

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: September 21, 2007
Time of Meeting: 8:30 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: Dave Barnhart (Vice Chair) Mary Curtin
 Bob Stockton Ken Sutter
 Robert Elliott Bernie Titus
 Ian Davidson Jim Anderson

Absent: Joe Tavaglione (absence due to business)
 Ian Davidson (joined the meeting late)

Assistant City Manager Michael Beck was in attendance.

MINUTES

1. The minutes from the regular Board of Public Utilities meeting on September 7, 2007 were approved as submitted.

Motion – Curtin. Second – Elliott.

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

Noes: None.

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
 Ian Davidson (joined the meeting late)

2. The minutes of the "Special" Joint Meeting with the City of Riverside Council and the Board of Public Utilities held on September 11, 2007 were approved as submitted.

Motion – Titus. Second – Sutter.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
 Ian Davidson (joined the meeting late)

CITIZENS PARTICIPATION

- 3a. Ken Rotker, resident, spoke and distributed comments (attached) regarding his concerns about the electric rate increase that was presented to City Council recently.
- 3b. Bill Brunick, attorney for MDJ/Home Lumber, (lessee of RPU property on Orange Show Road, San Bernardino), requested that the proposed sublease from MDJ to Stock Lumber be placed on a discussion calendar, so as to address in detail the concerns surrounding this request. The Public Utilities Board acknowledged Mr. Brunick's request and asked that this item be placed on the next Property Committee, scheduled for October 5, 2007.

COMMITTEE REPORTS

4. PROPERTY COMMITTEE REPORT - The Property Committee meeting scheduled on September 7, 2007 was cancelled.
5. ELECTRIC COMMITTEE REPORT - September 12, 2007
The Board of Public Utilities accepted and filed the September 12, 2007, Electric Committee minutes.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 8, **CONSTRUCTION OF A RADIO SITE FOR THE BACKUP CONTROL CENTER AND AWARD OF BID NO. 6515 – WORK ORDER NO. 0707095**, which was moved to the Discussion Calendar:

Motion – Anderson. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
Ian Davidson (joined the meeting late)

ELECTRIC ITEMS

6. OVERHEAD TO UNDERGROUND CONVERSION - TRACT 32772
WORK ORDER 070004-17

The Board of Public Utilities approved the estimated capital expenditure of \$320,000 to convert existing overhead facilities underground in conflict with the street improvement related to Tract 32772 at the southeasterly corner of La Sierra and Indiana Avenue.

7. CONDUIT AND CABLE REPLACEMENT – JACKSON STREET APARTMENTS
WORK ORDER NO. 070004-26

The Board of Public Utilities approved the estimated capital expenditure of \$55,000 to replace conduit and cable within the apartment complex at 4675 Jackson Street.

8. **MOVED TO DISCUSSION CALENDAR**

9. OVERHEAD ELECTRIC LINE RELOCATION – MITCHELL AVENUE
WORK ORDER NO. 080004-02

The Board of Public Utilities approved the estimated capital expenditure of \$65,000 to relocate power poles and transfer the existing overhead conductor located along Mitchell Avenue from Norwood Avenue to Sunnyslope Avenue

10. POLE ATTACHMENT AND CONDUIT LICENSE AGREEMENT BETWEEN SUNESYS, LLC, AND THE CITY OF RIVERSIDE

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

1. Approve the "Pole Attachment and Conduit License Agreement" between Sunesys, LLC, and the City of Riverside; and
2. Authorize the City Manager, or his designee, to execute the necessary documents.

11. LA COLINA SUBSTATION BLOCK WALL ADDITION BID NO. 6463 – CHANGE ORDER

The Board of Public Utilities approved Change Orders in the amount of \$64,232 to the agreement with Noeticorp, Inc., for the La Colina Substation Block Wall Addition Project.

WATER ITEMS

OTHER ITEMS

DISCUSSION CALENDAR

8. CONSTRUCTION OF A RADIO SITE FOR THE BACKUP CONTROL CENTER AND AWARD OF BID NO. 6515
WORK ORDER NO. 0707095

Board Member Anderson requested this item be placed on the discussion calendar to further discuss that radio "dense spots" throughout the City of Riverside have been addressed. Staff reassured that the "dense spots" have been remedied by this and prior construction activity.

Following discussion, the Board of Public Utilities:

1. Approved an increase in the estimated capital expenditure by \$74,000 for a total of \$324,000 to construct a radio site for the backup control center at the Riverside Energy Resource Center; and
2. Awarded the contract for furnishing the equipment and the construction and installation of the radio site for the Backup Control Center, Bid No. 6515, to Manuel Bros., Inc., the only responsive bidder, for \$267,206.

Motion – Anderson Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
Ian Davidson (joined the meeting late)

12. TIPPECANOE WELL LEASE AGREEMENT

Staff requested this report be deferred to the next Board meeting.

13. CONTRACTORS' PANEL FOR WATER DIVISION

Assistant General Manager-Water Kevin Milligan reported on the importance of establishing a Water Division Contractor's Panel as it will be instrumental in meeting customer service deadlines and urgent relocation and upgrade work over the next five years. An explanation of how the panel would be selected was given and that a consistent and public approval process to add or discontinue a contractor as a member of the Panel would take place.

Board Member Mary Curtin requested that she meet with staff to further discuss various aspects of the contractor panel selection process.

Staff stated that an updated report on the contractor's panel will be included each month to the Board of Public Utilities agenda under the General Manager's Report.

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

1. Adopt a resolution, by at least five affirmative votes, waiving the formal bidding requirements of Riverside City Charter Section 1109 for the work to be performed by the Water Division Contractors' Panel;
2. Approve the establishment of the 13 member Water Division Contractors' Panel as listed in this report;
3. Authorize the Public Utilities General Manager to add additional qualified contractors to this Panel with subsequent reports back to the Board of Public Utilities regarding the addition of such new Panel members; and
4. Authorize the City Manager, or his designee, to execute the Master Agreements with each listed Panel member, including any members subsequently added to the Panel, in substantially the same form as attached to this report.

Motion – Stockton. Second – Sutter.

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

Noes: None

Abstain: Curtin.

Absent: Joe Tavaglione (absence due to business)
Ian Davidson (joined the meeting late)

14. APPROVAL TO PURCHASE TWO COMBUSTION TURBINE GENERATORS FROM GE PACKAGED POWER, INC. FOR THE RIVERSIDE ENERGY RESOURCE CENTER ACORN UNITS 1 AND 2

Deputy General Manager Steve Badgett reported the importance of purchasing the two combustion turbine generators for the Riverside Energy Resource Center Acorn Units 1 and 2 and that the City Council agreed that this project should move forward and be purchased from the Electric Reserve Fund Account.

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

1. Approve the contract with GE Packaged Power, Inc. in an amount not-to-exceed \$46,035,019, plus sales tax, to purchase two General Electric Combustion Turbine Generators and associated equipment for Acorn Units 1 and 2; and
2. Waive the formal bidding procedures for the procurement of the following goods:
 - a. Two combustion turbine generators and associated equipment from GE Packaged Power, Inc. (competitively bid for Units 1 and 2);
 - b. GSUs (transformers) from Delta Star, Inc. (competitively bid for Units 1 and 2);
 - c. 69 kV breakers from Siemens Energy and Automation, Inc. (competitively bid for Units 1 and 2);
 - d. Fuel gas compressors from UE Compression (formerly known as Gas Packagers) (competitively bid for Units 1 and 2); and
 - e. Water treatment trailers from GE Water (competitively bid for Units 1 and 2).

Motion – Anderson. Second – Stockton.

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

Noes: None.

Abstain: None.

Absent: Joe Tavaglione (absence due to business)

15. UPDATE – "SPECIAL" JOINT MEETING WITH THE CITY OF RIVERSIDE COUNCIL AND THE BOARD OF PUBLIC UTILITIES HELD ON SEPTEMBER 11, 2007

General Manager Dave Wright presented a PowerPoint report detailing the City Council/Board of Public Utilities discussion points and alternate options regarding the electric rate increase. A public hearing meeting will be scheduled in November 2007.

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

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

None.

GENERAL MANAGER'S REPORT

17. State and Federal Legislative Update
18. Financial Statements - June 2007
19. Open and Closed Work Orders - August 2007
20. Monthly Benchmark Report Cards - August 2007
21. Water Highlights for August 2007
22. City Council Agenda - September 4, 2007, September 11, 2007, and September 18, 2007
23. Upcoming Meetings
24. Systematic Reporting on Conferences/Seminars
25. Electric / Water Utility Acronyms

UPCOMING MEETING

Vice Chairman Dave Barnhart adjourned the meeting at 10:48 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, October 5, 2007**, 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: October 5, 2007