

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: October 2, 2015
Time of Meeting: 8:30 a.m.
Place of Meeting: Art Pick Council Chambers
3900 Main Street (at Main and Tenth Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Roll Call

Present: Susan Cash (Chair) Darrell Ament
Ron Cole Nick Ferguson
Justin Scott-Coe Andrew Walcker

Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)

PRESENTATION

- 1 EMPLOYEE RECOGNITION AWARDS
None.

MINUTES

- 2 The regular minutes from the Board of Public Utilities meeting held on September 4, 2015 were approved as submitted.
Motion – Ferguson. Second – Cole.
Ayes: Cash, Ament, Cole, Ferguson, Scott-Coe, and Walcker.
Abstain: None.
Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)
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- 3 The regular minutes from the Board of Public Utilities meeting held on September 18, 2015 were approved as submitted.
Motion – Scott-Coe. Second – Cole.
Ayes: Cash, Cole, Ferguson, Scott-Coe, and Walcker.
Abstain: Ament.
Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)

CITIZENS PARTICIPATION

4 Public Comment:

Mr. Jason Hunter spoke regarding the Mission Square Multipurpose room and reserves.

Ms. Vivian Moreno spoke regarding the Mission Square Multipurpose room.

Ms. Karen Wright spoke regarding economic development and the Northside Neighborhood (Item 9).

RPU received e-comments (emails) regarding Item 9 on the agenda – Northside Neighborhood / RPU real property assets from Ms. Karen Renfro, John Krick, and Karen Wright.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 8, **PUBLIC UTILITIES ELECTRIC 2016 ANNUAL RESOURCE ADEQUACY PLAN**, which were moved to the Discussion Calendar.

Motion – Scott-Coe Second – Ferguson.

Ayes: Cash, Ament, Cole, Ferguson, Scott-Coe, and Walcker.

Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)

Water Items

5 CONSTRUCTION OF THE THORNE WELL NO. 12 ELECTRICAL UPGRADE PROJECT – WORK ORDER NO. 1408503 FOR \$305,050

The Board of Public Utilities:

1. Awarded a contract for the construction of the Thorne Well No. 12 Electrical Upgrade Project, Bid No. RPU-7350 to the lowest responsive bidder, Southern Contracting Company of San Marcos, California, in the amount of \$79,500; and
2. Approved an additional capital expenditure of \$99,050 for Work Order No. 1408503, for a revised total of \$305,050, which includes all design, construction, contract administration, inspection, and construction contingency costs for the Thorne Well No. 12 Electrical Upgrade Project, Bid No. RPU-7350.

6 RDO EQUIPMENT COMPANY'S NEW WATER SERVICE INSTALLATIONS AND MISCELLANEOUS FACILITY RELOCATIONS – AUTHORIZATION FOR WORK ORDER NO. 1522472 FOR \$77,124 (MAIN STREET AND IOWA AVENUE)

The Board of Public Utilities approved the capital expenditure of \$77,124 for Work Order No. 1522472 which includes City-provided water construction services associated with the redevelopment of the RDO Equipment Company facility, an industrial development in the County of Riverside located at intersection of Main Street and Iowa Avenue.

7 CONSTRUCTION OF THE CREST AVENUE AND HEDRICK AVENUE WATER MAIN RELOCATION PROJECT – WORK ORDER NO. 1522100 FOR \$123,000

The Board of Public Utilities approved a capital expenditure of \$123,000 for Work Order No. 1522100, which includes all design, construction, paving, contract administration, inspection and construction contingency costs for the Crest Avenue and Hedrick Avenue Water Main Relocation Project.

Other Items

8 **MOVED TO DISCUSSION CALENDAR**

DISCUSSION CALENDAR

8 PUBLIC UTILITIES ELECTRIC 2016 ANNUAL RESOURCE ADEQUACY PLAN

Board Member Cole requested this item be placed on the Discussion Calendar for more clarification on specific unit capacity numbers.

Following discussion, the Board of Public Utilities:

1. Approved the 2016 Annual Resource Adequacy Plan; and
2. Directed staff to file the Annual Resource Adequacy Plan with the California Independent System Operator (**CAISO**) in compliance with CAISO tariff requirements.

Motion – Cole. Second – Walcker.

Ayes: Cash, Ament, Cole, Ferguson, Scott-Coe, and Walcker.

Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)

9 UPDATE ON THE LONG RANGE PLANNING EFFORTS FOR THE NORTHSIDE NEIGHBORHOOD INCLUDING RIVERSIDE PUBLIC UTILITIES REAL PROPERTY ASSETS

Mr. Emilio Ramirez, Deputy Director of the Community and Economic Development Department, presented a comprehensive overview of planning activities for the Northside Neighborhood including real property owned by RPU.

The Board of Public Utilities provided the following comments and directions:

- Any future transaction or disposition relative to the RPU held property assets must reflect appropriate ratepayer value in accordance with the adopted Real Property Financial Management Policy;
- Any future transaction or disposition must account for existing and planned/proposed utility infrastructure needs; and
- The RPU Board and staff should have and conduct direct on-going engagement in the visioning process.

Following discussion, the Board of Public Utilities:

1. Received this update and provided comments and directions on City staff led public outreach strategies for obtaining broad community input on parameters for developing the scope of a specific plan for the Northside Neighborhood; and
2. Considered and provided input on a coordinated effort to develop an inter-jurisdictional specific plan for the Pellissier Ranch property within the City of Colton.; and
3. Directed staff that when preparing the RFP to: ensure that ratepayer value is taken into account as per the Board's real property principles, include options for RPU to build infrastructure for future needs, and that RPU have direct and ongoing engagement in the entire process.

Motion – Walcker. Second – Scott-Coe.

Ayes: Cash, Ament, Cole, Ferguson, Scott-Coe, and Walcker.

Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)

10 .
SECOND AMENDMENT TO MASTER AGREEMENTS FOR WATER UTILITY WORK FOR VARIOUS CITY LOCATIONS ON AN AS NEEDED BASIS – CONTRACTORS' PANEL

Following discussion, the Board of Public Utilities approved the Second Amendment to Master Agreements for three year contract amendments for 13 members of the Water Division Contractors' Panel.

Motion – Cole. Second – Scott-Coe.

Ayes: Cash, Ament, Cole, Ferguson, Scott-Coe, and Walcker.

Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)

11 .
UTILITY 2.0 STRATEGIC PLAN CONCEPTUAL APPROVAL REPRESENTING FINANCIAL INVESTMENTS OF \$500 MILLION TO \$1,000,000,000 THROUGH FY 2026

Following discussion, the Board of Public Utilities approved in concept, and recommended that the City Council approve in concept, the Utility 2.0 Strategic Plan with Option 3 infrastructure, technology and workforce trajectories to provide guidance to staff for final financial planning and recommendations.

Motion – Cole. Second – Scott-Coe.

Ayes: Cash, Ament, Cole, Ferguson, Scott-Coe, and Walcker.

Absent: Dave Austin (excused absence due to medical)
Jennifer O'Farrell (excused absence due to business)

The Board of Public Utilities also requested and approved that a Board Member speak at the City Council 3:00 pm meeting on Tuesday, October 6, 2015 in support of the Utility 2.0 Strategic Plan conceptual approval.

Motion – Walcker. Second – Ament.

Ayes: Cash, Ament, Cole, Ferguson, Scott-Coe, and Walcker.

Absent: Dave Austin (excused absence due to medical)
Jennifer O’Farrell (excused absence due to business)

BOARD MEMBER/STAFF COMMUNICATIONS

12 SYSTEMATIC REPORTING ON CONFERENCES/SEMINARS BY BOARD MEMBERS AND/OR STAFF

NONE.

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

- Economic Rate Update
- Update on the TED Rate performance and sunset
- Ways to shorten Board approval process for new development projects

GENERAL MANAGER'S REPORT

14 Drought Update

15 Safety Update

16 State and Federal Legislative and Regulatory Update - Update on pending legislation that may impact the Water and/or Electric Utility

17 Committee Reports – Electric Committee, Water Committee and Customer Relations/Finance Committee

18 Monthly Power Supply Report – August 2015

19 SCPPA Monthly Agenda / Minutes – August 20, 2015

20 SCPPA Miscellaneous Billings – August 2015

21 City Council Agendas – September 15, 2015 (special) and September 22, 2015

22 Upcoming Meetings

23 Electric / Water Utility Acronyms

CLOSED SESSION

24 Existing Litigation [Government Code §54956.9(d)(1)]

Name of Case(s):

City of Riverside v. Mitsubishi Heavy Industries, et al.
USDC Case No. 13-CV-1724-BEN (KSC)

SCE, et al. v. Mitsubishi Nuclear Energy Systems, et al.
International Chamber of Commerce International Court of Arbitration, Case No. 19784/AGF

Order Instituting Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Services and Facilities of Southern California Edison and San Diego Gas & Electric Associated with the San Onofre Nuclear Generating Station Units 2 and 3:
CPUC Investigation 12-10-013

25 Anticipated Litigation [Government Code §54956.9(d)(4)]

[1] Case(s) Anticipated

26 City Attorney Report on Closed Session Discussions

Deputy City Attorney Susan Wilson City reported there were no reportable actions from the closed sessions.

UPCOMING MEETING

Chair Cash adjourned the meeting at approximately 10:45 a.m. The next regular meeting of the Board of Public Utilities is to be held on Friday, October 16, 2015 @ 8:30 a.m. at the Art Pick Council Chamber, Riverside, California.

By: _____
Girish Balachandran, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated _____