

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Meeting of the Board of Public Utilities

Date of Meeting: November 6, 2015

Time of Meeting: 8:30 a.m.

Place of Meeting: Art Pick Council Chambers
3900 Main Street (at Main and Tenth Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG WAS GIVEN

Roll Call

Present: Susan Cash (Chair) Dave Austin (Vice-Chair)
 Darrell Ament Ron Cole
 Jennifer O'Farrell Justin Scott-Coe

Absent: Nick Ferguson (excused absence due to medical)
 Andrew Walcker (excused absence due to business)

PRESENTATION

1 EMPLOYEE RECOGNITION AWARD OF RENE VALDEZ, UTILITIES ELECTRIC ENGINEER

The Board of Public Utilities recognized Rene Valdez, Utilities Electric Engineer, for his hard work and dedication.

MINUTES

2 The regular minutes from the Board of Public Utilities meeting held on October 2, 2015 were approved as submitted.

Motion – Austin. Second – Cole.

Ayes: Cash, Austin, Ament, Cole, O'Farrell, and Scott-Coe.

Abstain: None.

Absent: Nick Ferguson (excused absence due to medical)
 Andrew Walcker (excused absence due to business)

3 The regular minutes from the Board of Public Utilities meeting held on October 16, 2015 were approved as submitted.

Motion – Cole. Second – Scott-Coe.

Ayes: Cash, Austin, Cole, O'Farrell, and Scott-Coe.

Abstain: Darrell Ament.

Absent: Nick Ferguson (excused absence due to medical)
 Andrew Walcker (excused absence due to business)

- 4 The minutes from the special Board of Public Utilities meeting held on October 21, 2015 were approved as submitted.

Motion – Austin. Second – Cole.

Ayes: Cash, Austin, Cole, O'Farrell, and Scott-Coe.

Abstain: Darrell Ament.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

CITIZENS PARTICIPATION

- 5 Public Comment:

Mr. Jason Hunter spoke regarding the water agreement with Western Municipal Water that went to City Council on Tuesday; the water tier rates; water risk management; the need for a water supply fund; that Item 10 on this agenda should be placed on discussion; and that items over \$1 million dollars should always be on discussion calendar.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 6, **EASEMENT ACQUISITION EXPENDITURE IN CONNECTION WITH RIVERSIDE TRANSMISSION RELIABILITY PROJECT (RTRP) APN 151-020-008 FOR \$68,000**; Item 7, **LOAD TAP CHANGER REPLACEMENT, SUBSTATION TRANSFORMER TESTING AND INSTRUMENTATION UPGRADE PROJECT INCLUDING A PROFESSIONAL SERVICES AGREEMENT FOR REQUEST FOR PROPOSAL 1534 - WORK ORDER NO. 1511213 - FOR \$3,200,000**, Item 9, **UNDERGROUND ELECTRICAL INSTALLATION AT JURUPA AVENUE BETWEEN RUTLAND AND CREST AVENUES FOR NEW TRACT 28987, 108 SINGLE FAMILY RESIDENCE – WORK ORDER NO. 1518525 FOR \$320,000**, Item 10, **SINGLE FAMILY RESIDENTIAL DEVELOPMENT TRACT 28987 – WORK ORDER NO. 1419866 FOR CITY PROVIDED CONSTRUCTION AND INSPECTION SERVICES FOR \$97,776 AND WORK ORDER NO. 1525395 FOR REIMBURSEMENT AGREEMENT FOR WATER MAIN EXTENSION UPSIZE FOR \$144,000 (JURUPA AVENUE BETWEEN RUTLAND AND CREST AVENUES) - CONTINUATION FROM OCTOBER 16, 2015 BOARD MEETING**, and Item 11, **AGREEMENT FOR PROFESSIONAL SERVICES WITH VALLEY SOIL INCORPORATED, RFP 1525, FOR THE SMART IRRIGATION PROGRAM (SIP) FOR \$200,000**, which were moved to the Discussion Calendar.

Motion – Scott-Coe. Second – Austin

Ayes: Cash, Austin, Ament, Cole, O'Farrell, and Scott-Coe.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

Electric Items

- 6 **MOVED TO DISCUSSION CALENDAR**

- 7 **MOVED TO DISCUSSION CALENDAR**

8 CONDUIT AND CABLE REPLACEMENT FOR CANYON CREST AREA CIRCUIT 1215 – WORK ORDER NO. 1409723 FOR \$1,175,000 – BID NO. 7333

The Board of Public Utilities:

1. Approved the estimated capital expenditure of \$1,175,000 for Work Order No. 1409723 for the Conduit and Cable Replacement for Canyon Crest Area Circuit 1215; and
2. Awarded a contract for the Conduit and Cable Replacement for Canyon Crest Area Circuit 1215, Bid No. RPU-7333 to the lowest responsive and responsible bidder High Light Electric, Inc. of Riverside, California, in the amount of \$677,777.

9 MOVED TO DISCUSSION CALENDAR

Water Items

10 MOVED TO DISCUSSION CALENDAR

Other Items

11 MOVED TO DISCUSSION CALENDAR

DISCUSSION CALENDAR

6 EASEMENT ACQUISITION EXPENDITURE IN CONNECTION WITH RIVERSIDE TRANSMISSION RELIABILITY PROJECT (RTRP) APN 151-020-008 FOR \$68,000

Board Member Cole requested this item be placed on the Discussion Calendar for clarification of the overall status of the easement acquisition. Real Property Services Manager David Welch gave an update of the status of the easements.

Following discussion, the Board of Public Utilities:

1. Recommended that the City Council approve the Agreement For Conveyance of Easement with the property owner, Harry Moscatel, for an easement on APN 151-020-008 located at 6450 Rutland Avenue, Riverside California;
2. Approved the expenditure of \$68,000 inclusive of the \$65,000 purchase price and an estimated amount of \$3,000 for due diligence, title, escrow fees, and related miscellaneous closing costs; and
3. Recommended that the City Council authorize the City Manager or his designee to execute the Agreement, including making minor non-substantive changes and to sign all documents and instruments necessary to complete the transaction.

Motion – Austin. Second – Cole.

Ayes: Cash, Austin, Ament, Cole, O'Farrell, and Scott-Coe.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

7 LOAD TAP CHANGER REPLACEMENT, SUBSTATION TRANSFORMER TESTING AND INSTRUMENTATION UPGRADE PROJECT INCLUDING A PROFESSIONAL SERVICES AGREEMENT FOR REQUEST FOR PROPOSAL 1534 - WORK ORDER NO. 1511213 - FOR \$3,200,000

Chair Cash requested this item be placed on the Discussion Calendar for more explanation of the new LTCs and their life cycle.

Assistant General Manager/Energy Delivery Pat Hohl explained that the new models of these parts are expected to last the life of the transformers, which should be another 30 years, and that other utilities are eliminating the Allis-Chalmers models like these units.

Following discussion, the Board of Public Utilities:

1. Approved Work Order No. 1511213 in the amount of \$3,200,000; and
2. Approved a Professional Services Agreement with Reinhausen Manufacturing Inc. located in Humboldt, Tennessee, for the LTC Replacement Project in the amount of \$2,914,678.

Motion – Scott-Coe. Second – O’Farrell.

Ayes: Cash, Austin, Ament, Cole, O’Farrell, and Scott-Coe.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

9 UNDERGROUND ELECTRICAL INSTALLATION AT JURUPA AVENUE BETWEEN RUTLAND AND CREST AVENUES FOR NEW TRACT 28987, 108 SINGLE FAMILY RESIDENCE – WORK ORDER NO. 1518525 FOR \$320,000

Chair Cash requested this item be placed on the Discussion Calendar as the project has significant issues and she wanted more explanation of what this project entails and the role RPU employees will be doing and if any of the work will be done on the developer’s property.

The Board stipulated that no RPU employees will be allowed to work until the Stop Work Notice is cleared by the City Manager due to unresolved environmental issues and to add to the recommendation.

The Board also requested that if the work does not get done that any unused monies should be returned to the developer.

Following discussion, the Board of Public Utilities approved the estimated capital expenditure of \$320,000 for Work Order No. 1518525 for the installation of underground electrical facilities for Tract 28987, with the stipulation that no RPU employee shall perform any work until the City Manager rescinds the Stop Work Notice referenced herein.

Motion – Cash. Second – Austin.

Ayes: Cash, Austin, Ament, Cole, O’Farrell, and Scott-Coe.

Abstain: None.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

- 10 SINGLE FAMILY RESIDENTIAL DEVELOPMENT TRACT 28987 – WORK ORDER NO. 1419866 FOR CITY PROVIDED CONSTRUCTION AND INSPECTION SERVICES FOR \$97,776 AND WORK ORDER NO. 1525395 FOR REIMBURSEMENT AGREEMENT FOR WATER MAIN EXTENSION UPSIZE FOR \$144,000 (JURUPA AVENUE BETWEEN RUTLAND AND CREST AVENUES) - CONTINUATION FROM OCTOBER 16, 2015 BOARD MEETING

Chair Cash requested this item be placed on the Discussion Calendar as the project has significant issues and she wanted to ensure that the worksite is safe for City crews working on the property.

The Board stipulated that no RPU employees will be allowed to work until the Stop Work Notice is cleared by the City Manager due to unresolved environmental issues and to add to the recommendation.

Following discussion, with the stipulation that no RPU employee shall perform any work until the City Manager rescinds the Stop Work Notice referenced herein, the Board of Public Utilities:

1. Approved the capital expenditure of \$97,776 for Work Order No. 1419866 which includes City-provided construction and inspection services; and
2. Approved the capital expenditure of \$144,000 for Work Order No. 1525395 for Reimbursement Agreement for Water Main Extension upsize associated with the single family residential development Tract 28987.

Motion – Cash. Second – Austin.

Ayes: Cash, Austin, Ament, Cole, O'Farrell, and Scott-Coe.

Abstain: None.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

- 11 AGREEMENT FOR PROFESSIONAL SERVICES WITH VALLEY SOIL INCORPORATED, RFP 1525, FOR THE SMART IRRIGATION PROGRAM (SIP) FOR \$200,000

Chair Cash requested this item be placed on the Discussion Calendar for clarification of the contract parameters.

Following discussion, the Board of Public Utilities:

1. Approved a Professional Services Agreement with Valley Soil Incorporated in an amount not to exceed \$200,000 for the purposes of administering the Smart Irrigation Program (SIP); and
2. Authorized the City Manager or his designee to execute up to three one-year extensions to the agreement.

Motion – Scott-Coe. Second – O'Farrell.

Ayes: Cash, Austin, Ament, Cole, O'Farrell, and Scott-Coe.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

- 12 PROFESSIONAL SERVICE AGREEMENT WITH WEST COAST ARBORISTS, INC., RFP 1515 FOR UTILITY LINE CLEARANCE AND VEGETATION MANAGEMENT SERVICES FOR A TOTAL FIVE YEAR VALUE NOT TO EXCEED \$13,200,000

Assistant General Manager/Energy Delivery Pat Hohl reported on the importance of Utility line clearance tree trimming and vegetation management and the results of the RFP.

Following discussion, the Board of Public Utilities:

1. Approved a five-year agreement with West Coast Arborists, Inc. for Utility Line Clearance and vegetation management services in an annual amount not-to-exceed \$2,700,000 for a total value not to exceed \$13,200,000 and
2. Authorized a Purchase Order to West Coast Arborists, Inc. of \$2,400,000 for the balance of the fiscal year.

Motion – Cole. Second – Austin.

Ayes: Cash, Austin, Ament, Cole, O'Farrell, and Scott-Coe.

Absent: Nick Ferguson (excused absence due to medical)
Andrew Walcker (excused absence due to business)

BOARD MEMBER/STAFF COMMUNICATIONS

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

NONE

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

- Ways to shorten Board approval process for new development projects
- New processes for dollar parameters for items that are on consent versus discussion
- Sunshine process/rules for approving items not fully formed; proper notice on agenda; and not delaying process
- City Council reports/issues brought back to Board

GENERAL MANAGER'S REPORT

General Manager Balachandran reported the following:

- Northside visioning meeting was attended by Board Member Andrew Walcker, Deputy General Manager Milligan on Wednesday, November 4, 2015 – questions from the audience related to RPU concentrated around Real Property and Principles – these items will be reported back to the Board at a future Board meeting.
- City Council approved the recommendation to sell water to WMWD, and also asked that RPU come back to the Council with options for rebating ratepayers for the revenue by January 2016.

"The Board asked the City Attorney's office for clarification on their role in providing a recommendation to the City Council."

- That the Dark Fiber Plan and changing Board meeting timing and schedules will be brought forward to the Board on November 20, 2015 meeting
- 15 Committee Reports – Electric Committee, Water Committee and Customer Relations/Finance Committee
 - 16 Electric / Water Contract Panel Update – October 2015
 - 17 Open and Closed Work Orders – September 2015
 - 18 Water Highlights – September 2015
 - 19 Monthly Power Supply Report – September 2015
 - 20 SCPPA Monthly Agenda / Minutes – September 17, 2015
 - 21 SCPPA Miscellaneous Billings – September 2015 and October 2015
 - 22 City Council Agendas – October 20, 2015, October 27, 2015, and November 3, 2015
 - 23 Upcoming Meetings
 - 24 Electric / Water Utility Acronyms

UPCOMING MEETING

Chair Cash adjourned the meeting at approximately 10:01 a.m. The next regular meeting of the Board of Public Utilities is to be held on Friday, November 20, 2015 @ 8:30 a.m. at 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 November 20, 2015