

CITY OF RIVERSIDE
BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: February 19, 2016
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
	Andrew Walcker	

Absent: None.

PRESENTATIONS

- 1 EMPLOYEE RECOGNITION AWARD
None.

MINUTES

- 2 The special minutes from the Board of Public Utilities meeting held on January 22, 2016 were approved as submitted.
Motion – Austin. Second – Cole.
Ayes: Cash, Austin, Cole, O'Farrell, Scott-Coe, and Walcker.
Abstain: Ament.
Absent: None.
- 3 The regular minutes from the Board of Public Utilities meeting held on February 5, 2016 was deferred to March 14, 2016 Board meeting.
Motion – Cole. Second – O'Farrell.
Ayes: Cash, Austin, Cole, O'Farrell, Scott-Coe, and Walcker.
Abstain: None.
Absent: None.

CITIZENS PARTICIPATION

4 Public Comment

Mr. Jason Hunter spoke regarding the former Golf Course irrigation, Transmission Revenue Requirement (TRR), and Southern California Public Power Authority (SCPPA) contracts.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 7, **CONSTRUCTION OF THE TREE IRRIGATION SYSTEM PROJECT AT THE FORMER RIVERSIDE GOLF CLUB BID NO RPU7368– WORK ORDER NO. 1610216 FOR \$240,000,** which was moved to the Discussion Calendar.

Motion – Scott-Coe. Second – Cole.

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

Absent: None.

Electric Items

- 5 ELECTRIC SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) ANNUAL SOFTWARE MAINTENANCE AND SUPPORT RENEWAL FOR THE PERIOD OF JANUARY 1, 2016 TO NOVEMBER 15, 2016 FOR \$55,820**

The Board of Public Utilities approved the award of a purchase order to Open Systems International, Inc. (OSI), for electric SCADA Annual Software Maintenance and Support, in the amount of \$55,820.

- 6 APPROVAL OF WORK ORDER NO. 1603079 FOR \$1,700,000 AND AWARD OF A PURCHASE ORDER TO MITSUBISHI ELECTRIC POWER PRODUCTS FOR SPRINGS & ORANGECREST SUBSTATIONS 69 KV BREAKER AND RELAY REPLACEMENT FOR \$614,071**

The Board of Public Utilities:

1. Approved Work Order No. 1603079 in the amount of \$1,700,000; and
2. Approved the award of a purchase order in the amount of \$614,071 to Mitsubishi Electric Power Products, Inc. (MEPPI) of Warrendale, Pennsylvania, for nine 69 kV circuit breakers and associated equipment for the replacement of breakers at Springs and Orangecrest Substations.

Water Items

- 7 MOVED TO DISCUSSION CALENDAR**

Other Items

8 **GROUND LEASE AGREEMENT BETWEEN CITY OF RIVERSIDE PUBLIC UTILITIES AND DRIVETIME CAR SALES COMPANY, LLC FOR 1388 SOUTH E. STREET, SAN BERNARDINO, CALIFORNIA, FOR \$800,000 NET WITH A FIVE YEAR INITIAL TERM**

The Board of Public Utilities:

1. Recommended that the City Council approve the Ground Lease Agreement with DriveTime Car Sales Company, LLC, of Phoenix, Arizona, including payment of a broker commission of 6% to Marc J. Piron of NAI Capital, Ontario, California; and
2. Authorized the City Manager, or his designee, to execute all necessary documents, including making minor non-substantive changes to those documents.

DISCUSSION CALENDAR

7 **CONSTRUCTION OF THE TREE IRRIGATION SYSTEM PROJECT AT THE FORMER RIVERSIDE GOLF CLUB BID NO RPU-7368 – WORK ORDER NO. 1610216 FOR \$240,000**

Board Member Walcker requested this item be placed on the Discussion Calendar for more clarification of the acreage where the irrigation system would be constructed. Assistant General Manager Todd Jorgenson replied that the irrigation project would be for the entire 120 acre site, not just the portion owned by RPU. Staff also reported that this project would offer a lower cost option that is more effective than hand watering, and in the long run would reduce both General Fund and RPU costs as the payback would be less than two years.

Also the Board requested a 3rd recommendation be added to say the following:

"Direct staff to estimate the allocation charge to the General Fund and report back to the Board as to the payment of such allocation charges and service charges consistent with current practice."

Following discussion and the addition of the new recommendation, the Board of Public Utilities:

1. Approved a capital expenditure of \$240,000 for Work Order No. 1610216, which includes all design, construction, contract administration, inspections and construction contingency costs for the Tree Irrigation System Project at the former Riverside Golf Club, Bid No. RPU-7368; and
2. Awarded a contract for the construction of the Tree Irrigation System Project at the former Riverside Golf Club – Bid No. RPU-7368 to the lowest responsive bidder, Inland Empire Landscape, Inc., of San Bernardino, California in the amount of \$192,562; and
3. Directed staff to estimate the allocation charge to the General Fund and report back to the Board as to the payment of such allocation charges and service charges consistent with current practice.

Motion – Austin. Second – Walcker.

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

Absent: None.

9 APPROVAL OF PROFESSIONAL SERVICE AGREEMENT WITH UNIVERSITY OF CALIFORNIA RIVERSIDE (UCR) FORECAST LLC (RFP # 1568) AND WORK ORDER NO. 1612539 FOR ECONOMIC BENEFIT ANALYSIS CONSULTING SERVICES FOR \$72,000

Staff noted that the Agreement had a typo in No. 2 **Term** – it is to read "This Agreement shall be effective on the date first written above and shall remain in effect until July 30, 2016 (Not July 30, 2106)....." - this typo will be revised.

Deputy General Manager Kevin Milligan provided a brief presentation explaining the purpose of this study is to identify how RPU translates our benefit to the community into identifiable components and provide data that will illustrate our benefit to the community in terms of local job impact and benefits, sustainability and green initiatives, local controls and economic development related to utility supply.

The Board requested that staff evaluate expansion of the scope of services to include the study of connection fees in correlation with new development and for the staff to consider how the study outcome could be impacted by including measurement based on future investment in relation to Utility 2.0 planning.

Following discussion, the Board of Public Utilities:

1. Approved Work Order No. 1612539 in the amount of \$72,000 for the development of a comprehensive consumer economic benefit analysis that identifies the value of ownership and operation of Riverside Public Utility's community municipal public water and electric utility;
2. Approved the Professional Services Agreement with UCR Forecast LLC for the development of a comprehensive consumer economic benefit analysis that identifies the value of ownership and operation of Riverside Public Utility's community municipal public water and electric utility in the amount of \$66,000 and authorize staff to issue change orders to this agreement in an amount not-to-exceed \$6,000; and
3. Authorized the City Manager, or his designee, to execute all documents related to this transaction.

Motion – Scott-Coe. Second – Cole.

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

Absent: None.

10 FISCAL YEAR 2015-16 TREE POWER PROGRAM IN THE AMOUNT OF \$750,000

Assistant General Manager Michael Bacich gave a presentation sharing the latest Tree Power statistics and how this program is a public benefit fund efficiency program as trees do more than assist with efficiency, they are integral to the sustainability efforts providing the greenhouse gas reduction, serves as a component to urban design plans, and reduces the heat island effect. Also the rebate process and the March Free Tree Coupon was explained.

The Board wanted it noted in the minutes that RPU scrutinizes the vendors allowing multi bill coupons from individuals without proving they are the owner of such properties and that RPU does follow through checking on the tree plantings from these individuals.

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

1. Authorize the City Manager or his designee to issue purchase orders to Parkview Nursery, 4377 Chicago Avenue; Parkview Nursery, 3841 Jackson Street; Louie's Nursery, 18550 Van Buren Boulevard and Moon Valley Nurseries, 9501 Lincoln Avenue and make changes to the purchase order amounts based on the variable product demand of each nursery in a collective amount not to exceed \$650,000 for the Tree Power Program's Free Shade Tree Coupon Campaign; and
2. Authorize the City Manager or his designee to credit customer accounts for trees purchased under this program in a collective amount not to exceed \$100,000 under the Tree Power Rebate Program.

Motion – Austin. Second – O'Farrell.

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

Absent: None.

11 CASA BLANCA SUBSTATION TRANSFORMER OUT-OF-SERVICE UPDATE AND PLANS FOR RESTORATION

Assistant General Manager Pat Hohl provided an update on the status of the Casa Blanca Substation Transformer repair and plans for restoration.

Following discussion, the Board of Public Utilities received and filed this report.

Motion – Cole. Second – O'Farrell.

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

Absent: None.

BOARD MEMBER/STAFF COMMUNICATIONS

12 SYSTEMATIC REPORTING ON MEETINGS/CONFERENCES/SEMINARS BY BOARD MEMBERS AND/OR STAFF

None.

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

- Review of Public Benefits Program efficiency savings and relationship with city wide benefits

GENERAL MANAGER'S REPORT

- 14 Financial Report – November 30, 2015
- 15 City Council Agendas – February 2, 2016, February 9, 2016, and February 16, 2016
- 16 Upcoming Meetings
- 17 Electric / Water Utility Acronyms

RECOGNITION

18 RECOGNITION OF BOARD CHAIR SUSAN CASH

The Board of Public Utilities recognized Board Chair Susan Cash, for her hard work and five-year dedication serving on the Board of Public Utilities. The Board members gave thanks and appreciation for her efforts and her transformative influence on the role of a Board Member and stressed that her leadership will be felt long after her service end date because she was so instrumental in playing a part in the rigorous strategic planning throughout the years during a time of transition not only with staff but also the industry.

UPCOMING MEETING

Chair Susan Cash adjourned the meeting at approximately 10:11 a.m. The next scheduled meeting of the Board of Public Utilities is to be held on Monday, March 14, 2016 at 6:30 p.m. in 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: March 14, 2016