

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: February 16, 2007
Time of Meeting: 8:15 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: Jim Anderson (Chair) Joe Tavaglione (Vice Chair)
Mary Curtin Dave Barnhart
Bob Stockton Ken Sutter
Robert Elliott Bernie Titus
Peter Hubbard

Absent: None.

Assistant City Manager Michael Beck was in attendance.

PRESENTATION

1. ENERGY DELIVERY ASSET MANAGEMENT PRESENTATION

This oral presentation was deferred to a future Board meeting.

MINUTES

2. The minutes from the Board of Public Utilities meeting on February 2, 2007 was approved as submitted.

Ayes: Anderson, Tavaglione, Curtin, Barnhart, Stockton, Sutter, Elliott, and Titus.

Abstain: Peter Hubbard.

CITIZENS PARTICIPATION

3. None.

COMMITTEE REPORTS

4. PROPERTY COMMITTEE REPORT

The Board of Public Utilities accepted and filed the February 2, 2007, Property Committee minutes.

5. "SPECIAL" FINANCE/MARKETING COMMITTEE MEETING

The Board of Public Utilities accepted and filed the February 9, 2007, "Special" Finance/Marketing Committee minutes.

6. ELECTRIC COMMITTEE MEETING
The Board of Public Utilities deferred the February 14, 2007, Electric Committee minutes to the next Board meeting.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 9, **ELECTRIC RELOCATIONS AND ORNAMENTAL STREET LIGHT INSTALLATIONS – WORK ORDERS 07001501 AND 070021-01**, which was moved to the Discussion Calendar.

Motion – Curtin. Second – Sutter.

Ayes: Anderson, Tavaglione, Curtin, Barnhart, Stockton, Sutter, Elliott, Titus and Hubbard.

Noes: None

Abstain: None.

Absent: None.

ELECTRIC ITEMS

7. UNDERGROUND ELECTRIC LINE EXTENSION – THE GROVE BUSINESS CENTER
WORK ORDER 070003-40

The Board of Public Utilities approved the estimated capital expenditure of \$160,000 to install an underground electric line extension to serve the Grove Business Center at the northeasterly corner of Iowa and Marlborough Avenues.

8. HMPE CABLE REPLACEMENT AND 4 KV TO 12 KV VOLTAGE CONVERSION IN THE
AREA BOUNDED BY KITTY HAWK AND HOLLYRIDGE DRIVES, CENTRAL AVENUE
AND SHANNON DRIVE
WORK ORDER 070020-2

The Board of Public Utilities approved the estimated capital expenditure of \$300,000 to replace the HMPE cable and to convert the primary voltage from 4 kV to 12 kV (Work Order 070020-2).

9. **MOVED TO DISCUSSION CALENDAR**

WATER ITEMS

OTHER ITEMS

10. PURCHASE OF NEW HANDHELD ELECTRIC AND WATER METER READING
DEVICES

The Board of Public Utilities authorized the purchase of 22 FC200 handheld meter reading devices from Itron, Inc., at the cost of \$96,900, and annual maintenance costs of \$9,888.

DISCUSSION CALENDAR

9. ELECTRIC RELOCATIONS AND ORNAMENTAL STREET LIGHT INSTALLATIONS WORK ORDERS – 070015-01 AND 070021-01

Board Member Bob Stockton requested this item be placed on the discussion calendar because of the standing rule that reports over \$500,000 should be on discussion calendar.

Following discussion, the Board of Public Utilities:

1. Approved Work Order 070015-01 and the estimated capital expenditure of \$1,400,000 to relocate the electric facilities that are in conflict with the proposed grade separation at Jurupa Avenue and the Union Pacific Railroad crossing, install conduit, structures, and related distribution facilities; and
2. Approved Work Order 070021-01 and the estimated capital expenditure of \$140,000 for the installation of ornamental street lights along Jurupa Avenue at the Union Pacific Railroad crossing.

Motion – Stockton. Second – Tavaglione

Ayes: Anderson, Tavaglione, Curtin, Barnhart, Stockton, Sutter, Elliott, Titus and Hubbard.

Noes: None

Abstain: None.

Absent: None.

11. MASJED OF RIVERSIDE LICENSE AGREEMENT FOR USE OF A PORTION OF THE LEMONA BOOSTER STATION; AND FIFTH AMENDMENT TO AGREEMENT FOR OPERATION OF GAGE CANAL FACILITIES

Following discussion related to liability issues under the lease agreement and the Board's desire to establish more concise procedures relating to leasing Riverside Public Utilities' property in the future, the Board of Public Utilities approved and recommended that the City Council:

1. Approve the License Agreement between Masjed of Riverside and the City of Riverside; and
2. Approve the Fifth Amendment to the Agreement for Operation of Gage Canal Facilities.

12. RENEWABLE PORTFOLIO STANDARD

Following discussion, the Board of Public Utilities conceptually approved revising the Renewable Portfolio Standard (RPS) to a commitment of 20 percent of energy serving Riverside's retail customers being supplied from renewable resources by 2010 and 25 percent by 2015, and requested staff to bring back the revised RPS to Board within 30 days for formal adoption.

Motion – Elliott Second – Tavaglione.

Ayes: Anderson, Tavaglione, Curtin, Barnhart, Stockton, Sutter, Elliott, Titus and Hubbard.

Noes: None

Abstain: None.

Absent: None.

13. CONFLICTS OF INTERESTS; POTENTIAL DISQUALIFYING CONFLICTS OF INTEREST ARISING OUT OF OWNERSHIP OF REAL PROPERTY

Deputy City Attorney Susan Wilson gave a PowerPoint presentation on conflicts of interests –potential disqualifying conflicts of interest arising out of ownership of real property. She also invited the Board members to attend the City's Boards and Commissions Orientation on March 29, 2007 at 5:00 p.m. for more detail training on issues related to Conflicts of Interest, Brown Act and Code of Ethics.

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

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

No items were noted.

DIRECTOR'S REPORT

15. Cancellation of March 2, 2007 Riverside Public Utilities Board Meeting??

The March 2nd Board meeting was cancelled to enable attendance at the AQMD Board meeting and Public Hearing relating to AQMD Rule 1309.1

16. AQMD Rule 1309.1 – UPDATE

17. State and Federal Legislative Update

18. Monthly Benchmark Report Card - January 2007

19. Water Highlights - January 2007

20. Open and Closed Work Orders - January 2007

21. City Council Agendas - February 6, 2007 and February 13, 2007

22. Upcoming Meetings

23. Systematic Reporting on Conferences/Seminars

RECOGNITION

24. RECOGNITION OF BOARD MEMBER PETER HUBBARD

General Manager Dave Wright presented Board Member Hubbard with various memorable gifts and thanked him for his dedication and willingness to serve on the Board of Public Utilities for 10 years (two years as an alternate).

The Board took a five-minute recess and resumed the meeting at 9:50 a.m.

At this time the following Board Members left the meeting:

Joe Tavaglione

Robert Elliott

Peter Hubbard

WORKSHOP

25. BLACK & VEATCH - PUBLIC UTILITIES DEPARTMENT ORGANIZATIONAL AND STRATEGIC PLANNING REVIEW

Mr. Tom Resh, Director of Black & Veatch, gave a PowerPoint presentation of the "Top Ten Strategic Issues Facing the Electric Utility Industry":

- Aging Infrastructure
- Aging Workforce
- Adequate Security
- Reliability
- Environment
- Long-term Investment
- Technology
- Fuel Policy
- Market Structure
- Regulation

Following discussion, the staff and audience left the meeting so the Black & Veatch consultants could obtain input from Board Members regarding the Public Utilities Department Organizational and Strategic Planning Review and inform them that individual interviews would be conducted at a later date.

UPCOMING MEETING

Chairman Jim Anderson adjourned the meeting at 11:00 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, March 16, 2007**, at **8:15** 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: March 16, 2007