

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities

Date of Meeting: May 6, 2005

Time of Meeting: 8:15 a.m. (began at 8:18 a.m.)

Place of Meeting: Utilities Plaza Conference Room
3460 Orange Street (at Fifth and Orange Streets)
Riverside, California

PLEDGE OF ALLEGIANCE WAS GIVEN TO THE FLAG

INTRODUCTON OF NEW PUBLIC UTILITIES' BOARD MEMBER – KEN L. SUTTER

Roll Call

| | |
|--------------------------------|---------------------------|
| Present: Peter Hubbard (Chair) | Jim Anderson (Vice Chair) |
| David Barnhart | Bob Stockton |
| Conrad Newberry, Jr., P.E. | Ken Sutter |
| Joe Tavaglione | |

Absent: Lalit Acharya (absence due to business)

MINUTES

- (1) The regular meeting minutes from the Board of Public Utilities meeting held on April 15, 2005 was approved as submitted.

Motion – Tavaglione. Second – Barnhart.

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

Noes: None

Abstain: Hubbard

Absent: Acharya. (absence due to business)

CITIZENS PARTICIPATION

No comments were made.

COMMITTEE REPORTS

WATER COMITTEE REPORT

The Board of Public Utilities accepted and filed the April 15, 2005, Water Committee minutes.

FINANCE/MARKETING COMITTEE REPORT

The Board of Public Utilities accepted and filed the April 22, 2005, Finance/Marketing Committee minutes.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 6, **WATER MAIN REPLACEMENT – WORK ORDER 800406** and Item 9, **SETTING OF PUBLIC HEARING REGARDING OVERHEAD TO UNDERGROUND SURCHARGE, RECYCLED/POTABLE WATER, DEVELOPMENT RELATED FEES, AND MAILING TAGS**, which was moved to the Discussion Calendar.

Motion – Barnhart. Second – Newberry, Jr., P.E.

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

Noes: None

Abstain: None

Absent: Acharya. (absence due to business)

The Board of Public Utilities:

ELECTRIC ITEMS

(2) **INSTALLATION OF UNDERGROUND ELECTRICAL FACILITIES
WORK ORDER 050005-38**

Approved the estimated capital expenditure of \$35,000 for the installation of three-phase underground distribution facilities to serve one commercial building located at 4381 Brockton Avenue.

Funds are budget and available for this project.

(3) **12 kV UNDERGROUND LINE EXTENSION
WORK ORDER 050005-38**

Approved the estimated capital expenditure of \$200,000 to install underground primary line extensions and services to 88 Apartment Units (University Sterling Apartments), located at University Avenue and Iowa Avenue.

Funds are budget and available for this project.

(4) **RIVERSIDE ENERGY RESOURCE CENTER (RERC) – MOUNTAIN VIEW 69 kV
TRANSMISSION LINE – AWARD OF BID NO. 6233**

1. Approved and recommended that the City Council award a contract for construction of the Riverside Energy Resource Center (RERC) – Mountain View Transmission Line, Bid No. 6233, to the lowest responsible bidder, as determined by the City Council; and
2. Approved an increase in Work Order No. 637148 from \$2,256,000 to \$3,012,415.

WATER ITEMS

(5) **WATER MAIN REPLACEMENT
WORK ORDER 800401**

Subject to the City Council approval of the 2005/06 Capital Improvement Program, approved the estimated capital expenditure of \$158,300 for the construction of 1,375 linear feet of eight-inch Ductile Iron Pipe, three fire hydrants, and replace or reconnect 23 services along Chadbourne Avenue between Arlington Avenue and Stover Avenue.

Work will be performed by City Forces in the 2005/06 Fiscal Year. This project is part of the Public Utilities Board and City Council mandated replacement program. Funds will become available in the 2005/2006 fiscal year.

(6) **MOVED TO DISCUSSION CALENDAR**

(7) **PURCHASE OF 170 SHARES OF RIVERSIDE HIGHLAND WATER COMPANY
STOCK – JIM GUTHRIE**

1. Approved the expenditure of \$136,000 for the purchase of 170 shares of Riverside Highland Water Company stock from shareholder Jim Guthrie; and
2. Authorized a budget transfer of \$136,000 from the Sewer Mitigation – Placentia Lane Account No. 6230000-470796 to the Water Stock Account No. 6230000-470705 of the Water Capital Fund.

(8) **LICENSE AGREEMENT OVER PORTION OF RIVERSIDE CANAL – 7628
INDIANA AVENUE, CHIBUEZE J. DALLAH AND SHARON K. DALLAH (APN 230-
241-010)**

1. Approved and recommended that the City Council approve the subject License Agreement with Chibueze J. Dallah and Sharon K. Dallah for use of a portion of the Riverside Canal adjacent to 7628 Indiana Avenue; and
2. Approved and recommended that the City Council authorize the City Manager, or his designee, to execute the subject License Agreement.

OTHER ITEMS

(9) **MOVED TO DISCUSSION CALENDAR**

DISCUSSION CALENDAR

(6) **WATER MAIN REPLACEMENT
WORK ORDER 800406**

Board Member Jim Anderson requested this item be placed on the Discussion Calendar. Mr. Anderson wanted more clarification on why the Board needs to approve a budget item that is budgeted for next fiscal year. Assistant Director/Water Dieter Wirtzfeld answered that by approving now allows operations to schedule the project for the next fiscal year without down time to begin the construction of the project once the fiscal year begins.

The Board of Public Utilities, subject to the City Council approval of the 2005/06 Capital Improvement Program, approved the estimated capital expenditure of \$266,300 for the construction of 1,400 linear feet of eight-inch Ductile Iron Pipe, 55 linear feet of a six-inch Ductile Iron Pipe and 705 linear feet of a four-inch Ductile Iron Pipe; six fire hydrants, and replace or reconnect 67 services along Willard Way and Norman Way.

Work will be performed by City Forces in the 2005/06 Fiscal Year. This project is part of the Public Utilities Board and City Council mandated replacement program. Funds will become available in the 2005/2006 fiscal year.

Motion – Anderson. Second – Tavaglione.

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

Noes: None

Abstain: None

Absent: Acharya. (absence due to business)

(9) **SETTING OF PUBLIC HEARING REGARDING OVERHEAD TO
UNDERGROUND SURCHARGE, RECYCLED/POTABLE WATER,
DEVELOPMENT RELATED FEES, AND MAILING TAGS**

Director Dave Wright requested that this item be placed on the Discussion Calendar so that the Board Members could comment whether they wanted a detailed report of the public hearing items be presented at a Board meeting before the public hearing date or if they would rather hear the detailed report at the public hearing only. Board Members all agreed to have the detailed reports of the public hearing items be presented at a Board meeting first.

The Board of Public Utilities approved the date Wednesday, July 13, 2005, at 6:30 p.m. in the Art Pick Council Chambers to be the public hearing date and to have the detailed reports of the public hearing items be presented at a Board meeting first and then to the public hearing.

Motion – Tavaglione. Second – Newberry, Jr., P.E.

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

Noes: None

Abstain: None

Absent: Acharya. (absence due to business)

(10) WESTERN MUNICIPAL WATER DISTRICT – PROVISIONAL RETAIL SERVICE AREA PLANNING BOUNDARY AND INTERIM WATER SERVICE LETTERS OF UNDERSTANDING

Principal Water Engineer Kevin Milligan presented a summary of the provisional retail-service area, planning boundary of Western Municipal Water District/City of Riverside and on the interim water service letters of understanding and answered questions from the Board Members.

The Board of Public Utilities approved and recommended that the City Council:

1. Approve the establishment of a Water Service Provisional Boundary with Western Municipal Water District of Riverside County as depicted on Exhibits 1 and A-1 through A-12;
2. Authorize the Public Utilities Director to make minor modifications to this Water Service Provisional Boundary, affecting fewer than 5 services and 25 acres, as needed to provide timely and quality customer service; and
3. Authorize the Public Utilities Director to execute Interim Water Service Letters of Understanding with Western Municipal Water District of Riverside County in accordance with the principles outlined in this report.

Motion – Barnhart. Second – Anderson.

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

Noes: None

Abstain: None

Absent: Acharya. (absence due to business)

(11) 2004 WATER QUALITY ANNUAL REPORT

Communications Manager MJ Abraham reported on the layout of the 2004 Water Quality Annual Report and stated that the focus of this report was on "Reliability" regarding RPU's water system supply, storage, security, etc.

Assistant Director/Water Dieter Wirtzfeld provided an overview of the water quality primary standards – Mandatory Health-Related Standards (page 6 of the 2004 Water Quality Annual Report).

The Board of Public Utilities approved and recommended that the City Council approve the production and mailing of the "2004 Water Quality Annual Report".

Motion – Anderson. Second – Tavaglione.

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

Noes: None

Abstain: None

Absent: Acharya. (absence due to business)

(12) INPUT ON PROVISIONS OF THE CODE OF ETHICS AND CONDUCT

Board Member Anderson requested that staff add to a future Board agenda a detailed explanation report on the Brown Act presented by legal counsel.

The Board of Public Utilities:

1. Provided input and approved the Finance/Marketing Committee's input on Provisions of the Code of Ethics and Conduct; and
2. Authorized the Chair of the Board of Public Utilities to forward this input to the Chair of the Code and Ethics Committee.

Motion – Barnhart. Second – Stockton.

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

Noes: None

Abstain: None

Absent: Acharya. (absence due to business)

DIRECTOR'S REPORT

Director Dave Wright introduced Gary Nolff as the new Public Utilities Assistant Director/Resources.

- (A) State and Federal Legislative Update
- (B) ISO Executive Director Meeting – Summary
- (C) Monthly Power Supply Report — March 2005
- (D) Financial Statements – March 2005
- (E) Rolling Calendar Outlining Future Utility Projects as of April 29, 2005
- (F) City Council Agendas – April 26, 2005 and May 3, 2005

SYSTEMATIC REPORTING ON CONFERENCES/SEMINARS

Board Member Jim Anderson reported that he had attended the ACWA 2005 Spring Conference held in San Jose, California on May 3-5, 2005 and distributed to the Board members and staff a summary of the matters that he found significant (summary memo is on file with Public Utilities board packet). Mr. Anderson also brought a Groundwater Book to place in the Public Utilities library for others to view and a brochure "No Time To Waste – A Blueprint for California Water" – Executive Summary that he suggested that staff get copies for each Board member.

The Board of Public Utilities recessed at 9:15 a.m. and reconvened at 9:35 a.m.

WORKSHOP

Present: Peter Hubbard (Chair) Conrad Newberry, Jr., P.E.
David Barnhart Bob Stockton
Jim Anderson Joe Tavaglione
Ken Sutter

Staff: Dave Wright Zahra Panahi
Dieter Wirtzfeld Eileen Teichert
Gary Nolf MJ Abraham
Reiko Kerr Kevin Milligan
Jerry Buydos Cathy Ference
Owen Lu Todd Jorgenson
Randy Carder Cindy Norried
Pete Diaz Arshad Syed
Susan Wilson Pat Hohl
Liz Cunnison Steve Badgett
Randy Tillman

Absent: Acharya. (absence due to business)

(13) **LONG TERM STRATEGIC PLANNING WORKSHOP**

The Board of Public Utilities held a workshop to discuss long-term strategic planning in the Water Division. Assistant Director/Water Dieter Wirtzfeld and his managers discussed specific issues facing this division. The following were the main areas of discussion:

Major Issues

- Cost Drivers
- Assumptions
- Water Resources
- Water Supply
- Water Quality & Impending Regulations
- Asset Management
- Security & SCADA in Field
- Recycled/Non-Potable Water
- Facilities Master Plan
- Rate Implications

Staff Recommendations

- Optimal plan
- Initial support of Alternative 1 or 2 for meeting system needs and system monitoring
- Board review plans, provide feedback and make recommendations for further analysis
- Staff to return to Board within 3 months
- Present revised plan for endorsement by City Council Land Use Committee
- Present plan to community for comment in Fall 2005
- Present comprehensive plan to City Council for approval in Winter 2005/06
- Include some study and staffing recommendations in 2006/07 budget
- Implement plan for 2007/08 time frame

Several Board Members were supportive to the optimal plan and recommended that staff review the financial aspects to pursue the optimal plan.

UPCOMING MEETING

Chair Peter Hubbard adjourned the meeting at 12:00 noon. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, May 20, 2005**, 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: May 20, 2005