

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: April 22, 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

UNAPPROVED

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Roll Call

| | | |
|----------|--------------------------------|---|
| Present: | Jo Lynne Russo-Pereyra (Chair) | Elizabeth Sanchez-Monville (Vice Chair) |
| | Dave Austin | David Crohn |
| | Jeanette Hernandez | Ana Miramontes |
| | Gil Ocegueda | Jennifer O'Farrell |
| | Andrew Walcker | |

Absent: None.

PUBLIC COMMENT

1 None.

CONSENT CALENDAR

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

Motion – Austin. Second – O'Farrell.

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

Abstain: None.

Absent: None.

Minutes

2 The minutes from the Board of Public Utilities regular meeting held on April 8, 2019 was approved as submitted.

Board Attendance

3 Excused Board Member Elizabeth Sanchez-Monville absence from the Board of Public Utilities regular meeting on March 25, 2019, due to vacation.

Electric Items

- 4 The Board of Public Utilities approved Work Order No. 1917203 in the amount of \$250,000 for the Auto Center Reliability Project Phase 1.
- 5 The Board of Public Utilities:
 1. Awarded Bid No. RPU - 1823108 to Doty Bros. Equipment Company in Norwalk, California for the Conduit and Cable Replacement on Bolivar Street Project, in the amount of \$71,748.16; and
 2. Approved Work Order No. 1823108 in the amount of \$107,000.
- 6 The Board of Public Utilities approved a 30% change order authority in the amount of \$15,000 to the existing annual purchase order for Cintas, Inc. to provide essential safety clothing for employees, for a total contract amount of \$65,000 for fiscal year 2018/19.
- 7 The Board of Public Utilities approved the purchase of three (3) vehicles from Altec Industries, Inc. of Birmingham, Alabama, in accordance with Purchasing Resolution 23256, Section 602 (e) in an estimated amount of \$657,377.97.
- 8 The Board of Public Utilities approved Work Order No. 1903779 in the amount of \$120,000 for the University Substation Reliability Improvement Study.
- 9 The Board of Public Utilities approved Work Order No. 1909017 in the amount of \$70,000 for the cable replacement at the Business Complex near Gibson Street and Indiana Avenue.
- 10 The Board of Public Utilities:
 1. Approved a Supplemental Agreement to the Master Professional Services Agreement for RFP No. 1842 for substation standards support with Leidos Engineering, LLC, of Hendersonville, Tennessee;
 2. Approved a purchase order with Leidos Engineering, LLC, of Hendersonville, Tennessee, in an amount not-to-exceed \$300,000; and
 3. Authorized the City Manager, or designee, to execute the Supplemental Agreement to the Master Professional Consultant Services Agreement with Leidos Engineering, LLC for Substation Standards Support including making non-substantial changes.

Water Items

- 11 The Board of Public Utilities approved and recommended that the City Council:
 1. Confirm the voting representatives and alternates outlined in this report; and
 2. 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 company.

Other Items

- 12 The Board of Public Utilities:
1. Approved a one-time Software Implementation Services Agreement with Systems and Software, Inc., a Vermont Corporation, for system integration between the enQuesta Customer Information System, the Tantalus Advanced Meter System and the SmartWorks Meter Data Management System for the Advanced Meter Program, for a term of two (2) years, upon execution of the agreement, in the total amount of \$249,805;
 2. Approved a Software License Agreement with Systems and Software, Inc., a Vermont Corporation, for a one-time system integration licensing in the total amount of \$55,000;
 3. Approved a Support and Maintenance Agreement with Systems and Software, Inc., a Vermont Corporation, with an annual renewal date of January 1st, in the amount of \$17,500 per year; and
 4. Authorized the City Manager, or his designee, to execute the agreements, including making minor non-substantive changes, and to sign all documents and instruments necessary to complete the transactions.
- 13 The Board of Public Utilities approved the cancellation of the regularly scheduled Board of Public Utilities board meetings on the dates of May 27, 2019, October 14, 2019, November 11, 2019, and December 23, 2019 due to the holidays.

DISCUSSION CALENDAR

- 14 Recommend that the City Council authorize a supplemental appropriation from the Electric Fund Unrestricted, Undesignated Cash Reserve to the Electric Fund's Power Supply account for the remainder of fiscal year 2018/19 in the amount of \$7,000,000, due to higher than anticipated retail energy load and abnormally elevated gas and power prices during the summer of 2018, and continued elevated gas prices during the winter of Fiscal Year 2018/19

Utilities Fiscal Manager Aileen Ma and Assistant General Manager/Resources Daniel E. Garcia gave a presentation explaining the contributing factors, which included elevated market gas prices and power supply curtailments, during the summer of 2018 and answered questions from the Board.

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

1. Authorize a supplemental appropriation in the amount of \$7,000,000 from the Electric Fund Unrestricted, Undesignated Cash Reserve due to higher than anticipated retail energy load and abnormally elevated gas and power prices during the summer of 2018, and continued elevated gas prices during the winter of Fiscal Year 2018/19; and
2. Appropriate expenditures in the amount of \$7,000,000 to the Electric Fund's Power Supply Account No. 6120100-422926 for the remainder of fiscal year 2018/19.

Motion – Austin. Second – Oceguera.

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

Absent: None.

- 15 Continued - Approve and recommend that the City Council approve a Professional Consultant Services Agreement for audit services of Riverside Public Utilities Electric and Water Fund with Eadie and Payne, LLP, of Riverside, California, for a term ending June 30, 2020, in an amount not to exceed \$60,000 in response to Request for Proposal No. 1880

Deputy City Manager Moises Lopez discussed the proposal for audit services and explained the Scope of Services (Exhibit A) in detail and answered questions from the Board.

Board Members had concerns regarding the following:

- Eleven audits (internally and externally combined) that have been done within the last 5 years that all have shown Public Utilities doing very well;
- Costs of the audits; and
- Costs for staff time preparing for the audits

The Board requested to revise Recommendation No. 1 to read as such:

"in an amount not to exceed \$60,000.....amending Section 2 of the Agreement, "term", to provide that consultant shall not commence services until the 2019 City Council election results have been certified, the new City Council members have assumed office, and Riverside Public Utilities has presented its first annual report on the rate plan to the City Council."

Following discussion and revising Recommendation No. 1, the Board of Public Utilities recommended that the City Council:

1. Approve a Professional Consultant Services Agreement for audit services of Riverside Public Utilities Electric and Water Fund with Eadie and Payne, LLP, of Riverside, California, in response to RFP No. 1880 for a term ending June 30, 2020 in an amount not to exceed \$60,000, amending Section 2 of the Agreement, "term", to provide that consultant shall not commence services until the 2019 City Council election results have been certified, the new City Council members have assumed office, and Riverside Public Utilities has presented its first annual report on the rate plan to the City Council; and
2. Authorize the City Manager, or designee, to execute all documents pursuant to the Professional Consultant Services Agreement with Eadie and Payne, LLP, and any other documents as necessary to effectuate the agreement including making minor non-substantive changes.

Motion – Walcker. Second – O'Farrell.

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

Absent: None.

BOARD MEMBER COMMUNICATIONS

- 16 Systematic reporting on meetings, conferences, and seminars by Board members and/or staff

Board Member Oceguela reported that he attended the AMI staff presentation; the San Bernardino Valley District Water Advisory Commission; and the WMWD Watermaster 50 Years Collaboration on the Santa Ana River event.

Board Member Crohn reported that he sat with the 311 Call Center staff, toured the Customer Service division, and learned about the GIS and other services.

- 17 Items for future Board of Public Utilities consideration as requested by a member of the Board of Public Utilities
- None.

GENERAL MANAGER'S REPORT

- 18 Open Work Orders over \$200,000 and Closed Work Orders – Summary Report for March 2019
- 19 Electric / Water / Consultant Contract Panel Update as of April 1, 2019
- 20 Riverside Public Utilities Financial Results – February 28, 2019
- 21 Contracts Executed Not Requiring Board Approval – March 2019
- 22 City Council / Committee Agendas – April 9, 2019 and April 16, 2019
- 23 Upcoming Meetings
- 24 Electric / Water Utility Acronyms

UPCOMING MEETING

Board Chair Jo Lynne Russo-Pereyra adjourned the meeting at approximately 7:56 p.m. A "special" meeting of the Board of Public Utilities will be on Wednesday, May 8, 2019 at 6:00 p.m. in the Art Pick Council Chamber. The next regular meeting of the Board of Public Utilities will be on Monday, May 13, 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: _____