

CITY OF RIVERSIDE
BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities
Date of Meeting: January 14, 2019
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:	Jo Lynne Russo-Pereyra (Chair) David Crohn Jeanette Hernandez Jennifer O'Farrell (arrived late) Andrew Walcker	Dave Austin (Vice Chair) Kevin Foust Gil Oceguela Elizabeth Sanchez-Monville
Absent:	None	

COMMUNICATIONS

- 1 Legislative and Regulatory Updates

Legislative Affairs Manager Robert Ennis gave a legislative update

CITIZENS PARTICIPATION

- 2 Ms. Mary Humboldt, Ward 4, reported on the RTRP giant towers along the Santa Ana Riverbed

Mr. Jason Hunter, Ward 1, reported on the Corona Clearwater facility

Board Member Jennifer O'Farrell arrived to the meeting at this time.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar, with the exception of **Item 6**, 12kV electrical feeders for the California Air Resources Board (CARB) project – Work Order No. 1709454 for \$757,000; **Item 7**, Emergency work completed due to cable failure near 9080 Altadena Drive – Work Order No. 1904482 in the amount of \$123,007 and Work Order No. 1904430 in the amount of \$42,916 for a total amount of \$165,923; **Item 8**, Recommend that the City Council approve the Master License Agreement (MLA) for the installation of small cell wireless antennas and equipment onto City streetlights and wood utility poles at multiple locations throughout the City; **Item 9**, Recommend that the City Council approve the Request for Proposal No. 1817 for Managed Print Services – Professional Consultant Services Agreement with Sharp Electronics Corporation as the City's primary copier printer and managed print services provider with a five-year term in an amount not to exceed \$2,167,172; and, **Item 10**, Agreement with Schindler Elevator Corporation of San Diego, California, in the amount of \$1,151,578 and contingency of 15% for a total amount not to exceed \$1,324,315 in response to Bid No. 7607 for elevator modernization of Mission Square Project – Work Order No. 1719865 in the amount of \$1,500,000, which were placed on the Discussion Calendar.

Motion – Austin. Second – Walcker.

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

Absent: None.

Minutes

- 3 The minutes from the Board of Public Utilities regular meeting held on December 10, 2018 was approved as submitted.

Board Attendance

- 4 Excused Board Member Jeanette Hernandez absence from the Board of Public Utilities regular meeting on November 26, 2018, due to illness.
- 5 Excused Board Member Elizabeth Sanchez-Monville absence from the Board of Public Utilities regular meeting on December 10, 2018, due to family illness.

Electric Items

- 6 MOVED TO DISCUSSION CALENDAR
- 7 MOVED TO DISCUSSION CALENDAR
- 8 MOVED TO DISCUSSION CALENDAR

Other Items

- 9 MOVED TO DISCUSSION CALENDAR
- 10 MOVED TO DISCUSSION CALENDAR

DISCUSSION CALENDAR

- 6 12kV electrical feeders for the California Air Resources Board (CARB) project – Work Order No. 1709454 for \$757,000

Board Chair Russo-Pereyra requested this item be placed on the Discussion Calendar to express appreciation to staff for referencing Utility 2.0 in the report.

Following discussion, the Board of Public Utilities approved Work Order No. 1709454 in the amount of \$757,000 for the 12kV Electrical Feeders for the California Air Resources Board Project.

Motion – Austin. Second – O'Farrell.

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

Absent: None.

- 7 Emergency work completed due to cable failure near 9080 Altadena Drive – Work Order No. 1904482 in the amount of \$123,007 and Work Order No. 1904430 in the amount of \$42,916 for a total amount of \$165,923

Board Chair Russo-Pereyra requested this item be placed on the Discussion Calendar to express appreciation to staff for referencing Utility 2.0 in the report.

Following discussion, the Board of Public Utilities approved Work Order No. 1904482 in the amount of \$123,007 and Work Order No. 1904430 in the amount of \$42,916 for a total amount of \$165,923, in accordance with the City of Riverside Charter Article XII, section 1202(b)(2), for emergency work completed due to cable failure on 9080 Altadena Drive.

Motion – Austin. Second – O'Farrell.

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

Absent: None.

- 8 Recommend that the City Council approve the Master License Agreement (MLA) for the installation of small cell wireless antennas and equipment onto City streetlights and wood utility poles at multiple locations throughout the City.

Board Member Sanchez-Monville requested this item be placed on the Discussion Calendar for detail discussion that these installations are subsidized because of the need to comply to Federal regulations.

Electric Engineering Manager Sean Wilder gave a presentation and answered questions. Staff noted for the minutes that certain changes to Sections 3.3 and 13.1, will occur as noted during the meeting;

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

1. Approve the Master License Agreement for attaching small cell wireless antennas and equipment to City owned street lights and wood utility poles, at the rates set forth including certain changes to Sections 3.3 and 13.1, as noted during the meeting;

2. Authorize the City Manager, or his designee, to execute individual Master License Agreement for attachments of small cell wireless antennas and equipment to City owned streetlights and Riverside Public Utilities owned wood utility poles attachments to City facilities under the terms set forth in the Master License Agreement; and
3. Approve the additional requirements outlined in this report for street opening permits to ensure compliance with Title 20 of the Riverside Municipal Code.

Motion – Walcker. Second – Austin.

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

Absent: None.

- 9 Recommend that the City Council approve the Request for Proposal No. 1817 for Managed Print Services – Professional Consultant Services Agreement with Sharp Electronics Corporation as the City's primary copier printer and managed print services provider with a five-year term in an amount not to exceed \$2,167,172

Board Member Ocegüera requested this item be placed on the Discussion Calendar for clarification that the cost is for RPU only or citywide. Interim Assistant General Manager/Finance Aileen Ma answered that the cost is for citywide.

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

1. Approve the Professional Consultant Services Agreement with Sharp Electronics Corporation, of Montvale, New Jersey in response to Request for Proposal No. 1817 for Managed Print Services with a five-year term in an amount not to exceed \$2,167,172; and
2. Authorize the City Manager, or his designee, to execute all documents pursuant to the Managed Print Services Agreement, including but not limited to the Agreement, Master Lease Agreement, Customer Care Maintenance Agreements (orders), Master Lease Agreement Schedule, and related financing documents, Equipment Delivery Acceptance forms, and making minor non-substantive changes and authorizing annual renewals.

Motion – Austin. Second – Ocegüera.

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

Absent: None.

- 10 Agreement with Schindler Elevator Corporation of San Diego, California, in the amount of \$1,151,578 and contingency of 15% for a total amount not to exceed \$1,324,315 in response to Bid No. 7607 for elevator modernization of Mission Square Project – Work Order No. 1719865 in the amount of \$1,500,000

Board Member Foust requested this item be placed on the Discussion Calendar for more discussion because he felt the cost was too high for cab upgrade portion of elevator modernization.

Utility Fiscal Manager Staci Sullivan gave a presentation and answered questions from the Board.

Following discussion, the Board of Public Utilities:

1. Awarded Bid No. 7607 to Schindler Elevator Corporation, of San Diego, California, in the amount of \$1,151,578 for the elevator modernization of Mission Square project;
2. Authorized a 15%, or \$172,737, contingency for unforeseen conditions or required modifications, including but not limited to owner requested changes and improvements, and authorize staff to issue appropriate change orders not to exceed that amount;
3. Approved Work Order No. 1719865 in the amount of \$1,500,000; and
4. Authorized the City Manager or his designee, to execute the agreement with Schindler Elevator Corporation and make any minor or non-substantive changes.

Motion – Walcker. Second – Austin.

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

Noes: Foust

Absent: None.

- 11 Master Service Agreement and Work Order No. 0001 for the ARCOS Resource Management Solution software with ARCOS LLC and the City of Riverside for a three-year term for a total of \$350,346

Utilities Electric Operations Manager Ricky De Aragon gave a presentation and answered questions from the Board

Following discussion, the Board of Public Utilities approved the Master Service Agreement and Work Order No. 0001 for the ARCOS Resource Management Solution Software with ARCOS LLC of Columbus, Ohio for a three-year term in the total amount of \$350,346, with optional renewal upon mutual agreement, pursuant to Purchasing Resolution No. 23256, Section 702 (c).

Motion – Sanchez-Monville. Second – O'Farrell.

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

Absent: None.

- 12 Three-year Service Agreement with Owner Developer Motorola Solutions, Inc., of Schaumburg, Illinois, for maintenance of land mobile radio systems in the total amount of \$537,632.06, pursuant to Section 702(Q) of Purchasing Resolution 23256

Utilities Substation Test Supervisor Trace Spacone gave a presentation and answered questions from the Board.

Following discussion, the Board of Public Utilities approved a three-year Service Agreement with Motorola Solutions, Inc., of Schaumburg, Illinois for maintenance of the Land Mobile Radio System in the total amount of \$537,632.06 pursuant to Section 702(q) of Purchasing Resolution 23256.

Motion – Sanchez-Monville. Second – Walcker.

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

Absent: None.

- 13 Hunter Substation Replacement Project – Work Order No. 1826767 in the amount of \$2,000,000

Assistant General Manager George Hanson gave a presentation of the Hunter Substation replacement project and answered questions.

The Board requested that staff have a ribbon cutting celebration once the project is finished and keep the public aware of the project.

Following discussion, the Board of Public Utilities approved Work Order No. 1826767 in the total amount of \$2,000,000 for work associated with the Hunter Substation Replacement Project.

Motion – Walcker. Second – Ocegüera.

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

Absent: None.

- 14 Recommend that the City Council approve the increase incentive for Fiscal Year 2018-19 Tree Power Program and issue purchase orders to Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; and Louie's Nursery, 18550 Van Buren Boulevard in a collective amount for \$485,000

Customer Engagement Manager Justin Scott-Coe explained the increase incentive for the Tree Power Program and answered questions. Ms. Mary Kannor, representative from Louie's Nursery and Mr. Van Brandon, representative from Parkview Nurseries were in attendance. Also staff noted the calculations on Slide 8 of the presentation were wrong but the staff report was correct.

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

1. Approve an increase in the incentive for the Tree Power Program from \$25 to \$35 per tree for both the Tree Power Rebate Program and the Tree Power Program's Free Shade Tree Coupon Campaign; and
2. Approve the issuance of purchase orders to Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; and Louie's Nursery, 18550 Van Buren Boulevard and make changes to the purchase order amounts based on the variable product demand of each nursery for the Tree Power Program's Free Shade Tree Coupon Campaign in a collective amount of \$485,000.

Motion – Austin. Second – Walcker.

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

Absent: None.

Interim Assistant General Manager/Finance Aileen Ma gave one presentation that included Items 15, 16, and 17 and answered questions from the Board.

The Board requested from staff a schedule of fees.

Items 15 and 16 were approved as one approval and Item 17 was approved on its own.

15 Recommend to the City Council the issuance of 2019 Refunding Electric Revenue Bonds

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

1. Approve the City's Financing Team as described herein;
2. Conduct a public hearing to consider the issuance of Refunding Electric Revenue Bonds in an amount not-to-exceed \$400 million;
3. Adopt a resolution for the issuance of Refunding Electric Revenue Bonds;
4. Delegate to the City's Financing Team, at the time of Bond issuance, the determination of specific maturities to be refunded, the amount of interest rate swaps to be terminated and the form of new bonds as outlined in Recommendation No. 3 above;
5. Authorize the City Manager, or his designee, to execute all documents related to this transaction; and
6. Upon closing of the 2019 Refunding Electric Revenue Bonds, authorize the Chief Financial Officer to make the necessary budget adjustments and/or appropriations to properly record the refunding and financing expenses in accordance with governmental accounting requirements.

AND,

16 Recommend to the City Council the issuance of 2019 Refunding Water Revenue Bonds

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

1. Approve the City's Financing Team, as described herein;
2. Conduct a public hearing to consider the issuance of Refunding Water Revenue Bonds in an amount not-to-exceed \$160 million;
3. Adopt a resolution for the issuance of Refunding Water Revenue Bonds;
4. Delegate to the City's Financing Team, at the time of issuance, the determination of specific maturities to be refunded, the amount of interest rate swaps to be terminated and the form of new bonds as outlined in Recommendation No. 3 above;
5. Authorize the City Manager, or his designee, to execute all documents related to this transaction; and
6. Upon closing of the 2019 Refunding Water Revenue Bonds, authorize the Chief Financial Officer to make the necessary budget adjustments and/or appropriations to properly record the refunding and financing expenses in accordance with governmental accounting requirements.

Approval for Items 15 and 16:

Motion – Austin. Second – O'Farrell.

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

Absent: None.

- 17 Recommend to the City Council the Subordinate line of credit agreement to support the Electric and Water Utilities

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

1. Conduct a public hearing to consider the issuance of one or more promissory notes on the subordinate line of credit in an aggregate principal amount not-to-exceed \$60 million;
2. Adopt a resolution to enter into a Subordinate Line of Credit with U.S. Bank National Association for the Electric Utility;
3. Adopt a resolution to enter into a Subordinate Line of Credit with U.S. Bank National Association for the Water Utility;
4. Approve the City's Financing Team, as described herein; and
5. Authorize the City Manager, or his designee, to execute all documents related to this transaction.

Motion – Austin. Second – O'Farrell.

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

Absent: None.

BOARD MEMBER COMMUNICATIONS

- 18 Systematic reporting on meetings/conference/seminars by Board Members and/or staff

Vice Chair Dave Austin reported that he attended the San Bernardino Valley Municipal Water District Advisory Commission on Water Policy on January 10, 2019 as the representative of RPU Board.

- 19 Items for future Board of Public Utilities consideration as requested by a member of the Board of Public Utilities

- "Deep Dive" Overview of Bonds
- Workshop or "special" meeting on Utility 2.0 Review – invite HR & Communications to attend
- Establish an Ad Hoc Committee to review Board Policies

- 20 Agricultural Water Rates Task Force Update

Board Member David Crohn reported on the December 13, 2018 Agricultural Water Rates Task Force meeting – next meeting is scheduled on January 31, 2019.

GENERAL MANAGER'S REPORT

- 21 Open Work Orders over \$200,000 and Closed Work Orders – Summary Report for November 2018
- 22 Contracts Executed Not Requiring Board Approval – November 2018
- 23 Electric / Water / Consultant Contract Panel Update as of December 1, 2018
- 24 SHARE Customer Update
- 25 Water Highlights – November 2018
- 26 Monthly Power Supply Report – November 2018
- 27 RPU Water Drought and Conservation Efforts Update as of November 2018
- 28 SCPPA Monthly Agenda & Minutes – November 15, 2018
- 29 Riverside Public Utilities Financial Results – October 2018
- 30 City Council / Committee Agendas – December 11, 2018, December 18, 2018, and January 8, 2019
- 31 Upcoming Meetings
- 32 Electric / Water Utility Acronyms

UPCOMING MEETING

Chair Russo-Pereyra adjourned the meeting at approximately 9:04 p.m. The next regular meeting of the Board of Public Utilities will be on Monday, January 28, 2019 at 6:30 p.m. in the Art Pick Council Chamber, Riverside, California.

By: _____
Todd M. Corbin, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated _____