

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: August 28, 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) Jennifer O'Farrell (Vice Chair)
David Crohn Kevin Foust
Gil Ocegüera Jo Lynne Russo-Pereyra
Elizabeth Sanchez-Monville Andrew Walcker

Absent: None.

PRESENTATIONS

1 EMPLOYEE RECOGNITION AWARD TO THE PROJECT TEAM FOR AUTOMATING THE HYDRANT METER PROCESS

The Board of Public Utilities recognized the following employees for their excellent work in automating the hydrant meter process:

- Matthew Bates - Sr. Water Engineer
- Jared Calsing - Backflow Specialist
- Casey Cates - Water Meter Shop Supervisor
- Chris Gross - Associate Water Engineer
- Sara Jackson - Principal Business Analyst
- Kaylee LaFace – Sr. Engineering Aide
- Kathlyn Meadors - Business System Support Technician
- Rita Nicks - Billing Supervisor

The reconfiguration of this process has significantly improved customer service and operational efficiency. Customers can now request the rental of meters via contact to Riverside Public Utilities Call Center and the processing time for this transaction has greatly reduced.

CITIZENS PARTICIPATION

2 Jason Hunter spoke on the process of hiring of Board members as permanent employees after their term of office is complete.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar, with the exception of Item 6. **SCHEDULING COORDINATOR SERVICE AGREEMENT WITH WINTEC ENERGY, LTD. FOR AN INITIAL TERM OF TWO YEARS WITH THE OPTION FOR FUTURE EXTENSIONS, TO DESIGNATE RIVERSIDE PUBLIC UTILITIES AS THE SCHEDULING COORDINATOR/AGENT TO PERFORM SCHEDULING SERVICES WITH THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR FOR UP TO 5.93 MW OF THE WINTEC PALM WIND, INITIAL TWO YEAR AGREEMENT REVENUE IN THE AMOUNT OF \$67,000 – SUPPLEMENTAL APPROPRIATION**, which was placed on the Discussion Calendar:

Motion – Crohn. Second – O'Farrell.

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

Absent: None.

Minutes

- 3 The minutes from the Board of Public Utilities regular meeting held on August 14, 2017 were approved as submitted.

Electric Items

- 4 AWARD BID NO. 1724031 TO SET A NEW POWER POLE NEAR TOP OF MT. RUBIDOUX AND TO REMOVE AND DISPOSE OF A BOULDER BLOCKING THE SERVICE ROAD TO ASPLUNDH CONSTRUCTION CORPORATION OF ANAHEIM, CALIFORNIA, IN THE AMOUNT OF \$33,770 – APPROVE WORK ORDER NO. 1724031 FOR \$59,000

The Board of Public Utilities:

1. Awarded Bid No. 1724031 to set a new power pole near top of Mt. Rubidoux and to remove and dispose of a boulder blocking the service road, to the lowest responsive bidder Asplundh Construction Corp., Anaheim, California, in the amount of \$33,770; and
2. Approved Work Order No. 1724031 in the amount of \$59,000.

Water Items

- 5 RELEASE AND TERMINATE A COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS RECORDED AGAINST TITLE AT 5021 MYRTLE AVENUE, RIVERSIDE, CALIFORNIA DATED JULY 22, 1991 FILED ON AUGUST 5, 1991 WITH THE COUNTY OF RIVERSIDE RECORDER'S OFFICE AS DOCUMENT NUMBER 267762

The Board of Public Utilities recommended that the City Council authorize the City Manager or his designee to execute and file any and all documents necessary to release and terminate the Covenant and Agreement and Declaration of Restrictions recorded against title at 5021 Myrtle Avenue, Riverside, California dated July 22, 1991 filed on August 5, 1991 with the County of Riverside Record's Office as Document Number 267762.

Other Items

6 MOVED TO DISCUSSION CALENDAR

DISCUSSION CALENDAR

- 6 SCHEDULING COORDINATOR SERVICE AGREEMENT WITH WINTEC ENERGY, LTD. FOR AN INITIAL TERM OF TWO YEARS WITH THE OPTION FOR FUTURE EXTENSIONS, TO DESIGNATE RIVERSIDE PUBLIC UTILITIES AS THE SCHEDULING COORDINATOR/AGENT TO PERFORM SCHEDULING SERVICES WITH THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR FOR UP TO 5.93 MW OF THE WINTEC PALM WIND, INITIAL TWO YEAR AGREEMENT REVENUE IN THE AMOUNT OF \$67,000 – SUPPLEMENTAL APPROPRIATION

Board Member Sanchez-Monville requested this item be placed on the Discussion Calendar. Utility Power Resource Manager Martin Ochotorena addressed questions from the Board on the other RPU scheduling coordinator agreements.

The Board of Public Utilities recommended that the City Council:

1. Approve the Scheduling Coordinator Service Agreement with Wintec Energy, Ltd. to designate Riverside Public Utilities as the Scheduling Coordinator/Agent to perform scheduling services with the California Independent System Operator for up to 5.93 MW of the Wintec Palm Wind Project for an initial term of two years with the option for future extensions, for an initial two year agreement revenue in the amount of \$67,000;
2. Authorize the City Manager, or his designee, to execute the Scheduling Coordinator Service Agreement with Wintec Energy, Ltd , including any documents necessary to enter into the Agreement; any documents necessary to administer the Agreement, including termination, as applicable; and execute any future extensions and amendments to the Agreement under terms and conditions substantially similar or superior to the existing contract provisions; and
3. Authorize an increase in estimated revenues in the amount of \$67,000.

Motion – Sanchez-Monville. Second – Ocegüera.

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

Absent: None.

- 7 FIVE-YEAR SUPERCHARGER AGREEMENT WITH TESLA, INC., WHICH WILL DO BUSINESS IN CALIFORNIA AS TESLA MOTORS, INC., FOR THE INSTALLATION OF TWELVE TESLA SUPERCHARGERS IN THE MISSION SQUARE PARKING GARAGE LOCATED AT 3750 UNIVERSITY AVENUE

Deputy General Manager Kevin Milligan explained the background and the benefits of the TESLA Supercharger Stations Project to be installed in the Mission Square parking garage located at 3750 University Avenue and reviewed the agreement terms of the Project.

The Board requested that staff update the Board in the future of the Project usage.

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

1. Approve the Supercharger Agreement with Tesla Motors, Inc., for a five-year term with an option for two (2) five-year extensions, located in the Mission Square parking garage, 3750 University Avenue; and
2. Authorize the City manager, or his designee, to execute the Supercharger Agreement with Tesla Motors, Inc., including the optional two five-year extensions, making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

Motion – Russo-Pereyra. Second – Ocegüera.

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

Absent: None.

8 ELECTRIC AND WATER UTILITY 5-YEAR RATE PROPOSAL FY 2018-2022 AND PROPOSAL FOR ANNUAL CONSUMER PRICE INDEX ESCALATORS FOR FY 2023-2027

General Manager Balachandran gave a presentation of the Electric and Water Utility 5-Year Rate Proposal and he, Deputy General Manager Milligan, and Assistant General Managers Chavez-Nomura, Jorgenson, and Hanson answered questions from the Board members.

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

1. Review the Electric and Water Utility 5-year Rate Proposal (Utility Rate Proposal) for FY 2018-2022 developed to repair and replace aging and critical utility infrastructure, maintain public health and safety, maintain utility financial health, and improve customer service as per the City Council's direction on October 6, 2015 to develop a financial plan for the 10-year Utility 2.0 Strategic Plan Option 3;
2. Review proposal for annual consumer price index escalators for FY 2023-2027;
3. Direct staff to conduct a citywide community outreach initiative of the Utility Rate Proposal in October and November 2017; and
4. Direct staff to return with a public hearing to the Board and final rate recommendation to the City Council, in January and February 2018, respectively, with new rates effective April 2018.

Motion – Russo-Pereyra. Second – Ocegüera.

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

Absent: None.

BOARD MEMBER/STAFF COMMUNICATIONS

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

None.

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

None.

GENERAL MANAGER'S REPORT

- 11 Upcoming Meetings
- 12 Electric / Water / Consultant Contract Panel Update as of August 1 2017
- 13 SCPA Resolution Billings – June 2017
- 14 Open Work Orders over \$200,000 and Closed Work Orders – Summary Report for July 2017
- 15 City Council / Committee Agendas – August 8, 2017
- 16 Electric / Water Utility Acronyms

UPCOMING MEETING

Chair Dave Austin adjourned the meeting at approximately 9:04 p.m. The next regular meeting of the Board of Public Utilities will be on Monday, September 11, 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: _____