

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: November 16, 2007
Time of Meeting: 8:30 a.m. (began @ 8:35 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
 Jim Anderson

Absent: Joe Tavaglione (absence due to business)
 Ian Davidson (absence due to illness)

Assistant City Manager Michael Beck was in attendance.

MINUTES

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

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 (absence due to illness)

CITIZENS PARTICIPATION

2. Freeman Moore, resident, spoke regarding his water rate increase and was directed to work with Mike Bacich, Customer Relations/Marketing Manager, and his group, Programs & Services, to evaluate his property to conserve water to help decrease his water bill.

COMMITTEE REPORTS

3. PROPERTY COMMITTEE REPORT - November 2, 2007
4. ELECTRIC COMMITTEE REPORT – The Electric Committee Meeting scheduled for November 14, 2007 was cancelled.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar:

Motion – Elliott. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
Ian Davidson (absence due to illness)

ELECTRIC ITEMS

5. UNDERGROUND ELECTRIC LINE EXTENSION – TRACT 29515 PHASE 2
WORK ORDER NO. 070016-2

The Board of Public Utilities approved the estimated capital expenditure of \$345,000 to install an underground line extension to serve 47 residences and a sewer lift station located at Kingdom Drive, southerly of Green Orchard Drive.

6. UNDERGROUND ELECTRIC LINE EXTENSION – TRACT 32772-3
WORK ORDER NO. 070016-12

The Board of Public Utilities approved the estimated capital expenditure of \$140,000 to install an underground line extension to serve 59 residences located at La Sierra and Indiana Avenues.

7. UNDERGROUND ELECTRIC LINE EXTENSION – PACIFIC DIAZO PRODUCTS - WORK
ORDER NO. 080013-26

The Board of Public Utilities approved the estimated capital expenditure of \$80,000 to install an underground electric line extension to serve a new commercial building located between Central and Wilderness Avenues, southerly of Jurupa Avenue.

WATER ITEMS

OTHER ITEMS

DISCUSSION CALENDAR

8. PROPERTY ACQUISITION EXPENDITURE FOR THE REPLACEMENT OF WHITEGATES NO. 1 RESERVOIR

Following discussion, the Board of Public Utilities approved the expenditure of up to \$1,445,000 and recommended that the City Council authorize the acquisition of a 2.31 acre parcel and temporary construction easement for the replacement of Whitegates No. 1 Reservoir.

Motion – Stockton. Second – Titus.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
Ian Davidson (absence due to illness)

9. CONSTRUCTION OF THE SAN BERNARDINO WATER TRANSMISSION MAIN REPLACEMENT PROJECT (COLUMBIA AVENUE SEGMENT) – AWARD OF BID NO. 6551

Board Member Dave Barnhart requested that staff bring back to a future Board meeting an analysis of contract change orders for pipeline construction projects for further discussion.

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$2,532,000 for Work Order 0802840, which includes all design, construction, change order contingencies, system connections, construction management and inspection for the San Bernardino Water Transmission Main Replacement Project (Columbia Avenue Segment), Bid No. 6551;
2. Determined that the lowest bid submitted by S. J. & B. Group, Inc. in the amount of \$1,803,010 is non-responsive;
3. Awarded a contract for the construction of the San Bernardino Water Transmission Main Replacement Project (Columbia Avenue Segment), Bid No. 6551 to the lowest responsive bidder, Albert W. Davies, Inc. of Rancho Cucamonga, California, in the amount of \$1,868,000; and
4. Authorized the issuance of change orders to the purchase order of up to twenty-percent of the original amount for Bid No. 6551. Such changes will be reported to the Board of Public Utilities at the conclusion of the project.

Motion – Elliott Second – Stockton.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)

Ian Davidson (absence due to illness)

10. 2007/2008 POTABLE WATER STORAGE RESERVOIR CLEANING AND INSPECTION AT VARIOUS LOCATIONS – AWARD OF BID NO. 6564

Following discussion, the Board of Public Utilities awarded a contract for the 2007/08 potable water storage reservoir cleaning and inspection at various locations in the City of Riverside, Bid No. 6564, to the lowest responsive bidder, Advanced Diving Services, New Harmony, UT, in the amount of \$125,000.

Motion – Sutter. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
Ian Davidson (absence due to illness)

11. ADOPTION OF PROPOSED THREE YEAR ELECTRIC RATE PLAN

A total of four citizens (Dr. Louis Parker, Ken Rotker, Mary Humbolt, and Meredith Mazur) were in attendance and spoke about the electric rate increase.

Following discussion, the Board of Public Utilities:

1. After consideration of public input provided at the public hearing, **and with the clarification for Special Condition 1 of Schedule D, effective January 1, 2008, that "legally permitted" is revised to mean a valid conditional use permit and that no annual application is required**, adopted a resolution establishing electric rates for the revised three-year Electric Utility Rate Plan, as reflected in the attachments, and recommended City Council approval of the same; and
2. Approved and recommended that the City Council:
 - a) Approve waiving the proposed monthly reliability charge of the proposed Electric Utility Rate Plan for qualified low-income senior and low-income disabled residential customers as described in this report;
 - b) Authorize the Public Utilities General Manager to approve granting increased public benefit electric conservation rebates up to 100% of cost for such qualifying low-income senior and low-income disabled residential customers, based upon available funds; and
 - c) Approve non-renewal of all expiring electric service contracts (other than those for service at 69 kV) that are under transition agreements and return those customers to their otherwise applicable rate tariff no later than December 31, 2009, as the current transition extension agreements expire, and authorize the City Manager, or his designee, to execute all necessary documents for such termination.

Motion – Stockton. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)
Ian Davidson (absence due to illness)

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

Board Member Barnhart requested more discussion on the environmental scope of large projects.

Board Member Anderson requested more discussion of carbon capture projects at the Intermountain Power Plant.

GENERAL MANAGER'S REPORT

13. Meeting with Mr. Yakout Mansour, California ISO President & CEO
14. State and Federal Legislative Update
15. Monthly Benchmark Report Cards - October 2007
16. Open and Closed Work Orders – October 2007
17. Water Highlights - October 2007
18. City Council Agenda - November 6, 2007 and November 13, 2007
19. Upcoming Meetings
20. Systematic Reporting on Conferences/Seminars
21. Electric / Water Utility Acronyms

UPCOMING MEETING

Vice Chair Dave Barnhart adjourned the meeting at 10:05 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, December 7, 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: December 7, 2007