

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: January 9, 2017
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) Ron Cole
David Crohn Kevin Foust
O'Farrell Elizabeth Sanchez-Monville
Andrew Walcker

Absent: Justin Scott-Coe (absence due to vacation – to be excused at 01/23/2017 meeting)

PRESENTATIONS

- 1 EMPLOYEE RECOGNITION AWARD OF RUSTY CLARKE, UTILITY STREETLIGHT MAINTENANCE WORKER AND BERNARD ROBLES, UTILITY STREETLIGHT MAINTENANCE WORKER

The Board of Public Utilities recognized Rusty Clarke, Utility Streetlight Maintenance Worker, and Bernard Robles, Utility Streetlight Maintenance Worker, for their dedication and customer service maintaining the City's streetlight system.

CITIZENS PARTICIPATION

- 2 Public Comment:

Ms. Leida Chambliss from Grid Alternatives, a non-profit organization, spoke on their solar partnership with RPU to assist low income customers in installing PV solar on their homes.

CONSENT CALENDAR

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

Motion – Cole. Second – Sanchez-Monville.

Ayes: Austin, Cole, Crohn, Foust, O'Farrell, Sanchez-Monville, and Walcker.

Absent: Scott-Coe (absence due to vacation – to be excused at 01/23/2017 meeting)

Minutes

- 3 The Board of Public Utilities approved the minutes from the Board of Public Utilities regular meeting held on December 12, 2016 as submitted.

Board Attendance

- 4 EXCUSE BOARD MEMBER JENNIFER O'FARRELL FROM THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES ON DECEMBER 12, 2016

The Board of Public Utilities excused Board Member Jennifer O'Farrell's absence from the Board of Public Utilities meeting of December 12, 2016 because of vacation.

Electric Items

- 5 AGREEMENT FOR CONVEYANCE OF EASEMENT WITH 7509 ARLINGTON AVENUE TRUST AND FAMILY TRUST OF HEINZ F. ZWINGLER AND BETTY LEE ZWINGLER LOCATED AT 7509 ARLINGTON AVENUE, RIVERSIDE, CALIFORNIA, ASSESSOR'S PARCEL NUMBER 155-290-017 FOR THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT – WORK ORDER 642975 FOR \$163,093

The Board of Public Utilities:

1. Recommended that the City Council approve the Agreement for Conveyance of Easement with the property owner, 7509 Arlington Avenue Trust and Family Trust of Heinz F. Zwingler and Betty Lee Zwingler for the acquisition of an easement on a portion of 7509 Arlington Avenue, Assessor's Parcel Number 155-290-017 for the purchase price of \$163,093; and
2. Approved the expenditure of \$163,093 inclusive of the \$160,093 purchase price and an estimated amount of \$3,000 for due diligence, title, escrow fees, and related closing costs.

- 6 AGREEMENT FOR CONVEYANCE OF EASEMENT WITH BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION LOCATED AT 10297 MAGNOLIA AVENUE, RIVERSIDE, CALIFORNIA, ASSESSOR'S PARCEL NUMBER 145-220-032 FOR THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT – WORK ORDER 642975 FOR \$81,100

The Board of Public Utilities:

1. Recommended that the City Council approve the Agreement for Conveyance of Easement with the property owner, Bank of America National Trust and Savings Association for the acquisition of an easement on a portion of 10297 Magnolia Avenue, Assessor's Parcel Number 145-220-032, for the purchase price of \$78,100; and
2. Approved the expenditure of \$81,100 inclusive of the \$78,100 purchase price and an estimated amount of \$3,000 for due diligence, title, escrow fees, and related closing costs.

- 7 AWARD OF BID NO. RPU-7437 TO ASPLUNDH CONSTRUCTION CORPORATION OF ANAHEIM, CALIFORNIA, FOR THE PLAZA SUBSTATION 4 kV to 12 kV CIRCUIT 454 CONVERSION FOR \$1,011,160, AND APPROVE ADDITIONAL EXPENDITURE OF \$85,000 FOR WORK ORDER NO. 1501824 FOR A REVISED TOTAL OF \$1,349,000

The Board of Public Utilities:

1. Awarded Bid No. RPU-7437 for the Plaza Substation 4kV to 12kV Circuit 454 Conversion, to the lowest responsive bidder Asplundh Construction Corporation, Anaheim, California, in the amount of \$1,011,160; and
2. Approved additional capital expenditure of \$85,000 for Work Order No. 1501824 for a revised total of \$1,349,000.

Water Items

- 8 SHAREHOLDER PROXY AUTHORITY FOR MUTUAL WATER COMPANIES

The Board of Public Utilities approved and recommended that the City Council confirm the voting representatives and alternates outlined in the report and delegate authority to any designated representative or alternate to vote the City's shares as the City's proxy at all meetings of the respective mutual water companies.

Other Items

- 9 THIRD AMENDMENT TO LEASE AGREEMENT WITH VARNER & BRANDT, LLP– MISSION SQUARE OFFICE BUILDING, 3750 UNIVERSITY AVENUE, SUITE 610 – FIVE YEAR TERM FOR \$2,278,320 IN REVENUE

The Board of Public Utilities recommended that the City Council:

1. Approve the Third Amendment to the Lease Agreement with Varner & Brandt, LLP (Attachment); and
2. Authorize the City Manager, or his designee, to execute the Third Lease Amendment, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

DISCUSSION CALENDAR

- 10 CITY OF RIVERSIDE COMMERCIAL LEASE AGREEMENT, 4.2 ACRES VACANT LAND – E. STREET, SOUTH OF ORANGE SHOW ROAD, SAN BERNARDINO, CALIFORNIA, WITH DRIVETIME CAR SALES COMPANY, LLC, FOR \$832,000 IN REVENUE FOR THE FIVE YEAR INITIAL TERM

Deputy General Manager Kevin Milligan gave a presentation providing background information of the 4.2 acre parcel of vacant land in San Bernardino; DriveTime Car Sales Company; and, the Ground Lease terms and benefits to RPU and City of San Bernardino.

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

1. Approve the City of Riverside Commercial Lease Agreement for 4.2 Acres of Vacant Land – E Street, South of Orange Show Road, San Bernardino, California, with DriveTime Car Sales Company, LLC, for an initial term of 5 years and \$832,000 in rental revenue to the Water Utility;
2. Authorize the City Manager, or his designee, to execute the City of Riverside Commercial Lease Agreement for 4.2 Acres of Vacant Land – E Street, South of Orange Show Road, San Bernardino, California, with DriveTime Car Sales Company, LLC, and all necessary documents, including making minor non-substantive changes to those documents; and
3. Authorize the City Manager, or his designee, to execute each of the four 5-year extensions to the lease, in accord with the terms of the lease.

Motion – Cole. Second – Walcker.

Ayes: Austin, Cole, Crohn, Foust, O'Farrell, Sanchez-Monville, and Walcker.

Absent: Scott-Coe (absence due to vacation – to be excused at 01/23/2017 meeting)

- 11 SECOND AMENDMENT TO THE FIRST ADDENDUM OF THE SOFTWARE LICENSE AGREEMENT NO. 2006-224 WITH TELVENT USA, LLC TO EXTEND THE ENTERPRISE LICENSE AGREEMENT FOR THE GEOGRAPHIC INFORMATION SYSTEM FOR THREE YEARS, FOR A TOTAL COST OF \$345,000

Deputy General Manager Kevin Milligan gave an oral update explaining this Amendment extends the existing license for three additional years at an annual cost of \$115,000, for a total cost of \$345,000. The contract extension will allow the City to retain the same annual pricing provided since 2011 for three additional years.

Following discussion, the Board of Public Utilities approved the Second Amendment to the First Addendum of the Software License Agreement No. 2006-224 with Telvent USA, LLC, in the amount of \$345,000, for a three year period ending on October 31, 2019.

Motion – Cole. Second – Sanchez-Monville.

Ayes: Austin, Cole, Crohn, Foust, O'Farrell, Sanchez-Monville, and Walcker.

Absent: Scott-Coe (absence due to vacation – to be excused at 01/23/2017 meeting)

- 12 MAINTENANCE AND SUPPORT AGREEMENT WITH STANLEY CONVERGENT SECURITY SOLUTIONS, INC., NAPERVILLE, ILLINOIS, FOR ELECTRONIC SECURITY PROJECT INVOLVING MULTIPLE ELECTRIC AND COMMUNICATION FACILITIES - IN THE AMOUNT OF \$589,000 - APPROVAL OF WORK ORDER NO. 1704116 FOR \$600,000

Assistant General Manager/Energy Delivery George Hanson noted to the Board a few clerical errors in the report and the PowerPoint presentation:

- On page 2 of the report in the expenditure for Work Order 1704116 summarized table under % of Total category it should read 98.1% instead of 98.5% for preventative Maintenance Agreement and in the service rate charges it should read 1.9% instead of 2.5%, totaling 100%.
- On page 7 of the PowerPoint presentation of the Work Order Breakdown table under % of Total category it should read 98.1% instead of 98.5% for preventative Maintenance Agreement and Amount (\$) category should read \$588,657 instead of \$591,000 and in the service rate charges it should read under % of Total category 1.9% instead of 1.5%, totaling 100% and Amount (\$) category should read \$11,343 instead of \$9,000.

Secondly, Mr. Hanson gave an overview presentation of the importance of this Maintenance and Support Agreement with Stanley Convergent Security Solutions, Inc. for the term of four years as it will provide RPU support service for existing installed security system, scheduled preventative maintenance on a semi-annual basis for all system components, replacement parts and repairs, and software support and updates.

Following discussion, the Board of Public Utilities:

1. Approved the Maintenance and Support Agreement with Stanley Convergent Security Solutions, Inc. in the amount \$588,656.16;
2. Approved Work Order No. 1704116 for \$600,000; and
3. Authorized the City Manager or designee to execute the necessary Agreement.

Motion – Sanchez-Monville. Second – Walcker.

Ayes: Austin, Cole, Crohn, Foust, O'Farrell, Sanchez-Monville, and Walcker.

Absent: Scott-Coe (absence due to vacation – to be excused at 01/23/2017 meeting)

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 City Council Agendas – December 13, 2016 and December 20, 2016
- 17 Water Highlights – November 2016
- 18 Open Work Orders over \$200,000 and Closed Work Orders – Summary Report for November 2016
- 19 Electric / Water / Consultant Contract Panel Update as of December 2016
- 20 SCPPA Miscellaneous Billings – October 2016
- 21 SCPPA Monthly Agenda / Minutes – November 17, 2016
- 22 Upcoming Meetings
- 23 Electric / Water Utility Acronyms

UPCOMING MEETING

Chair Dave Austin adjourned the meeting at approximately 7:04 p.m. The next regular meeting of the Board of Public Utilities will be on Monday, January 23, 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 _____