

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: May 22, 2017
Time of Meeting: 4:00 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)	Jennifer O'Farrell (Vice-Chair)
	David Crohn	Kevin Foust
	Gil Oceguela	Jo Russo-Pereyra
	Elizabeth Sanchez-Monville	Andrew Walcker (arrived late)

Absent: None.

4:00 P.M.

CITIZENS PARTICIPATION

1 None.

WORKSHOP

2 STRATEGIC TECHNOLOGY PLAN UPDATE AND WORKSHOP

General Manager Girish Balachandran, Assistant General Manager Mujib Lodhi, and Senior Project Manager Jennifer Tavaglione provided an update presentation on the Strategic Technology Plan including "where we started", "where we are today", "where we are headed" and "what's next".

Following discussion, the Board of Public Utilities received and filed this presentation providing an update on the Strategic Technology Plan.

Ayes: Austin, O'Farrell, Crohn, Foust, Oceguela, Russo-Pereyra, Sanchez-Monville, and Walcker.

RECESS

The Board of Public Utilities recessed at 4:57 p.m. and reconvened at 6:30 p.m. in the Art Pick Council Chamber.

6:30 P.M.

PRESENTATIONS

3 EMPLOYEE RECOGNITION AWARD TO THE PROJECT TEAM FOR THE OPERATIONAL DATA MANAGEMENT SYSTEM

The Board of Public Utilities recognized CJ Smith, Project Manager, Wes Wisniewski, Senior GIS Analyst for their excellent work and Jennifer Tavaglione, Sr. Project Manager for her leadership in planning, designing, developing and implementing one of the key systems identified in our technology strategic plan, Operational Data Management System (ODMS). This system serves as the foundation for our advanced analytics program providing unified operational, management, and performance information dashboard (operational/executive) across RPU business units to make informed day-to-day operational as well as strategic decisions.

CITIZENS PARTICIPATION

4 Ms. Erin Snider (Ward 1) spoke on the Northside Specific Plan

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar, with the exception of Item 9, **DEMOLITION OF THE ABANDONED MARY EVANS BOOSTER STATION – AWARD OF BID NO. RPU 7476 TO BHL INDUSTRIES, INC., OF LYNWOOD, CALIFORNIA, IN THE AMOUNT OF \$63,125 – APPROVE WORK ORDER NO. 1702588 FOR \$112,000**, Item 17, **RIVERSIDE PUBLIC UTILITIES BOARD COMMITTEE AND OUTSIDE ORGANIZATION ASSIGNMENTS**, and, Item 18, **RIVERSIDE PUBLIC UTILITIES WORKFORCE DEVELOPMENT EDUCATION LOAN PROGRAM FOR \$200,000 ANNUALLY**, which were placed on the Discussion Calendar:

Motion – O'Farrell. Second – Ocegüera.

Ayes: Austin, O'Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, Sanchez-Monville, and Walcker.

Absent: None.

Minutes

5 The minutes from the Board of Public Utilities regular meeting held on April 24, 2017 was approved as submitted.

Board Attendance

6 EXCUSE BOARD MEMBER DAVID CROHN'S ABSENCE FROM THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES ON APRIL 10, 2017

The Board of Public Utilities excused Board Member David Crohn's absence from the Board of Public Utilities meeting of April 10, 2017 because of a religious observance.

7 EXCUSE BOARD MEMBER JENNIFER O'FARRELL'S ABSENCE FROM THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES ON APRIL 24, 2017

The Board of Public Utilities excused Board Member Jennifer O'Farrell's absence from the Board of Public Utilities meeting of April 24, 2017 because of business.

Water Items

8 CONSTRUCTION OF THE EMERGENCY PAVEMENT REPAIRS FOR THE 12-INCH WATER PIPELINE BREAK AT THE INTERSECTION OF LYON AVENUE AND VICTORIA AVENUE IN THE UNINCORPORATED AREA OF RIVERSIDE COUNTY – RESOLUTION DECLARING THE REPAIR AN URGENT NECESSITY FOR PRESERVATION OF LIFE, HEALTH, AND PROPERTY - PURCHASE ORDER NO. 173999, IN THE AMOUNT OF \$70,697.50, TO ALL AMERICAN ASPHALT FOR THE CONSTRUCTION REPAIRS - WORK ORDER NO. 1724223 FOR \$116,000

The Board of Public Utilities:

1. Recommended that the City Council:
 - a. Adopt, by at least five affirmative votes, the attached Resolution declaring the Emergency Pavement Repairs for the Water Pipeline Break at the intersection of Lyon Avenue and Victoria Avenue, in the unincorporated area of Riverside County, are of an urgent necessity for the preservation of life, health, and property, and waiving the formal public bidding requirements in accordance with section 1109 of the City Charter;
 - b. Approve Purchase Order 173999, in the amount of \$70,697.50, to All American Asphalt for the construction repairs; and
2. Approved the expenditure of \$116,000, which includes all design, construction (All American Asphalt for \$70,697.50), construction management and inspection costs for the Emergency Pavement Repairs for the Water Pipeline Break at the intersection of Lyon Avenue and Victoria Avenue, in the unincorporated area of Riverside County.

9 **MOVED TO DISCUSSION CALENDAR**

10 CONSTRUCTION OF THE GLENWOOD DRIVE WATER MAIN RELOCATION PROJECT -- WORK ORDER NO. 1718758 FOR \$117,000 – 300 FEET OF PIPELINE BY CITY FORCES

The Board of Public Utilities approved the expenditure of \$117,000 for Work Order No. 1718758, which includes all design, construction, paving and construction contingency costs for the Glenwood Drive Water Main Relocation Project.

- 11 WaterSMART GRANT FROM THE BUREAU OF RECLAMATION APPLICATION - IN THE AMOUNT OF \$74,332 FOR A WATER METER EFFICIENCY PROJECT, AND AUTHORIZE \$74,333 IN FUNDING TO MATCH THE GRANT

The Board of Public Utilities:

1. Approved the WaterSMART Grant Application; and
2. Recommended that the City Council adopt the attached resolution authorizing funding of \$74,333 to match a grant opportunity from the Bureau of Reclamation.

Other Items

- 12 SAS MASTER LICENSE AGREEMENT TO LICENSE THE SAS OFFICE ANALYTICS SOFTWARE PACKAGE IN THE AMOUNT OF \$98,320 FOR ONE YEAR

The Board of Public Utilities:

1. Approved the Master Software License Agreement and Supplement Agreement with SAS Institute Inc. to license an Enterprise server version of a bundled SAS Office Analytics software platform on behalf of Riverside Public Utilities for an initial amount of \$98,320 which includes the primary software licensing costs (\$65,870), supplemental software installation and training support (\$11,950), and anticipated Innovation and Technology Department hardware costs (\$20,500); and
2. Authorized the City Manager, or his designee, to execute the Master Software License Agreement and Supplement Agreement with SAS Institute Inc.

- 13 CUSTOMER ENGAGEMENT PROGRAM TASK ORDER WITH SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY FOR SERVICES PROVIDED BY ORACLE, INC. IN THE AMOUNT OF \$250,000 THROUGH JUNE 30, 2018

The Board of Public Utilities recommended that the City Council:

1. Approve the Task Order for the Customer Engagement Program through June 30, 2018, between Riverside Public Utilities and Southern California Public Power Authority in the amount of \$250,000 for services offered by Oracle Inc. through a Master Professional Services Agreement with Southern California Public Power Authority; and
2. Authorize the City Manager, or his designee, to sign the Task Order for the Customer Engagement Program through June 30, 2018, between Riverside Public Utilities and Southern California Public Power Authority in the amount of \$250,000 for services offered by Oracle Inc. through a Master Professional Services Agreement with Southern California Public Power Authority; and
3. Authorize City Manager, or his designee, to make any minor non-substantive changes to the Customer Engagement Program Task Order without exceeding the previously approved program budget.

14 ANNUAL CALIFORNIA ENERGY COMMISSION POWER SOURCE DISCLOSURE REPORT, ANNUAL POWER CONTENT LABEL, AND ATTESTATION TO THE CALIFORNIA ENERGY COMMISSION

The Board of Public Utilities:

1. Approved the Annual Power Source Disclosure Report for calendar year 2016;
2. Attested as to the accuracy of the Annual Power Source Disclosure Report;
3. Approved the Annual Power Content Label for calendar year 2016; and
4. Authorized the City Manager, or his designee, to execute and submit the attestation.

15 APPROVE EXPENDITURES FOR THE SUPERION, LLC. FINANCIAL AND HUMAN RESOURCES SOFTWARE UPGRADE PROJECT FOR ELECTRIC'S AND WATER'S SHARE ALLOCATION IN THE AMOUNT OF \$103,017.08 AND \$34,339.02, RESPECTIVELY, FOR A TOTAL COST OF \$137,356.10

The Board of Public Utilities approved expenditures for the financial and human resources software upgrade and consulting services for an enterprise resource planning project, of which Electric's and Water's share allocation is \$103,017.08 and \$34,339.02, respectively, for a total of \$137,356.10.

16 RIVERSIDE PUBLIC UTILITIES BOARD POLICY GUIDE – CONTINUED FROM FEBRUARY 27, 2017

The Board of Public Utilities adopted revisions to the Board Policy Guide to incorporate previously approved and adopted policies.

17 **MOVED TO DISCUSSION CALENDAR**

18 **MOVED TO DISCUSSION CALENDAR**

DISCUSSION CALENDAR

9 DEMOLITION OF THE ABANDONED MARY EVANS BOOSTER STATION – AWARD OF BID NO. RPU 7476 TO BHL INDUSTRIES, INC., OF LYNWOOD, CALIFORNIA, IN THE AMOUNT OF \$63,125 – APPROVE WORK ORDER NO. 1702588 FOR \$112,000

Board Member David Crohn requested this item be placed on the Discussion Calendar for more information regarding the hazards of the abandoned booster station. Assistant General Manager Todd Jorgenson reported that the sides of the original booster station have tall walls which could create a potential fall hazard for those who have illegally placed graffiti on them and since a new booster station was constructed in 2004, it is best to demolish the abandoned Mary Evans Booster Station.

Following discussion, the Board of Public Utilities:

1. Awarded a contract for the Demolition of the Abandoned Mary Evans Booster Station – Bid No. RPU-7476 to the lowest responsive and responsible bidder, BHL Industries, Inc. of Lynwood, California, in the amount of \$63,125; and
2. Approved the capital expenditure of \$112,000 for Work Order No. 1702588, which includes all design, construction, contract administration, inspection, and construction contingency costs for the Demolition of the Abandoned Mary Evans Booster Station.

Motion – Crohn. Second – O'Farrell.

Ayes: Austin, O'Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, Sanchez-Monville, and Walcker.

Absent: None.

17 RIVERSIDE PUBLIC UTILITIES BOARD COMMITTEE AND OUTSIDE ORGANIZATION ASSIGNMENTS

Board Chair Dave Austin requested this item be placed on the Discussion Calendar to make the following revision to the committee assignments:

Gage Canal Company Board of Directors

Appoint Elizabeth Sanchez-Monville instead of David Crohn to the committee

Following discussion and the assignment revision to the Gage Canal Company Board of Directors, the Board of Public Utilities:

1. Received assignments for 2017/18 standing committees of the Board of Public Utilities; and
2. Recommended that the City Council appoint representatives to outside organizations as outlined in the report.

Motion – Walcker. Second – Ocegüera.

Ayes: Austin, O'Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, Sanchez-Monville, and Walcker.

Absent: None.

18 RIVERSIDE PUBLIC UTILITIES WORKFORCE DEVELOPMENT EDUCATION LOAN PROGRAM FOR \$200,000 ANNUALLY

Board Chair Dave Austin requested this item be placed on the Discussion Calendar because it is an interesting subject and the Board could discuss more in detail the education loan program.

Deputy General Manager Kevin Milligan gave an overview of the importance of a workforce development education loan program to encourage higher learning to help meet our organization's growing talent needs and partner in the professional growth of staff to help prepare for the Utility workforce of the future.

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

1. Approve the Riverside Public Utilities Education Loan Program;
2. Approve the Educational Loan Agreement;
3. Authorize the City Manager, or his designee, to execute an Educational Loan Agreement with employee participants of the Riverside Public Utilities Workforce Development Education Loan Program, in a cumulative amount not to exceed \$200,000 annually; and
4. Approve the expenditure, not to exceed \$200,000 annually in tuition payments.

Motion – Ocegüera. Second – O'Farrell.

Ayes: Austin, O'Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, Sanchez-Monville, and Walcker.

Absent: None.

Board Member Walcker recused himself from the dais for Item 19.

- 19 DARK FIBER LEASING PROGRAM INCLUDING ESTABLISHING UNIFORM LEASE RATES FOR THE USE OF THE DARK FIBER INFRASTRUCTURE, PHYSICAL AND CYBER SECURITY POLICIES, A MASTER FIBER LEASE LICENSE AGREEMENT, A NEW COST CENTER WITHIN THE ELECTRIC FUND FOR RELATED EXPENSES AND REVENUE - SUPPLEMENTAL APPROPRIATION OF \$1,800,000 FOR THE DARK FIBER PROGRAM CONSTRUCTION AND MANAGEMENT ACTIVITIES AND TRANSFER OF \$1,800,000 FROM UNDESIGNATED RESERVES TO A FIBER DESIGNATED RESERVE TO FUND LEASED FIBER ACTIVITIES

Deputy General Manager Kevin Milligan gave an overview of the proposed fiber leasing program as RPU operates an advanced broadband fiber-optic cable based network to communicate between its substations and control centers for the operation of our electric grid but RPU has many locations and paths throughout the City where it owns excess fiber that could be leased to third parties.

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

1. Approve the Dark Fiber Leasing Program;
2. Establish uniform lease pricing for the Dark Fiber Leasing Program;
3. Approve the Technology Physical Security Policy;
4. Approve the Master Fiber Lease License Agreement;
5. Establish a new Dark Fiber Cost Center expense and revenue accounts within the Electric Fund, as determined by the Finance Department, to segregate fiber leasing costs and revenue from other electric fund operating expenses and revenues;
6. Establish a Dark Fiber designated reserve account within the Electric Fund, as determined by the Finance Department, and authorize the transfer of \$1,800,000 for prior years' revenue from dark fiber leasing activities to the designated reserve;
7. Authorize a supplemental appropriation for fiscal year 2017/18 budget in the amount of

\$1,800,000 with \$1,200,000 for capital expenditures and \$600,000 for operating costs, to account numbers as determined by the Finance Department for future fiber expansion projects;

8. Authorize the City Manager, or his designee, to execute Fiber Use License Agreements under the terms set forth in this staff report;
9. Direct staff to return every 3 years to update the fiber planned routes, and lease pricing; and
10. Direct staff to return every 12 months with a status update on implementation progress of the Dark Fiber Leasing Program.

Motion – Foust. Second – Russo-Pereyra.

Ayes: Austin, O'Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, and Sanchez-Monville

Abstained: Walcker (recused himself)

Absent: None.

Board Member Walcker returned to the dais at this time.

20 CONSTRUCTION OF THE COLORADO AVENUE AND TOYON ROAD WATER DISTRIBUTION MAIN REPLACEMENT PROJECT - 9,160 FEET OF WATER DISTRIBUTION PIPELINE – AWARD OF BID NO. RPU-7475 TO MAMCO, INC. DBA ALABBASI OF PERRIS, CALIFORNIA, IN THE AMOUNT OF \$2,077,777 – APPROVE WORK ORDER NO. 1513392 FOR \$2,978,000

Assistant General Manager Todd Jorgenson gave an overview of the water distribution main replacement project of the Colorado Avenue and Toyon Road project and answered questions.

Following discussion, the Board of Public Utilities:

1. Awarded a contract for the construction of the Colorado Avenue and Toyon Road Water Distribution Main Replacement Project – Bid No. RPU-7475 to the lowest responsive and responsible bidder, Mamco, Inc. dba Alabbasi of Perris, California, in the amount of \$2,077,777; and
2. Approved the capital expenditure of \$2,978,000 for Work Order No. 1513392, which includes all design, construction, paving, contract administration, inspection and construction contingency costs for the Colorado Avenue and Toyon Road Water Distribution Main Replacement Project.

Motion – Ocegüera. Second – Sanchez-Monville.

Ayes: Austin, O'Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, Sanchez-Monville, and Walcker.

Absent: None.

21 RECYCLED WATER PROGRAM UPDATE

Assistant General Manager Todd Jorgenson gave a status update of the various components of the recycled water project and a review of a potential opportunity for a regional recycled water project.

Following discussion, the Board of Public Utilities received and filed an update on the City of Riverside Public Utilities Recycled Water Program.

Motion – Crohn. Second – Russo-Pereyra.

Ayes: Austin, O'Farrell, Crohn, Foust, Ocegüera, Russo-Pereyra, Sanchez-Monville, and Walcker.

Absent: None.

BOARD MEMBER/STAFF COMMUNICATIONS

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

Board Members Elizabeth Sanchez-Monville and Gil Ocegüera reported that they attended the 2017 ACWA Spring Conference in Monterey, California, with Board Chair Dave Austin and staff from May 9-12, 2017.

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

- RTRP Update

GENERAL MANAGER'S REPORT

24 Water Highlights – March 2017

25 Monthly Power Supply Report – March 2017

26 Open Work Orders over \$200,000 and Closed Work Orders - Summary Report for April 2017

27 RPU Drought and Conservation Efforts / Groundwater Level Update as of March 2017

28 Electric / Water / Consultant Contract Panel Update as of May 1, 2017

29 SCPPA Monthly Agenda I Minutes – March 16, 2017

30 SCPPA Resolution Tracking - March 2017

31 Financial Statements - March 2017

32 City Council / Committee Agendas – April 25, 2017, May 2, 2017, May 9, 2017, and May 16, 2017

33 Upcoming Meetings

34 Electric / Water Utility Acronyms

35 One Stop Shop Opening Update

General Manager Balachandran invited the Board to attend the opening of the One Stop Shop on May 30, 2017 @ 3:00 pm

36 Northside Visioning and Specific Plan Update

Community & Economic Development Sr. Planner David Murray reported on the Northside Visioning and Specific Plan update and invited the Board and public to attend the Community Workshops on the following dates:

- June 7 @ 6:00-9:00 pm at the Springbrook Clubhouse
- June 10 @ 9:00-12:00 at the Fremont Elementary School Multi-Purpose Room
- June 12 @ 2:00-6:30 pm at the Ruth Lewis Community Center Reid Park

UPCOMING MEETING

Chair Dave Austin adjourned the meeting at approximately 8:16 p.m. The next scheduled meeting of the Board of Public Utilities is to be held on Monday, June 12, 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: _____