

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Special Meeting of the Board of Public Utilities
Date of Meeting: August 8, 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

DRAFT

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Roll Call

Present: Dave Austin (Chair) Justin Scott-Coe (Vice Chair)
Ron Cole David Crohn (arrived late)
Kevin Foust Jennifer O'Farrell
Andrew Walcker

Absent: Darrell Ament (unexcused absence)

PRESENTATIONS

1 EMPLOYEE RECOGNITION AWARDS FOR THE PUBLIC UTILITIES' POWER RESOURCES DIVISION

The Board of Public Utilities recognized twenty Power Resources employees that received a Certificate of Completion, including Power Scheduler/Traders, Power Pre-Scheduler/Traders, Principal Resources Analysts and Power Resources Managers.

This recognition is for their commitment to comply with all federal and state laws, rules and regulations, following all best industry practices to achieve excellence, and to reduce or eliminate the risk of non-compliance in order to maintain RPU's business reputation.

2 EMPLOYEE RECOGNITION AWARD FOR JEANETTE BARNES, UTILITIES ASSISTANT CUSTOMER SERVICE MANAGER

The Board of Public Utilities recognized Jeanette Barnes, Assistant Customer Service Manager, for her hard work and dedication.

MINUTES

3 The minutes from the Board of Public Utilities regular meeting held on July 11, 2016 were approved as submitted

Motion – O'Farrell. Second – Cole.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker

Absent: Darrell Ament (unexcused absence)

- 4 The minutes from the Board of Public Utilities regular meeting on July 25, 2016 were DEFERRED to the next meeting.

CITIZENS PARTICIPATION

- 5 Public Comment:

A representative of the Poly High School Solar Cup team presented Public Utilities and the Board with a plaque to thank them for funding the Solar Cup team at Poly High School and to inform the Board that they had won the Metropolitan Water District's annual Solar Cup event.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar.

Motion – Walcker. Second – Scott-Coe.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker

Absent: Darrell Ament (unexcused absence)

Electric Items

- 6 AGREEMENT FOR CONVEYANCE OF EASEMENTS FROM MACY'S WEST STORES, INC. TO CITY OF RIVERSIDE FOR THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT AT 3475 AND 3535 TYLER STREET WITHIN THE CITY OF RIVERSIDE APNS 234-020-010, 234-020-045, AND 234-020-046 – WORK ORDER 642975 FOR \$106,100

The Board of Public Utilities:

1. Recommended that the City Council approve the Agreement for Conveyance of Easements with the property owner, Macy's West Stores, Inc. for easements on Assessor Parcel Numbers 234-020-010, 234-020-045, and 234-020-046 located at 3475 and 3535 Tyler Street, Riverside, CA; and
2. Approved the expenditure of \$106,100 inclusive of the \$103,100 purchase price and an estimated amount of \$3,000 for due diligence, title, escrow fees, and related closing costs.

Water Items

- 7 APPROVAL OF A CAPITAL EXPENDITURE TO REPLACE LAND SURVEYING EQUIPMENT FOR THE BENEFIT OF THE RIVERSIDE PUBLIC UTILITIES DEPARTMENT – WORK ORDER NO. 1702584 FOR \$125,000

The Board of Public Utilities approved a capital expenditure of \$125,000 for Work Order No. 1702584 to reimburse the Public Works Department for replacement land surveying equipment that benefits the Riverside Public Utilities Department.

Other Items

- 8 PURCHASE ORDER WITH GE PACKAGE POWER, INC. FOR THE IMPLEMENTATION OF GENERAL ELECTRIC SERVICE BULLETIN 310 FOR RECOMMENDED REPAIRS ON RIVERSIDE ENERGY RESOURCE CENTER UNITS 1 AND 2 GAS TURBINE ENGINES, REQUEST FOR PROPOSALS NO. 1630 - IN THE AMOUNT OF \$126,139

The Board of Public Utilities approved a purchase order to GE Package Power, Inc., of Houston, Texas, for installation of recommended repairs under GE Service Bulletin 310 on the Riverside Energy Resource Center Units 1 and 2 gas turbine engines in the amount of \$126,139.

- 9 AGREEMENT WITH ENERGY OPTIONS, INC. TO PERFORM COOLING TOWER MAINTENANCE AT THE CLEARWATER POWER PLANT REQUEST FOR PROPOSALS NO 1587 - IN THE AMOUNT OF \$138,479

The Board of Public Utilities:

1. Approved the agreement between Energy Options Inc. and the City of Riverside for cooling tower maintenance at the Clearwater Power Plant, in the amount of \$138,479; and
2. Authorized the City Manager, or his designee, to execute the Agreement.

- 10 ICE ENERGY HOLDINGS, INC. PROPOSAL FOR THE RIVERSIDE PUBLIC UTILITIES CUSTOM ENERGY TECHNOLOGY GRANT TO FUND RESEARCH AND DEVELOPMENT FOR MANAGING INTERMITTENT RENEWABLE ENERGY GENERATION WITH RESPONSIVE AND REFLEXIVE ICE STORAGE CONTRAL SYSTEMS - IN THE AMOUNT OF \$100,000

The Board of Public Utilities recommended that the City Council approve a Custom Energy Technology Grant to Ice Energy Holdings, Inc. in the amount of \$100,000. The grant amount to be paid in three installments during Fiscal Year 2016-17, in accordance with the Milestone Schedule attached in the grant agreement, for Managing Intermittent Renewable Energy Generation with Responsive and Reflexive Ice Storage Control Systems.

DISCUSSION CALENDAR

- 11 APPROVE A FIFTY-YEAR ELECTRIC SERVICE CONTRACT AND AN AMENDED AND RESTATED IMPLEMENTATION AGREEMENT FOR 30 MW OF HYDROELECTRIC POWER FROM THE BOULDER CANYON (E.G. HOOVER DAM) PROJECT WITH WESTERN AREA POWER ADMINISTRATION, BUREAU OF RECLAMATION – ESTIMATED \$800,000 FIRST YEAR COST

Assistant General Manager Reiko Kerr provided an overview of the agreements and the staff recommendations.

Following discussion, the Board of Public Utilities recommended that the City Council:

1. Approve the Electric Service Contract between the United States Department of Energy Western Area Power Administration and City of Riverside to continue the electric service from the Boulder Canyon Project (Hoover Dam) from October 1, 2017, through September 30, 2067;
2. Approve the Implementation Agreement amongst the United States Department of Energy Western Area Power Administration, Bureau of Reclamation, and City of Riverside;
3. Authorize the City Manager or his designee, to execute any documents necessary to administer the Electric Service Contract and the Implementation Agreement; and
4. Authorize the City Manager or his designee to terminate the Electric Service Contract for circumstances provided in the Agreement.

Motion – Scott-Coe. Second – Cole.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker

Absent: Darrell Ament (unexcused absence)

12 ADOPTION OF RESOLUTIONS OF NECESSITY AUTHORIZING INITIATION OF EMINENT DOMAIN PROCEEDINGS TO ACQUIRE EASEMENTS NECESSARY TO CONSTRUCT THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT HIGH VOLTAGE LINES WITHIN THE CITY OF RIVERSIDE – WORK ORDER NO. 642975 – FOR \$957,800

Assistant General Manager Pat Hohl and Real Property Services Manager David Welch provided an overview of acquiring easements necessary to construct the portion of the RTRP high voltage lines that are internal to the City.

Following discussion, the Board of Public Utilities:

1. Recommended that the City Council consider adoption of thirty-six (36) Resolutions of Necessity authorizing the initiation of eminent domain proceedings to acquire the necessary real property interests to construct the sub-transmission lines connecting the Riverside Energy Resource Center to Harvey Lynn and Freeman Substations as part of the Riverside Transmission Reliability Project; and
2. Approved and recommended the City Council approve the expenditure of \$957,800 for deposit into the State Condemnation Fund as part of the eminent domain process based on City of Riverside approved independent appraisals.

Motion – Coe. Second – Scott-Coe.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker

Absent: Darrell Ament (unexcused absence)

BOARD MEMBER/STAFF COMMUNICATIONS

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

None.

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

None.

GENERAL MANAGER'S REPORT

- 15 Aliso Canyon Update
16 Financial Update – May 31, 2016
17 Electric / Water Contract Panel Update – June 2016
18 Water Highlights – June 2016
19 Monthly Power Supply Report – June 2016
20 City Council Agendas – July 26, 2016
21 Upcoming Meetings
22 Electric / Water Utility Acronyms

UPCOMING MEETING

Chair Dave Austin adjourned the meeting at approximately 7:28 p.m. The next regular meeting of the Board of Public Utilities will be on Monday, August 22, 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 _____