three water rate increase alternatives, the Board of Public Utilities conceptually approved the water rate adjustments identified as Option #2 (20 percent rate increases for all rate categories effective 11/1/2006, 11/1/2007 and 11/1/2008). In addition, the Board supported the concept of freezing the General Fund Transfer (GFT) at the current level of approximately \$4,000,000 for the next three years and instructed General Manager Wright to obtain City Manager and City Council approval.

The Board scheduled a public hearing for March 2, 2006 at 6:00 p.m. in the Art Pick Council Chambers at City Hall to receive input from staff and customers who wish to comment on the proposed three-year rate increase plan.

Motion – Anderson. Second – Acharya.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Sutter, Stockton, Acharya, and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: None

UPCOMING MEETING

Peter Hubbard adjourned the meeting at 9:00 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, February 17, 2006**, at **8:15 a.m.** in the Art Pick Council Chamber at City Hall located at 3900 Main Street in Riverside, California.

By: _____
David H. Wright, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: February 17, 2006