

LAND ACQUISITION FOR HUNTER SUBSTATION REBUILD PROJECT

Public Utilities

BOARD OF PUBLIC UTILITIES
FEBRUARY 12, 2018

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BACKGROUND

Hunter Substation

1. Serves approximately 4,700 customers
2. Near its maximum capacity (Forecast 20-25MW load increase)
3. Seismic concerns. Identified as high priority in Local Hazard Mitigation Plan for City and County of Riverside.
4. Commissioned in 1960
5. Equipment has exceeded its useful design life



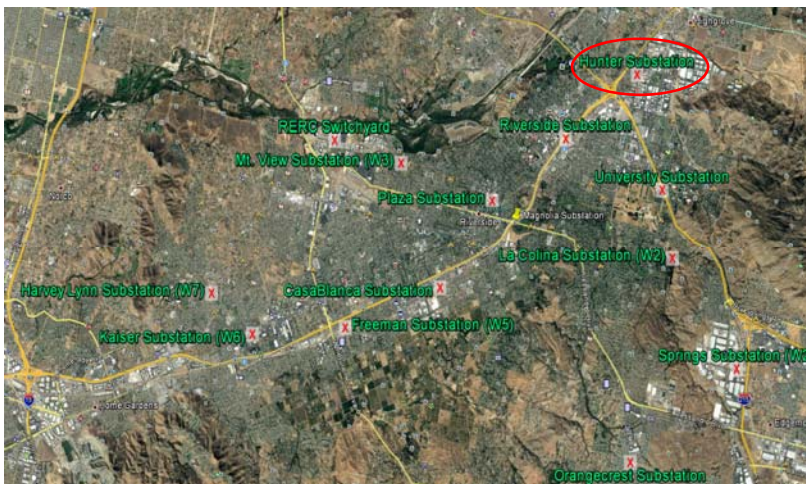
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HUNTER SUBSTATION REPLACEMENT

1. Limited land to rebuild on the existing site
2. Located on the northeast side of the City with limited circuit ties and limited capacity



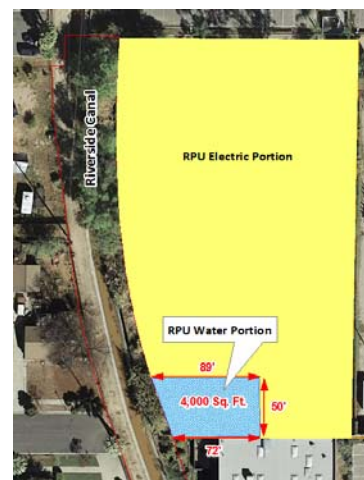
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LAND ACQUISITION

1. Acquire a 1.38 Acre property east of the Substation and west of the Riverside Water Company Canal
2. Ideal site to rebuild Hunter Substation while maintaining reliable service to the customers during construction
3. Ideal site for Water Utility to build a well site by the canal



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COST

1. Property cost is \$615,000 and ancillary cost is \$15,000
2. RPU Electric will pay its prorated share of the sale price in the amount of \$587,000
3. RPU Water will pay its prorated share of the sale price in the amount of \$43,000

LONG TERM PLAN

1. Prepare bid document for design build by 2019
2. Award bid by end of 2019
3. Complete construction by 2023

RECOMMENDATIONS

That the Board of Public Utilities:

1. Recommend that the City Council approve a Purchase and Sale Agreement with Riyoko Wylie, Trustee of the Rika-Riyoko Trust, for the acquisition of 1.38 acres of land located at 1395 Chicago Avenue, Assessor Parcel Number 210-060-033, for the Hunter Substation Rebuild Project for the sale price of \$615,000 plus estimated costs for a Phase I Environmental Site Assessment Report and title, escrow and miscellaneous closing costs not to exceed \$15,000 for a total of \$630,000;

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RECOMMENDATIONS (CONT.)

2. Recommend that the City Council authorize the City Manager, or his designee, to execute the Purchase and Sale Agreement with Riyoko Wylie, Trustee of the Rika-Riyoko Trust, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction; and
3. Approve Work Order No. 1816795 in the amount of \$587,000 for the Electric Division share of the land. The Water Division will reserve a portion of the Property for a well site consisting of 4,000 square feet and as such will be paying its prorated share of the sales price in the amount of \$43,000.

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