



*City of Arts & Innovation*

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: OCTOBER 6, 2020**  
**FROM:      PUBLIC UTILITIES      WARDS: ALL**  
**SUBJECT:    SHAREHOLDER PROXY AUTHORITY FOR MUTUAL WATER COMPANIES**

**ISSUE:**

Consider delegating shareholder proxy authority as outlined in this report.

**RECOMMENDATION:**

That the City Council approve and confirm the voting representatives and alternates outlined in the report and 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 companies from the date of this action until amended.

**BOARD RECOMMENDATION:**

On August 24, 2020, the Board of Public Utilities, with seven (7) members present, unanimously voted to recommend that the City Council approve and confirm the voting representatives and alternates outlined in the report and 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 companies from the date of this action until amended.

**BACKGROUND:**

Submitted for City Council consideration is the affirmation of the following City voting representation and alternates for Shareholders Meetings of the mutual water companies in which the City owns stock and delegation of authority to these individuals to vote the City's shares as the City's proxy at all meetings of the respective mutual water companies:

**MUTUAL WATER COMPANY**

Gage Canal Company  
Jurupa Ditch Water Company  
Riverside Highland Water Co.  
Trujillo Water Company

**VOTING REPRESENTATIVE**

Todd Corbin  
Michael Plinski  
Oscar Khoury  
David Crohn

**ALTERNATE**

Todd L. Jorgenson  
Todd L. Jorgenson  
Michael Plinski  
Elizabeth  
Sanchez-Monville

Meeks & Daley Water Company Todd L. Jorgenson

Michael Plinski

The proxy authority would extend to matters that routinely come before the shareholders for consideration consistent with each company's articles of incorporation and bylaws, as well as voting for representation on the boards of directors for each company. Attached is a list of Annual Shareholder meeting dates from 2021 calendar year. Shareholder meetings are normally held in the same time frame annually, subject to the organizations' respective by-laws. The number of shares owned by the City in the various companies is also identified in the attachment.

**FISCAL IMPACT:**

There is no fiscal impact associated with this report.

Prepared by: Todd L. Jorgenson, Utilities Assistant General Manager/Water  
Certified as to  
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer  
Approved by: Todd Corbin, Utilities General Manager  
Approved by: Al Zelinka, City Manager  
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Annual Shareholder Meeting Dates
2. Board of Public Utilities meeting minutes (8/24/2020)

CITY OF RIVERSIDE  
BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities  
Date of Meeting: August 24, 2020  
Time of Meeting: 6:30 p.m.  
Place of Meeting: Virtual Meeting – Microsoft Teams

**CHAIR CALLED MEETING TO ORDER**

**ROLL CALL**

Present: Board Chair David Crohn  
Jeanette Hernandez  
Ana Miramontes  
Gil Ocegüera  
Jo-Lynne Russo-Pereyra  
Andrew Walcker  
Peter Wohlgemuth

Absent: David Austin, Elizabeth Sanchez-Monville

**PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN**

**PUBLIC COMMENT/E-COMMENT**

E-comment was received from Jason Hunter for Item 8.

*Board Member Peter Wohlgemuth requested Item 4 be placed on Discussion Calendar.*

**CONSENT CALENDAR**

A motion was made to approve Items 2 and 3 on the Consent Calendar:

Motion – Walcker      Second – Miramontes

Ayes: Crohn, Hernandez, Russo-Pereyra, Ocegüera, Wohlgemuth

Absent: Austin, Sanchez-Monville

2. Excuse the absence of Board Member Andrew Walcker from the Board of Public Utilities regular meeting on July 13, 2020 due to an unexpected family emergency.
3. That the Board of Public Utilities approve and recommend that the City Council confirm the voting representatives and alternates outlined in the report and 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 companies from the date of this action until amended.

**DISCUSSION CALENDAR**

4. Approve the issuance of a purchase order with Trane U.S. Inc. for maintenance and as needed repairs of the air inlet chillers at the Riverside Energy Resource Center from September 1, 2020 through September 30, 2022 for a two-year total of \$148,359.

Utilities Generation Manager Chuck Casey availed himself to the Board to answer questions regarding routine maintenance, length of contract and vendor selection.

A motion was made to approve Item 4:

Motion – Ocegüera    Second – Walcker

Ayes: Crohn, Hernandez, Miramontes, Russo-Pereyra, Wohlgemuth

Absent: Austin, Sanchez-Monville

5. Recommend that the City Council approve an increase the Emergency Response Assistance Program customer credit from \$250 to \$400 and approve the Restart Utility Bill Repayment Program and associated agreements to provide bill repayment deferral for customers who were unable to pay their Riverside Public Utilities (RPU) bills due to the ongoing COVID-19 Pandemic.

Power Resource Manager Tracy Sato gave a presentation including background and ongoing impacts of the COVID pandemic on customer hardships. She updated the Board on Emergency Recovery Assistance Program (ERAP) outreach efforts based on past six months data.

She continued her presentation with the purpose and components of the Restart repayment plan. Community input provided to Riverside Public Utilities through collaboration with Greater Riverside Chambers of Commerce tailored the programs to fit customer needs.

**PUBLIC COMMENT: (Item 5)**

Cindy Roth, Greater Riverside Chambers of Commerce, called in with endorsement for both assistance programs.

Board members appreciated the community outreach through the Greater Riverside Chamber of Commerce. There was interest in how customers were using funds and Power Resource Manager Tracy Sato gave a comprehensive explanation of delinquency trends and payment history thus far. She gave details of repayment plans and agreements especially for mid to small commercial businesses. The ease of application and community outreach for both programs was discussed.

A motion was made to approve Item 5:

Motion – Miramontes                      Second – Walcker

Ayes: Crohn, Hernandez, Ocegüera, Sanchez-Monville, Wohlgemuth

Absent: Austin, Sanchez-Monville

6. Receive an update on the status of the Northside Specific Plan and related Program Environmental Impact Report.

Principal Planner, David Murray, gave a presentation detailing the background and history of the Northside Specific Plan. He updated the Board on potential strategies for land usage and development of said property. He presented the next steps scheduling of approval of the adoption of the Northside Specific Plan.

Nancy Melendrez, Spanish Town Heritage Foundation, called in to commend the City's community outreach effort and supported the approval of the Northside Specific Plan.

**PUBLIC COMMENT: (Item 6)**

Jason Hunter (Ward 1) called in to comment on interfund transfers and the history of the sale Pellissier Ranch property.

It was pointed out that Pellissier Ranch is owned by Riverside Public Utilities and is zoned for energy generation. It is located within RPU's grid and can add improved resiliency to our grid. Principal Planner David Murray and City Planner Mary Kopaskie-Brown assured the Board that the local community is aware the parcel is zoned for energy generation usage.

A motion was made to accept Item 6:

Motion – Ocegüera    Second – Walcker

Ayes: Crohn, Hernandez, Miramontes, Ocegüera, Wohlgemuth

Absent: Austin, Sanchez-Monville

7. Supplemental appropriation of \$125,000,000; and the increase of Work Order No. 642975 by \$144,910,000 for the Riverside Transmission Reliability Project, a critical second connection to the state electric transmission grid, including the construction of the new 230/69kV Wilderness Substation, construction of six new 69kV line terminations at Wilderness Substation, electric system bifurcation improvements to existing Riverside Public Utilities substations, and related environmental matters, including the Wilderness Substation, line work and associated components, for a total work order amount of \$216,515,521.

Assistant General Manager, Energy Delivery, George Hanson, provided the following corrections to the Board Memo:

Page 1: Correct increase to \$144,910,000

Page 6: Correct date to December 2018

He continued with background information, history, and scope of work of Southern California Edison. Principal Engineer Ami Bhanvadia continued detailing Riverside Public Utilities scope of

work completed and detailed elements of future construction. Assistant General Manager George Hanson furthered the presentation with details of future funding and project components of the second connection to the grid.

**PUBLIC COMMENT: (Item 7)**

Cindy Roth, Greater Riverside Chamber of Commerce, called to urge the Board's support in this project.

Jason Hunter called regarding use of reserve funds for mitigation, community response and undergrounding of overhead lines.

Board members discussed their support of the Riverside Transmission Reliability Project. Board members expressed their gratitude and support of the continuation of this beneficial, generational project. Groundbreaking for Riverside Public Utilities in Item #7 is currently scheduled to begin early 2021 with discussions for Southern California Edison's cost recovery in process.

Motion – Miramontes                      Second – Ocegüera

Ayes: Crohn, Hernandez, Russo-Pereyra, Walcker, Wohlgemuth

Absent: Austin, Sanchez-Monville

8. Discuss the City Council's request for the Board to approve the full cost associated with the Professional Consultant Services Agreement for RFP 1963 for a forensic review of the City of Riverside's participation in the Southern California Public Power Authority with Eide Bailly, LLP, in an amount not to exceed \$115,500 and a term ending December 31, 2020.

Principal Management Analyst Brandi Becker presented the report to the Board. General Manager Todd Corbin commented that authority levels changed in 2016 regarding SCPPA approvals. Discussions regarding cost, scope of audit and the General Fund's participation ensued. Much of the discussion centered around the time frame the audit will review (10 year review period). Several revisions to the item were discussed. Benefit and cost to RPU ratepayers were of concern to the Board. General Manager Todd Corbin mentioned an estimate could be requested for the cost of the previous in-house audit.

After several motions were introduced, a final motion was made as follows:

1. Rescind previous recommendation: Discuss the City Council's request for the Board to approve the full cost associated with the Professional Consultant Services Agreement for RFP 1963 for a forensic review of the City of Riverside's participation in the Southern California Public Power Authority with Eide Bailly, LLP, in an amount not to exceed \$115,500 and a term ending December 31, 2020.

2. Approve the cost associated with and the Professional Consultant Services Agreement for RFP 1963 for a forensic review of the City of Riverside's participation in the Southern California Public Power Authority with Eide Bailly, LLP, in an amount not to exceed \$115,500 and a term ending December 31, 2020.
3. Request that the City Manager calculate the cost of the City's internal audit of SCPA and consider whether RPU can be reimbursed for the cost of that audit.

Motion – Ocegüera Second – Walcker

Ayes: Crohn, Hernandez, Russo-Pereyra, Walcker, Wohlgemuth

No: Miramontes

Absent: Austin, Sanchez-Monville

#### **BOARD MEMBER/STAFF COMMUNICATIONS**

9. Systematic reporting on meetings, conferences, and 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. Update on Impact of COVID-19 Pandemic and Emergency Orders
12. Contracts Executed Not Requiring Board Approval – July 2020
13. Electric/ Water Consultant Contract Panel Update as of July 31, 2020
14. City Council / Committee Agendas
15. Upcoming Meetings
16. Electric / Water Utility Acronyms

General Manager Todd Corbin thanked the Board for their engagement and preparation for this important meeting. He updated the Board on COVID pandemic response and operations within the Utility during the current excessive heat wave. Field crews worked around the clock maintaining the electric system. On August 14, 2020, the grid operations team was notified by California Independent System Operations to shed and reduce load in amount of 12MW during the evening hours thus implementing a rotating outage of 1,656 customers. Large volumes of customer calls were received.

Board Chair David Crohn adjourned the meeting at 9:29 p.m. The next regular meeting of the Board of Public Utilities will be held on Monday, September 14, 2020 at 6:30 as a virtual meeting.

By:   
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Todd M. Corbin, General Manager  
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated October 26, 2020



ANNUAL SHAREHOLDERS MEETINGS

2021

<u>NAME OF COMPANY</u>	<u>DATES OF MEETINGS</u>	<u>TOTAL SHARES</u>	<u>CITY-OWNED SHARES</u>
Gage Canal Water Company	January 12	14,055.000	8,424.000 (1)
Meeks & Daley Water Company	February 1	809,100.000	313,407.000 (2)
Jurupa Ditch Water Company	January 28	383.499	10.000
Riverside Highland Water Co.	March 25	80,000.000	1,189.000
Trujillo Water Company	May 10 (4)	211.550	157.830 (3)

(1) GAGE CANAL WATER COMPANY

Included in City-Owned shares are:

- 1.00 Share – Todd Corbin
- 1.00 Share – Todd L. Jorgenson
- 1.00 Share – Elizabeth Sanchez-Monville
- 1.00 Share – Dave Austin
- 1.00 Share – Gildardo “Gil” Ocegüera
- 1.00 Share – David Crohn
- 1.00 Share – Ana Miramontes
- 1.00 Share – Peter M. Wohlgemuth
- 1.00 Share – Jo Lynne Russo-Pereya
- 1.00 Share – Andrew Walcker
- 1.00 Share – Jeanette Hernandez

(2) MEEKS & DALEY WATER COMPANY

Included in City-Owned shares are:

- 1.00 Share – Michael Plinski
- 1.00 Share – Todd L. Jorgenson

(3) TRUJILLO WATER COMPANY

Included in City-Owned shares are:

- 1.00 Share – Elizabeth Sanchez-Monville
- 1.00 Share – Dave Austin
- 1.00 Share – Gildardo “Gil” Ocegüera
- 1.00 Share – David Crohn
- 1.00 Share – Ana Miramontes
- 1.00 Share – Peter M. Wohlgemuth
- 1.00 Share – Jo Lynne Russo-Pereya
- 1.00 Share – Andrew Walcker
- 1.00 Share – Jeanette Hernandez