

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JULY 13, 2015

ITEM NO: 2

SUBJECT: BOARD OF PUBLIC UTILITIES STRATEGIC PLANNING WORKSHOP – UTILITY 2.0; REVIEW INITIAL STAFF PRESENTATIONS ON ELECTRIC INFRASTRUCTURE, WATER INFRASTRUCTURE AND WORKFORCE DEVELOPMENT ROADMAPS THAT OUTLINE CURRENT AND FUTURE ISSUES THAT RIVERSIDE PUBLIC UTILITIES WILL FACE AS IT PREPARES FOR AND RESPONDS TO THE TRANSFORMATIONAL CHANGE AFFECTING THE UTILITY INDUSTRY

ISSUE:

The issue for the Board of Public Utilities consideration is to conduct a workshop to receive initial staff presentations on Electric Infrastructure, Water Infrastructure and Workforce Development Roadmaps and provide feedback for inclusion in the final documents.

RECOMMENDATION:

That the Board of Public Utilities conduct a workshop and provide feedback on the draft Electric Infrastructure, Water Infrastructure and Workforce Development Roadmaps.

BACKGROUND:

On February 12, 2015 the Board of Public Utilities (Board) began a long range strategic planning process. Under the umbrella concept of Utility 2.0, staff has prepared a series of "roadmaps" that outline current and future issues that RPU will face as it prepares for, and responds to the transformational change affecting our industry. Each of the Roadmaps includes the following sections: Assessment, Findings, Options & Alternatives and Recommendations.

On July 13, 2015 the Board will be asked to provide feedback on the Electric, Water and Workforce Development Roadmaps. The Board's feedback will be synthesized and incorporated in the Roadmaps and brought back to the Board on July 29, 2015. A summary process calendar for the Board's strategic planning process is outlined in the table below.

Board of Public Utilities Strategic Planning Process Calendar		
2014	Board & City Council	Assessment of RPU by General Manager presentations to Board, Utility Services/Land Use/Energy Development Committee and each City Council Member individually; presentations to numerous community groups (identified 10-year pro-forma and impact on reserves as an issue)
February 12, 2015	Board Workshop #1	Strategic Planning Workshop – Utility 2.0
February 27, 2015	Board Workshop #2	Strategic Planning Workshop – Goals
May 7, 2015	City Council/ Board Workshop #1	Utility 2.0 introduction, Board and Council feedback
July 13, 2015	Board Workshop #3	Roadmap presentations and feedback (Water Infrastructure, Electric Infrastructure, Workforce Development)

Board of Public Utilities Strategic Planning Process Calendar		
July 29, 2015	Board Workshop #4	Roadmap presentations and feedback (Water Supply, Electric Supply, Introduction to Thriving Financially)
August 11, 2015	City Council Meeting	Discussion of Department Performance Audit Scope
August 28, 2015	City Council/ Board Workshop #2	Governance and Utility 2.0 Roadmaps
September 2015	Council Workshop	RPU Finances 101
Sept./Oct. 2015	Board Meeting then City Council Meeting	<ul style="list-style-type: none"> • Fiber Optic Plan • Audit of Northside transactions
Oct. – Dec. 2015	Board & City Council	<ul style="list-style-type: none"> • Additional feedback on Roadmaps • Audit on Fiscal Policies • Audit on Organizational review (business effectiveness by Hometown Connections) • Thriving Financially Roadmap
Q1 2016	Board & City Council	<ul style="list-style-type: none"> • Draft financial plan to Council - 5 year forecast, including rates, reserves and bond coverage ratios • Audit - Initiate next phase of performance audit • Audit - Initiate detailed financial audit

The workshop agenda for July 13 follows:

1. Introduction and opening remarks (*Balachandran*) – 10 minutes
2. Electric Infrastructure Roadmap
 - Presentation (*Hohl*) – 45 minutes
 - Feedback (*Board members*) – 20 minutes
 - Summary of Feedback (*Milligan*) – 10 minutes
 - Break – 10 minutes
3. Water Infrastructure Roadmap
 - Presentation (*Jorgenson*) – 45 minutes
 - Feedback (*Board members*) – 20 minutes
 - Summary of Feedback (*Milligan*) – 10 minutes
 - Break – 10 minutes
4. Workforce Development Roadmap
 - Presentation (*Milligan*) – 30 minutes
 - Feedback (*Board members*) – 15 minutes
 - Summary of Feedback (*Milligan*) – 10 minutes
5. Wrap up and Next Steps (*Balachandran*) – 5 minutes

Staff will be available for 30 minutes prior to the start of the meeting for an informal period of “show and tell” related to infrastructure components.

FISCAL IMPACT:

There is no fiscal impact associated with the conduct of the workshop.

Prepared by: Kevin S. Milligan, Public Utilities Deputy General Manager
 Approved by: Girish Balachandran, Public Utilities General Manager
 Approved by: John A. Russo, City Manager
 Approved as to form: Gary G. Geuss, City Attorney