

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities  
Date of Meeting: December 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)

*Assistant City Manager Michael Beck was not in attendance.*

**MINUTES**

1. The minutes from the regular Board of Public Utilities meeting on December 7, 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 (arrived late)

**CITIZENS PARTICIPATION**

2. None.

**COMMITTEE REPORTS**

3. PROPERTY COMMITTEE REPORT

The Board of Public Utilities accepted and filed the November 2, 2007 Property Committee Minutes.

4. ELECTRIC COMMITTEE REPORT – The Electric Committee Meeting scheduled for December 12, 2007 was cancelled.

5. "SPECIAL" WATER COMMITTEE REPORT - December 12, 2007

The Board of Public Utilities accepted and filed the December 12, 2007 "Special" Water Committee Minutes.

6. "SPECIAL" FINANCE/MARKETING COMMITTEE REPORT – The "Special" Finance/Marketing Committee meeting scheduled for December 14, 2007 was cancelled.

**CONSENT CALENDAR**

A motion was made to approve the following item on the Consent Calendar with the exception of Item 9, **REIMBURSEMENT RESOLUTION – WATER UTILITY CAPITAL IMPROVEMENT PROJECTS**, which was moved to the Discussion Calendar:

Motion – Curtin. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)

**ELECTRIC ITEMS**

7. UNDERGROUND ELECTRIC LINE EXTENSION – HERITAGE PLAZA STARBUCKS - WORK ORDER NO. 080003-34

The Board of Public Utilities approved the estimated capital expenditure of \$70,000 to install an underground electric line extension to serve a new commercial building located between Arlington and Madison Avenues, westerly of Magnolia Avenue.

**WATER ITEMS**

**OTHER ITEMS**

8. EASEMENT ACQUISITION EXPENDITURE IN CONNECTION WITH THE SAN BERNARDINO TRANSMISSION MAIN REPLACEMENT PROJECT

That the Board of Public Utilities approve the expenditure of up to \$750,000 to cover the costs of the easements and related escrow and title fees associated with the acquisitions.

(Gary Nolff)

**DEFERRED TO NEXT BOARD MEETING**

9. **MOVED TO DISCUSSION**

## DISCUSSION CALENDAR

### 9. REIMBURSEMENT RESOLUTION – WATER UTILITY CAPITAL IMPROVEMENT PROJECTS

Board Member Anderson requested that this item be placed on the discussion calendar for more detail on Proposition 218.

Following discussion, the Board of Public Utilities approved and recommended that the City Council adopt the Water Utility - Capital Improvement Projects Reimbursement Resolution to enable the option to use future bond funds instead of operating or reserve funds for capital financing requirements, with the understanding that operating or reserve funds may be used for capital needs in the interim period.

Motion – Anderson. Second – Titus.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)

### 10. CONSTRUCTION OF THE SAN BERNARDINO 48-INCH WATER TRANSMISSION MAIN REPLACEMENT PROJECT TRANSIT AVENUE SEGMENT – AWARD OF BID NO. 6566

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$2,243,000.00 for Work Order 0802841, which includes all design, construction, change order contingencies, system connections, construction management and inspection for the San Bernardino 48-inch Water Transmission Main Replacement Project, Transit Avenue - Bid No. 6566;
2. Determined that the lowest bid submitted by H & H General Contractors, Inc., in the amount of \$1,695,796.00 is non-responsive;
3. Awarded a contract for the construction of the San Bernardino 48-inch Water Transmission Main Replacement Project, Transit Avenue Segment - Bid No. 6566 to the lowest responsive bidder, Ken Thompson, Inc., of Corona, California, in the amount of \$1,894,817.00; and
4. **Affirmatively stated that the construction of the upgrades is urgent and of paramount importance for the operation of the John W. North Water Treatment Plant.**

### 11. CONSTRUCTION OF THE SAN BERNARDINO WATER TRANSMISSION MAIN REPLACEMENT PROJECT (GRAND TERRACE SEGMENT) – AWARD OF BID NO. 6573

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$1,520,000 for Work Order 0802842, which includes all design, construction, change order contingencies, construction management and inspection for the San Bernardino Water Transmission Main

Replacement Project (Grand Terrace Segment), Bid No. 6573;

2. Awarded a contract for the construction of the San Bernardino Water Transmission Main Replacement Project (Grand Terrace Segment), Bid No. 6573 to the lowest responsive bidder, S.J. & B. Group, Inc. of Riverside, California, in the amount of \$1,192,069.00; and
  3. **Affirmatively stated that the construction of the upgrades is urgent and of paramount importance for the operation of the John W. North Water Treatment Plant.**
12. CONSTRUCTION OF THE SAN BERNARDINO 48-INCH WATER TRANSMISSION MAIN REPLACEMENT PROJECT, I-215 FREEWAY BORE AND JACK SEGMENT – AWARD OF BID NO. 6575

Following discussion, the Board of Public Utilities:

1. Approved the capital expenditure of \$1,050,800.00 for Work Order 0802843, which includes all design, construction, change order contingencies, system connections, construction management and inspection for the San Bernardino 48-inch Water Transmission Main Replacement Project, I-215 Freeway Bore and Jack Segment - Bid No. 6575;
2. Awarded a contract for the construction of the San Bernardino 48-inch Water Transmission Main Replacement Project, I-215 Freeway Bore and Jack Segment - Bid No. 6575 to the lowest responsive bidder, Murrieta Development Company, Inc., of Temecula, California, in the amount of \$786,007.00; and
3. **Affirmatively stated that the construction of the upgrades is urgent and of paramount importance for the operation of the John W. North Water Treatment Plant.**

***Items 10, 11, and 12 were approved as one motion with the following ADDITION to each recommendation:***

"That the Board affirmatively state that the construction of the upgrades is urgent and of paramount importance for the operation of the John W. North Water Treatment Plant."

Motion – Davidson. Second – Elliott.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)

13. CITY OF RIVERSIDE'S WATER SUPPLY RESOURCES PRESENTATION

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

14. UPPER SANTA ANA INTEGRATED REGIONAL WATER MANAGEMENT PLAN

The Board members stated the management plan was flawed but found it necessary to approve in order to participate at the Regional Water Committee level and remain eligible for State of California Water grants.

Following discussion, the Board of Public Utilities approved and recommended that the City Council adopt the Upper Santa Ana Integrated Regional Water Management Plan.

Motion – Anderson. Second – Curtin.

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

Noes: None

Abstain: None.

Absent: Joe Tavaglione (absence due to business)  
Robert Elliott (left meeting early)

15. AUDITED FINANCIAL STATEMENTS - UPDATE

Following a lengthy presentation of year-end financial results and discussion of the 2006/07 Annual Audited Financial Statement, the Board of Public Utilities received and filed this update.

16. CANCELLATION OF JANUARY 4<sup>TH</sup> BOARD MEETING

Following discussion, the Board of Public Utilities decided NOT to cancel the regularly scheduled January 4, 2008 Board meeting as Western Municipal Water District was available to participate in a workshop.

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

Board Member Stockton noted concerns about too many Public Utilities Board Committee cancellations.

**GENERAL MANAGER'S REPORT**

18. State and Federal Legislative Update
19. Monthly Power Supply Report - October 2007
20. Monthly Benchmark Report Cards - November 2007
21. Open and Closed Work Orders - November 2007
22. Water Highlights - November 2007
23. City Council Agendas - December 11, 2007 and December 18, 2007

- 24. Upcoming Meetings
- 25. Electric / Water Utility Acronyms

**UPCOMING MEETING**

Vice Chair Dave Barnhart adjourned the meeting at 10:20 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, January 4**, 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: January 18, 2008