

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: May 9, 2016
Time of Meeting: 6:30 p.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: Dave Austin (Chair) Justin Scott-Coe (Vice Chair)
David Crohn Kevin Foust
Jennifer O'Farrell
Andrew Walcker

Absent: Darrell Ament (unexcused absence), Ron Cole (excused absence due to sick)

CITIZENS PARTICIPATION

1 Public Comment:

Marie Duval commented on her utility bill charges. Jason Hunter read an excerpt from the Press Enterprise and requested Item #6 move to discussion calendar.

CONSENT CALENDAR

Board member Walcker requested items 2 and 6 be moved to discussion calendar.

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

Motion – Walcker. Second – O'Farrell.

Ayes: Austin, Scott-Coe, Crohn, Foust.

Absent: Darrell Ament (unexcused absence), Ron Cole (excused absence due to sick)

Electric Items

Water Items

3 CONSTRUCTION OF THE MAGNOLIA AVENUE TECHITE PIPE REPLACEMENT PROJECT - BID NO. RPU-7346 – AUTHORIZE A CHANGE ORDER IN THE AMOUNT OF \$167,000 THUS INCREASING WORK ORDER NO. 1406072 IN THE AMOUNT OF \$104,804

That the Board of Public Utilities:

1. Approve an increase of \$104,804 for Work Oder No. 1406072 for the Magnolia Avenue Techite Replacement Project – Bid No. RPU-7346; and

2. Authorize the issuance of a change order in the amount of \$167,000 (26.85%) to Trautwein Construction, Inc. of Riverside, California

Other Items

- 4 FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR WATER COST OF SERVICE AND RATE DESIGN PROJECT EXTENDING THE TERM OF THE AGREEMENT TO DECEMBER 31, 2016 AND INCREASING THE CONTRACT AMOUNT BY \$24,462 TO A TOTAL REVISED CONTRACT AMOUNT NOT TO EXCEED \$149,835

That the Board of Public Utilities:

1. Approve the First Amendment to the Professional Service Agreement with Carollo Engineers, Inc., of Riverside, California, for the Water Cost of Service Analysis and Rate Design,
2. Extend the term of the Agreement to December 31, 2016 and
3. Increasing the Agreement by \$24,462 from the original contract agreement of \$125,373 to a total amount not to exceed \$149,835.

- 5 CONSENT AND AGREEMENT REGARDING CITY OF RIVERSIDE GROUND LEASE WITH OSR DEVELOPMENT, LLC FACILITATING TENANT LEASE WITH GOLDEN STATE FC, LLC A SUBSIDIARY OF AMAZON.COM – 555 E. ORANGE SHOW ROAD, SAN BERNARDINO, CA; NO CHANGE TO TERM OR GROUND LEASE VALUE

That the Board of Public Utilities recommend that the City Council:

1. Approve the Consent and Agreement Regarding Ground Lease Agreement between the City of Riverside and OSR Development, LLC; ("Landlord") and
2. Authorize the City Manager, or his designee, to execute the Consent and Agreement Regarding Ground Lease, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

DISCUSSION CALENDAR

- 2 POLE ATTACHMENT AND CONDUIT 10-YEAR LICENSE AGREEMENT BETWEEN EXTENET SYSTEMS, INC. AND THE CITY OF RIVERSIDE PUBLIC UTILITIES FOR AN ESTIMATED 10 YEAR INCOME OF \$6,040

Assistant General Manager Pat Hohl addressed questions from the Board. Following discussion the Board approved the staff recommendation.

That the Board of Public Utilities recommend that the City Council:

1. Approve the 10-year Pole Attachment and Conduit License Agreement between

ExteNet Systems, Inc. and the City of Riverside; and

2. Authorize the City Manager, or his designee, to execute the necessary documents.

Motion - ? Second - ?

Absent: Darrell Ament (unexcused absence), Ron Cole (excused absence due to sick)

- 6 APPROVAL OF PUBLIC UTILITIES DEPARTMENT 23.6% SHARE OF THE CITY FACILITY WI-FI IMPROVEMENT PROJECT, PROJECT TOTAL NOT TO EXCEED IS \$291,682.11, UTILITIES SHARE NOT TO EXCEED \$68,836.98

Deputy General Manager Kevin Milligan explained this item had been scheduled in error for City Council consideration prior to Riverside Public Utilities Board approval. Upon identification of the error the item was continued by Council to provide review by the Board. Chief Innovation Officer Lea Deesing addressed questions from the Board.

Ward 1 resident Jason Hunter addressed the Board.

Following discussion, the Board approved the staff recommendation.

That the Board of Public Utilities:

1. Approve the one-time expenditure not to exceed of \$68,836.98 (\$62,579.08 plus 10% contingency) plus and the annual recurring amount for maintenance of \$7,679.46 for the Public Utilities share of the Agreement with Vector USA for the City Facility Wi-Fi Improvement Project

Motion – Scott-Coe. Second – Crohn.

Absent: Darrell Ament (unexcused absence), Ron Cole (excused absence due to sick)

- 7 FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES FOR FINANCIAL AND PERFORMANCE AUDIT INCREASING THE AGREEMENT BY \$19,874 FOR A TOTAL NOT TO EXCEED AMOUNT OF \$154,874

Audit Project Manager Lee McDougal provided an update on the status of the audits and addressed questions from the Board.

Ward 1 resident Jason Hunter addressed the Board.

Following discussion, the Board approved the staff recommendation.

That the Board of Public Utilities:

1. Recommend the City Council approve the First Amendment to the Professional Service Agreement with Baker Tilly Virchow Krause, LLP (Baker Tilly) for

Financial and Performance Audits of RPU, increasing the agreement by \$19,874 for a total not to exceed amount of \$154,874.

Motion – Scott-Coe. Second – O’Farrell.

Absent: Darrell Ament, Ron Cole (excused absence due to sick)

- 8 OPERATIONAL DATA MANAGEMENT SYSTEM PROJECT; MODIFY SCOPE OF PROJECT, APPROVE ENTERPRISE SOFTWARE AGREEMENT WITH OSISOFT, AND APPROVE PROFESSIONAL SERVICES AGREEMENT WITH INDUSTRIAL EVOLUTION – IN THE AMOUNT OF \$3,557,000

Deputy General Manager Kevin Milligan provided an overview presentation of the staff recommendations and addressed questions from the Board.

Ward 1 resident Jason Hunter addressed the Board.

Following discussion, the Board approved the staff recommendation.

That the Board of Public Utilities:

1. Approve the Enterprise Agreement with OSISOFT, LLC and authorize the City Manager or his designee to execute the agreement in the amount of \$2,079,832;
2. Approve the Professional Services Agreement with Industrial Evolution and authorize the City Manager or his designee to execute the agreement in the amount of \$698,000;
3. Approve Work Order No. 1619634 in the amount of \$3,557,000; and
4. Reduce Work Order No. 1424073 from \$4,430,427 to \$2,530,400.

Motion – Scott-Coe. Second – Austin.

Absent: Darrell Ament, Ron Cole (excused absence due to sick)

BOARD MEMBER/STAFF COMMUNICATIONS

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

Vice Chair Scott-Coe reported that he and others attended the Boards & Commissions Reception on March 28, 2016 honoring past Board Members Susan Cash, Nick Ferguson, and David Roberts.

- 10 ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS

REQUESTED BY A MEMBER OF THE BOARD OF PUBLIC UTILITIES

GENERAL MANAGER'S REPORT

- 11 Aliso Canyon Update
General Manager Girish Balachandran will bring an update to Board on May 23, 2016 regarding Southern California Gas shortage (leak at Porter Ranch).
General Manager Girish Balachandran also reported RPU may lower the drought target due to new governmental guidelines.
Also reported, RPU won several awards in areas of sustainability.
Finance Committee will review Service Line Warranties for City of Riverside customers and Land Use Committee will receive PACE Programs presentation in the coming weeks.
- 12 Financial Report – February 29, 2016
- 13 Electric / Water Contract Panel Update – April 2016
- 14 Water Highlights – March 2016
- 15 Monthly Power Supply Report – March 2016
- 16 SCPPA Monthly Agenda / Minutes – March 17, 2016
- 17 SCPPA Miscellaneous Billings – April 2016
- 18 City Council Agendas – April 19, 2016 and April 26, 2016
- 19 Upcoming Meetings
- 20 Electric / Water Utility Acronyms

MISSION STATEMENT

The City of Riverside is committed to providing high quality municipal services to ensure a safe, inclusive, and livable community.

UPCOMING MEETING

Chair Dave Austin adjourned the meeting at approximately 6:53 p.m. The next regular meeting of the Board of Public Utilities will be on Monday, April 25, 2016 at 6:30 p.m. in 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 May 9, 2016