

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: November 2, 2007
Time of Meeting: 8:31 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: Joe Tavaglione (Chair) Dave Barnhart (Vice Chair)
Mary Curtin Ken Sutter
Robert Elliott Bernie Titus
Jim Anderson

Absent: Ian Davidson (absence due to business)
Bob Stockton (absence due to vacation)

Assistant City Manager Michael Beck was in attendance.

MINUTES

1. Board Member Robert Elliott requested revision of the minutes from the October 19, 2007 meeting to read that he was absent due to vacation.

The minutes from the regular Board of Public Utilities meeting on October 19, 2007 were approved as revised.

Motion – Anderson. Second – Sutter.

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

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to business)
Bob Stockton (absence due to vacation)

CITIZENS PARTICIPATION

2. No comments.

COMMITTEE REPORTS

3. "SPECIAL" PROPERTY COMMITTEE REPORT - The Board of Public Utilities accepted and filed the October 19, 2007 Special Property Committee Minutes.
4. WATER COMMITTEE REPORT - The Board of Public Utilities accepted and filed the October 19, 2007 Water Committee Minutes.
5. FINANCE/MARKETING COMMITTEE REPORT - The Finance/Marketing Committee Meeting scheduled on October 26, 2007 was cancelled.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 9, **TRANSFER OF RAUB 5 WELLHEAD TREATMENT FACILITY FROM THE UNITED STATES GOVERNMENT TO THE CITY OF RIVERSIDE**, which was moved to the Discussion Calendar:

Motion – Sutter. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to business)
Bob Stockton (absence due to vacation)

ELECTRIC ITEMS

6. TRANSFORMER AND PRIMARY CABLE REPLACEMENT – WHEATON WAY FROM IOWA AVENUE TO TURQUOISE STREET – WORK ORDER NO. 080004-05

The Board of Public Utilities approved the estimated capital expenditure of \$90,000 to replace one transformer and 1,430 feet of deteriorating 12kV underground cable located along Wheaton Way from Iowa Avenue to Turquoise Street.

7. SWITCHGEAR, JUNCTION, AND CABLE REPLACEMENT – ARLINGTON AVENUE AND ANNA WAY – WORK ORDER NO. 080004-08

The Board of Public Utilities approved the estimated capital expenditure of \$125,000 to perform electrical cable replacement and equipment work located along Arlington Avenue at the corner of Anna Way.

8. UNDERGROUND ELECTRIC LINE EXTENSION – TRACT 34167
WORK ORDER NO. 080013-24

The Board of Public Utilities approved the estimated capital expenditure of \$65,000 to install an underground line extension to serve nine residences located at Twogood Lane and Orange Street.

WATER ITEMS

9. MOVED TO DISCUSSION CALENDAR.

OTHER ITEMS

10. 2008 ANNUAL SHAREHOLDERS MEETINGS VOTING PROXIES - MUTUAL COMPANIES (VOTING REPRESENTATION AND APPOINTMENT OF ALTERNATES)

The Board of Public Utilities approved and recommended that the City Council appoint the recommended voting representatives and current designated alternate for the 2008 Annual Stockholders Meetings.

DISCUSSION CALENDAR

9. TRANSFER OF RAUB 5 WELLHEAD TREATMENT FACILITY FROM THE UNITED STATES GOVERNMENT TO THE CITY OF RIVERSIDE

Board Member Bernie Titus requested this item be placed on the discussion calendar due to concern regarding trichloroethylene (TCE) contamination.

Following discussion, the Board of Public Utilities approved and recommended that the City Council approve the acceptance of the Raub 5 Wellhead Treatment Facility property being transferred by the United States Government to the City of Riverside, at no charge to the City.

Motion – Titus. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to business)
Bob Stockton (absence due to vacation)

11. APPROVAL OF SECOND AMENDMENT TO GROUND LEASE AGREEMENT BETWEEN THE TORO COMPANY AND THE CITY OF RIVERSIDE

Following discussion, the Board of Public Utilities approved and recommended that the City Council approve the Second Amendment to Ground Lease Agreement between The Toro Company (Toro) and the City of Riverside (City).

Motion – Curtin. Second – Barnhart.

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

Noes: None

Abstain: None.

Absent: Ian Davidson (absence due to business)
Bob Stockton (absence due to vacation)

12. OCTOBER 26, 2007 SYSTEM POWER OUTAGE BRIEFING

Steve Badgett, Utilities Deputy General Manager, briefed the board on the city-wide power outage that occurred on Friday, October 26, 2007. A Meeting has been scheduled with SCE to determine precise origin and their liability for the outage.

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

13. ELECTRIC RATE INCREASE UPDATE

Dave Wright, Utilities General Manager, gave a PowerPoint presentation regarding the Electric Reliability Rate Plan that will be presented at the November 15, 2007 Public Hearing.

At this time Chair Tavaglione asked if anyone in the audience would like to make a comment or ask questions regarding this item.

Following public input and discussion, the Board of Public Utilities approved staff to move forward with the final draft of the Electric Rate Increase for presentation at the November 15, 2007 Public Hearing.

Board Member Mary Curtin left the meeting at 10:03.

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

GENERAL MANAGER'S REPORT

15. State and Federal Legislative Update
16. Financial Statements – August 2007
17. Monthly Power Supply Report - July 2007
18. City Council Agenda – October 23, 2007
19. Upcoming Meetings
20. Systematic Reporting on Conferences/Seminars
21. Electric / Water Utility Acronyms

UPCOMING MEETING

Chair Joe Tavaglione adjourned the meeting at 10:14 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, November 16, 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: November 16, 2007