



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: APRIL 14, 2025

SUBJECT: BOARD STANDING RULES AND POLICY GUIDE

ISSUE:

Consider receiving a presentation on the Board of Public Utilities Standing Rules and Board Policy Guide and consider prioritizing the topics the Board would like to review and address over the next year and consider forming an ad hoc committee to review and recommend amendments to the Board Standing Rules and Policy Guide over the next year.

RECOMMENDATION(S):

That the Board of Public Utilities:

1. Receive a presentation on the Board of Public Utilities Standing Rules and Policy Guide;
2. Prioritize the topics they would like to address over the next year; and
3. Form an ad hoc committee comprised of three Board members appointed by the Board Chair to review and recommend amendments to the Board Standing Rules and Board Policy Guide for the term of 12 months.

BACKGROUND:

The Board of Public Utilities Annual 2025 Work Plan Action Item 1 includes the Board's review of the Standing Rules (Rules) and Board Policy Guide (Policy Guide) over the next year. These are two policy documents adopted by the Board that provide guidance related to the activities of the Board. These documents along with the associated and referenced policies are attached to the staff report for reference.

The City Charter, Article VIII, Section 804. – Organization; meetings; subpoena power state: "Each board or commission may prescribe its own rules and regulations which shall be consistent with the Charter and copies of which shall be kept on file in the Office of the City Clerk where they shall be available for public inspection." For the Board, its Standing Rules represent these rules and regulations. The Board Standing Rules outline the roles and duties of the Board as well as provide guidance on how the Board conducts meetings, advocates, and holds elections (detailed in the discussion). The Board Policy Guide is a much broader and comprehensive document that provides policies related to RPU's business and operations, board conduct, and provides guidance related to customer relations and finance.

Both the Guide and Rules are to be reviewed and updated by the Board every two years, though they can be amended at any time. The Board Policy Guide was first developed in 2000 and, like the Rules, has been amended over the years with the last full review and update having been approved by the Board in 2017. The Guide also incorporates the Rules as part of its first policy, Policy A-1. While the Rules were last amended on March 10, 2025, the Board has not undertaken a full review since 2016/2017 when the Guide was last reviewed and amended.

Both policies are due for a full Board review.

DISCUSSION:

Board Standing Rules

The Board Standing Rules are comprised of twelve sections that address the operational rules of the Board and its members:

1. Powers, Duties and Functions
2. Members
3. Term of Office
4. Compensation; Vacancies
5. Officers
6. Meetings
7. Conduct of Meetings
8. Committees
9. Appointment to Committees of Outside Organizations
10. Report to the City
11. Amendment of Standing Rules
12. Advocacy

Some sections, such as Powers, Duties and Functions, are from the City Charter or from the Riverside Municipal Code. These sections may need to be updated to remain consistent with changes in those City documents. Other sections were developed by the Board itself to provide guidance on how the Board takes actions, elects officers, reports to the City, or advocacy that a Board member may undertake as it relates to the full Board.

Board Policy Guide

The Board Policy Guide is comprised of three sections and a total of seventeen policies. Additionally, several RPU policy documents (e.g. RPU Fiscal Policy) are attached by reference to individual policies. Some of the policies are similar to the Rules or provide additional policy guidance to the Rules. The following is a list of the Sections and policies, as well as associated RPU policy and plans:

A. UTILITY BUSINESS POLICIES

1. Standing Rules (Standing Rules attached)
2. Mission Statement (Mission, Vision, Core Values, and Strategic Plan attached)
3. Annual Goal Setting Process
4. Performance Measure Evaluation

5. Property Ownership (Real Property Financial Management Policy attached)
6. Energy Delivery System
7. Water Delivery System
8. Electric Resources: Maintain Obligation to Serve Customers (RPU North American Energy Reliability Corporation (NERC) / Western Electricity Coordinating Council (WECC) internal compliance program attached while the Energy Risk Management Policy is considered confidential and not attached to this report)
9. Water Resources: Rights, Protection & Development (Water Portfolio Management Policy attached)
10. Customer Care
11. Fiscal Policies (Fiscal Policies attached)

B. BOARD SPECIFIC POLICIES

1. Role of the Chair for Public Meetings
2. Board Committee Structure
3. Communication and Support of Board
4. Board Training/Education Policy

C. CUSTOMER RELATIONS/FINANCE

1. Board Interaction with the General Manager and Staff
2. Pricing of Products and Services

As noted, several of the Board Policies, such as Policy A-11, Fiscal Policies incorporate larger policy documents that are reviewed by the Board every year or every few years. Other policies, such as Policy B-2, Board Committee Structure, incorporate policies established solely by the Board that are now inconsistent with the Standing Rules. Additionally, Policy A-2 incorporates RPU's Mission, Vision, Core Values, and Strategic Plan which was last adopted in 2017 as well and was embodied in Utility 2.0 and are now outdated or have been replaced by other strategic goals limited by subsequent rate plans or utility needs.

Prioritization of topics for discussion

Staff recommends that the Board prioritize the topics so that each of the policies or sections are updated in the order of importance to the Board members. Interim reports or recommended actions can be brought to the full Board throughout the year.

Topics that have been of interest to the Board or staff in recent years include:

1. Process for the election of the officers
2. Board committees and ad hoc committees
3. Order of discussion of items under the Conduct of Meetings

Ad Hoc Committee to review and recommend updates/amendments

To fully review these documents with Board input requires substantial time due to the complexity and length of each document. Most current Board members have also not been part of the process for comprehensively updating these documents so there may be limited familiarity with the content and history. To facilitate the discussions and streamline the process at formal Board meetings, Board Standing Committees, historically, completed the reviews and made recommendations for updates and amendments. Because the Board does not have Standing Committees, staff recommends that the Board form an Ad Hoc Committee to undertake an in-

depth review of each document and set of policies. Updates from the Committee could be provided to the full Board throughout the year.

The Board may establish an ad hoc committee in compliance with the Standing Rules and with the Ralph M. Brown Act (Brown Act) (California Government Code 54950 et seq) for open and public meetings of legislative bodies, commissions and boards. Ad Hoc Committees may be formed to handle more complex tasks that cannot be accomplished during a single meeting of the Board. Under the Standing Rules, the Board Chair may appoint an Ad Hoc committee as needed. Each ad hoc committee shall consist of an appointed Chairperson and at least two other RPU Board members. Ad hoc committees serve a limited or single purpose, are not perpetual, and are dissolved once their specific task is completed. To support this purpose, staff recommends that the ad hoc committee of 3 to 4 members be formed for a limited term of 12 months from the committee's first meeting, to review and recommend amendments to the Standing Rules and the Board Policy Guide. The ad hoc committee could provide verbal updates throughout the year or ask for those items to be agendaized for full Board consideration. At the end of the 12 months, the committee will provide a final report inclusive of any recommended amendments to both documents for the full Board's consideration.

RPU staff will be available to the committee to assist with their review of the documents.

STRATEGIC PLAN ALIGNMENT:

This item contributes to:

Strategic Priority #1 – Arts, Culture & Recreation

Goal 1.5 – Support programs and amenities to further develop literacy, health, and education of children, youth and seniors throughout the community.

Strategic Priority #2 – Community Well-Being

Goal 2.1 – Facilitate the development of a quality and diverse housing supply that is available and affordable to a wide range of income levels.

Goal 2.2 – Collaborate with partner agencies to improve household resiliency and reduce the incidence and duration of homelessness.

Goal 2.4 – Support programs and innovations that enhance community safety, encourage neighborhood engagement, and build public trust.

Goal 2.5 – Foster relationships between community members, partner organizations, and public safety professionals to define, prioritize, and address community safety and social service needs.

Goal 2.6 – Strengthen community preparedness for emergencies to ensure effective response and recovery.

Strategic Priority #3 – Economic Opportunity

Goal 3.1 – Facilitate partnerships and programs to develop, attract and retain innovative business sectors.

Goal 3.3 – Cultivate a business climate that welcomes innovation, entrepreneurship and investment.

Goal 3.4 – Collaborate with key partners to implement policies and programs that promote local business growth and ensure equitable opportunities for all.

Strategic Priority #4 – Environmental Stewardship:

Goal 4.1 – Rapidly decrease Riverside’s carbon footprint by acting urgently to reach a zero-carbon electric grid with the goal of reaching 100% zero-carbon electricity production by 2040 while continuing to ensure safe, reliable, and affordable energy for all residents.

Goal 4.2 – Sustainably manage local water resources to maximize reliability and advance water reuse to ensure safe, reliable, and affordable water to our community.

Goal 4.6 – Implement the requisite measures to achieve citywide carbon neutrality no later than 2040.

Strategic Priority #5 – High Performing Government and the following goals:

Goal 5.1 – Attract, develop, engage, and retain a diverse and highly skilled workforce across the entire City organization.

Goal 5.2 – Utilize technology, data, and process improvement strategies to increase efficiencies, guide decision making and ensure services are accessible and distributed equitably throughout all geographic areas of the City.

Goal 5.3 – Enhance communication and collaboration with community members to improve transparency, build public trust, and encourage shared decision-making.

Strategic Priority #6 – Infrastructure, Mobility & Connectivity, and the following goal:

Goal 6.3 – Identify and pursue new and unique funding opportunities to develop, operate maintain, and renew infrastructure and programs that meet the community’s needs.

This item aligns with each of the five Cross-Cutting Threads based as follows:

1. **Community Trust** – The Board Standing Rules and Policy Guide provide a transparent view of RPU’s standing policies and Board procedures and are discussed in a forum that accommodates community engagement and the involvement of Board of Public Utilities.
2. **Equity** – The Board Standing Rules and Policy Guide are available to all members of the public via the City website, and the presentation of these documents in a public forum accommodates community engagement from all members of the public.
3. **Fiscal Responsibility** – The Board Standing Rules and Policy Guide demonstrate the Utility’s commitment to responsible management of the Utility’s resources and commitment to customers.
4. **Innovation** – The Board Standing Rules and Policy Guide provide guidance related to how RPU will meet the community’s changing needs as the Utility’s infrastructure, financial and community needs.
5. **Sustainability & Resiliency** – The Board Standing Rules and Policy Guide demonstrate the Utility’s commitment to sustainability, resiliency and the long-term health of the Utility and preservation of Utility services.

FISCAL IMPACT:

There is no fiscal impact from this item.

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Attachments:

1. Board Standing Rules, Amended March 10, 2025
2. Board Policy Guide, Amended May 22, 2017
3. RPU Real Property Financial Management Policy revised August 23, 2021
4. RPU Property Inventory with Classifications, Updated March 5, 2024
5. RPU Water Portfolio Management Policy, Approved by City Council on October 28, 2014
6. RPU Fiscal Policies updated August 6, 2024
7. RPU NERC/WECC Internal Compliance Program adopted March 7, 2017
8. RPU Utility 2.0
9. Presentation