

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities

Date of Meeting: December 12, 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
Kevin Foust Elizabeth Sanchez-Monville
Andrew Walcker

Absent: Jennifer O'Farrell (absence due to vacation – to be excused at 01/09/2017 meeting)

CITIZENS PARTICIPATION

- 1 Public Comment:
- None.

CONSENT CALENDAR

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

Motion – Scott-Coe Second – Cole.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, Sanchez-Monville, and Walcker.

Absent: O'Farrell (absence due to vacation)

Minutes

- 2 The minutes from the Board of Public Utilities regular meeting held on November 14, 2016 were approved as submitted.
- 3 The minutes from the Board of Public Utilities regular meeting held on November 28, 2016 were approved as submitted.

Board Attendance

- 4 EXCUSE BOARD MEMBER RON COLE ABSENCE FROM THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES ON NOVEMBER 14, 2016
- The Board of Public Utilities excused Board Member Ron Cole's absence from the Board of Public Utilities meeting of November 14, 2016 because of illness.

Other Items

- 5 EXTENSION OF THE RESEARCH AND DEVELOPMENT PERIOD THROUGH DECEMBER 31, 2017 FOR THE ELECTRIC VEHICLE DIRECT CURRENT FAST CHARGING STATION AT CITY HALL AND AUTHORIZE AN ADDITIONAL \$10,000 OF PUBLIC BENEFITS FUNDS FOR A TOTAL OF \$25,000

The Board of Public Utilities:

1. Authorized the extension of the research and development period for the electric vehicle direct current fast charging for an additional 12 month period through December 31, 2017; and
2. Approved the use of an estimated additional \$10,000 of Public Benefits funds to pay for energy consumption by electric vehicle customers during the research and development period, for an estimated total amount of \$25,000.

- 6 APPROVE PURCHASE ORDER 172710 WITH GE PACKAGE POWER, INC. FOR EMERGENCY GAS TURBINE REPAIRS AT THE RIVERSIDE ENERGY RESOURCE CENTER FOR \$105,308.88

The Board of Public Utilities approved the expenditure of funds in the amount of \$105,308.88 for emergency gas turbine bushing repairs to GE Packaged Power Inc. of Houston, Texas and ratify staff's emergency authorization in accordance with Article XII, Section 1202(b) of the Riverside City Charter.

DISCUSSION CALENDAR

- 7 FISCAL YEAR 2016-17 TREE POWER PROGRAM IN THE AMOUNT OF \$750,000

Assistant General Manager Michael Bacich gave a brief presentation on the Tree Power Program explaining the coupon promotion on the back of the March bill each year and the rebate program that can be used year round. He explained that the total trees allowed to be received under the program is six trees annually. Each rebate is for \$25. The kWh saved is counted per tree, the goal is to reduce summer cooling costs and enhance the City's green space.

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

1. Authorize the City Manager or his designee, to issue purchase orders to Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; Louie's Nursery, 18550 Van Buren Boulevard and Moon Valley Nurseries, 9501 Lincoln Avenue and make changes to the purchase order amounts based on the variable product demand of each nursery in a collective amount not to exceed \$650,000 for the Tree Power Program's Free Shade Tree Coupon Campaign; and
2. Authorize the City Manager or his designee, to credit customer accounts for trees purchased under the Tree Power Rebate Program in a collective amount not to exceed \$100,000.

Motion – Cole. Second – Walcker.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, Sanchez-Monville, and Walcker.

Absent: O'Farrell (absence due to vacation)

8 RIVERSIDE PUBLIC UTILITIES 2016 FINANCIAL REPORT

Assistant General Manager Laura Chavez-Nomura presented the 2016 Financial Report to the Board giving a high level view of the status of our financial position for both utilities.

The Board was impressed with the excellent work and requested to be continually updated.

Following discussion, the Board of Public Utilities received and filed the Riverside Public Utilities 2016 Financial Report.

Motion – Cole. Second – Sanchez-Monville.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, Sanchez-Monville, and Walcker.

Absent: O'Farrell (absence due to vacation)

9 RIVERSIDE PUBLIC UTILITIES PARTICIPATION IN THE 2016 CITY LEASE PURCHASE BOND ISSUANCE FOR THE PURCHASE OF WATER HEAVY VEHICLES AND EQUIPMENT IN AN ESTIMATED AMOUNT OF \$1,940,000

Assistant General Manager Laura Chavez-Nomura explained the need for water large street vehicles and equipment and expressed that the age of current equipment is 20 years old. She and Scott Miller, the CFO for the City of Riverside, explained that because the City also had equipment needs that it made sense to join together to get a better finance rate.

Following discussion, the Board of Public Utilities:

1. Approved Riverside Public Utilities' (RPU) participation in the 2016 City Lease Purchase Bond Issuance for the purchase of Water Heavy Vehicles and Equipment in an estimated amount of \$1,940,000;
2. Authorized the City Manager, or his designee, to execute the necessary documents; and
3. Directed staff to provide a report to the Board with the final associated costs of issuance for the Water Utility's share of the Lease Purchase Bonds after approval by the City Council.

Motion – Scott-Coe Second – Cole.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, Sanchez-Monville, and Walcker.

Absent: O'Farrell (absence due to vacation)

10 AMENDED AND RESTATED POWER PURCHASE AGREEMENT BETWEEN SOLAR STAR CALIFORNIA XXXIX, LLC AND THE CITY OF RIVERSIDE – SAN BERNARDINO WELLS SOLAR PHOTOVOLTAIC PROJECT FOR 25 YEARS AT AN ESTIMATED NET

Assistant General Manager Todd Jorgenson explained the locations of sites where wells are present, and how using solar panels to power our wells would offset electricity costs by 25%, which is approximately \$800,000 annually through having our own power purchase agreements for the solar panels rather than paying for electricity to power the pumps from SCE.

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

1. Approve the 25-year Amended and Restated Power Purchase Agreement between Solar Star California XXXIX, LLC and the City of Riverside to design, construct, operate and maintain a cumulative of 4.50 MW solar PV energy generation to be located on the Well Sites;
2. Authorize the City Manager, or his designee, to execute the Amended and Restated Power Purchase Agreement , as well as any future amendments or extensions to the Amended and Restated Power Purchase Agreement under the terms and conditions substantially similar or superior to this Amended and Restated Power Purchase Agreement;
3. Authorize the City Manager, or his designee, to execute any documents necessary to administer the Amended and Restated Power Purchase Agreement that are consistent with the established policies by the City Council; and
4. Authorize the City Manager, or his designee, to terminate the Amended and Restated Power Purchase Agreement for circumstances provided in the Amended and Restated Power Purchase Agreement.

Motion – Walcker. Second – Cole.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, Sanchez-Monville, and Walcker.

Absent: O'Farrell (absence due to vacation)

BOARD MEMBER/STAFF COMMUNICATIONS

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

None.

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

None.

GENERAL MANAGER'S REPORT

General Manager Girish Balachandran provided a book called "*Unleashing Excellence*" written by Dennis Snow, to the Board of Public Utilities to allow them to gain greater understanding of the direction the City is taking as the City Council's highest priority is customer service

- 13 Aliso Canyon Update
Assistant General Manager Danny Garcia gave an update on Aliso Canyon.
- 14 Water Highlights – October 2016
- 15 Monthly Power Supply Report – October 2016
- 16 Financial Report – September 30, 2016
- 17 Upcoming Meetings

- 18 Electric / Water Utility Acronyms
- 19 City Council Agendas – December 6, 2016

UPCOMING MEETING

Chair Dave Austin adjourned the meeting at approximately 8:00 p.m. The next regular meeting of the Board of Public Utilities will be on Monday, January 9, 2017 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 _____