

CITY OF RIVERSIDE  
BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities

Date of Meeting: October 24, 2016

Time of Meeting: 6:30 p.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:	Dave Austin (Chair)	Justin Scott-Coe (Vice-Chair)
	Ron Cole	David Crohn
	Kevin Foust	Jennifer O'Farrell
	Andrew Walcker	

Absent: None.

**PRESENTATIONS**

**1 PRESENTATION TO HONOR RIVERSIDE PUBLIC UTILITIES 2016 BOTTLED WATER LABEL CONTEST WINNERS AND THEIR FAMILIES AND TEACHERS**

The Board of Public Utilities recognized the 2016 "Splash Into Cash – Bottled Water Label Art Contest" winners and their teachers:

1. High School senior Sofia Goebel from John W. North High School;
2. Class of 2016 graduate Kristin Counts from La Sierra High School;
3. John W. North High School teacher Ms. Vonn Rosser; and,
4. La Sierra High School teacher Mr. Bill Miller.

**MINUTES**

**2 The minutes from the Board of Public Utilities meeting held on September 26, 2016 were approved as submitted.**

Motion – Cole. Second – Scott-Coe.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker.

Absent: None.

### **CITIZENS PARTICIPATION**

- 3 Mr. Jason Hunter addressed the Board regarding the following areas: (1) project bidders, (2) over-time; and (3) Request for Proposals.

### **CONSENT CALENDAR**

A motion was made to approve the following items on the Consent Calendar, with the exception of Item 4, **FIRST AMENDMENT TO THE STREETLIGHT POLE ATTACHMENT ND ELECTRICAL POWER AGREEMENT BETWEEN SOUTHERN CALIFORNIA GAS COMPANY TO ADD SEVEN ADDITIONAL LOCATIONS FOR AN ESTIMATED 17 YEAR INCOME OF \$8,215**, Item 6, **AWARD OF BID NO. 1607467-17RPUTO ASPLUNDH CONSTRUCTION CORPORATION, ANAHEIM, CA FOR REPLACEMENT OF ELECTRICAL SWITCH IN THE AMOUNT OF \$68,795 AND APPROVAL OF WORK ORDER NO. 1607467 FOR \$230,000**, and Item 9, **APPROVE THE SENATE BILL 1368 COMPLIANCE FILING TO THE CALIFORNIA ENERGY COMMISSION FOR PARTICIPATION IN THE INTERMOUNTAIN POWER REPOWERING PROJECT**, which were placed on the Discussion Calendar:

Motion – Scott-Coe. Second – Cole.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker.

Absent: None.

### **Electric Items**

#### **4 MOVED TO DISCUSSION CALENDAR**

- 5 AWARD OF BID 1239-1619571 TO ALL AMERICAN ASPHALT OF CORONA, CALIFORNIA, FOR STREET AND LANDSCAPE IMPROVEMENTS AT PLAZA SUBSTATION FOR \$353,467, AND APPROVAL OF WORK ORDER NO. 1619571 FOR \$460,000

The Board of Public Utilities:

1. Awarded Bid No. 1239-1619571 to All American Asphalt of Corona, California, for street and landscape improvements at Plaza substation for \$353,467; and
2. Approved Work Order No. 1619571 for \$460,000.

#### **6 MOVED TO DISCUSSION CALENDAR**

Other Items

- 7 SECOND AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES FOR ELECTRIC COST OF SERVICE AND RATE DESIGN PROJECT - ASSIGNING THE AGREEMENT TO NEWGEN STRATEGIES & SOLUTIONS, LLC, EXTENDING THE TERM TO APRIL 30, 2018, AND INCREASING THE CONTRACT BY \$85,820 FOR A TOTAL CONTRACT AMOUNT OF \$231,970

The Board of Public Utilities:

1. Approved the Assignment Agreement between City of Riverside, Leidos Engineering, LLC., of Denver, Colorado to NewGen Strategies and Solutions, LLC, of Lakewood, Colorado, approving the assignment of the Professional Services Agreement for the Electric Cost of Service Analysis and Rate Design Project to NewGen Strategies and Solutions, LLC; and
  2. Approved the Second Amendment to the Professional Services Agreement for the Electric Cost of Service Analysis and Rate Design Project to extend the term of the Agreement to April 30, 2018, and increase the Agreement by \$85,820 to a revised contract amount of \$231,970.
- 8 SECOND AMENDMENT TO THE PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH CAROLLO ENGINEERS, INC FOR WATER COST OF SERVICE AND RATE DESIGN PROJECT – EXTENDING THE TERM TO APRIL 30, 2018 AND INCREASING THE CONTRACT AMOUNT BY \$75,110, FOR A TOTAL OF \$224,945

The Board of Public Utilities approved the Second Amendment to the Professional Service Agreement with Carollo Engineers Inc., of Riverside, California, for the Water Cost of Service Analysis and Rate Design Project, extend the term of the Agreement to April 30, 2018, and increase the Agreement by \$75,110 to a revised contract amount of \$224,945.

9 **MOVED TO DISCUSSION CALENDAR**

- 10 APPROVAL OF SIXTH AMENDMENT TO LEASE AGREEMENT WELLS FARGO BANK, NATIONAL ASSOCIATION – MISSION SQUARE OFFICE BUILDING, 3750 UNIVERSITY AVENUE, SUITE 150 – FIVE YEAR TERM FOR \$1,310,000 IN REVENUE

The Board of Public Utilities recommended that the City Council:

1. Approve the Sixth Amendment to the Lease Agreement with Wells Fargo Bank, National Association; and
2. Authorize the City Manager, or his designee, to execute the Sixth Lease Amendment, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

## **DISCUSSION CALENDAR**

- 4 FIRST AMENDMENT TO THE STREETLIGHT POLE ATTACHMENT AND ELECTRICAL POWER AGREEMENT BETWEEN SOUTHERN CALIFORNIA GAS COMPANY TO ADD SEVEN ADDITIONAL LOCATIONS FOR AN ESTIMATED 17 YEAR INCOME OF \$8,215

Staff requested this item be removed from the agenda.

- 6 AWARD OF BID NO. 1607467-17RPU TO ASPLUNDH CONSTRUCTION CORPORATION, ANAHEIM, CA FOR REPLACEMENT OF ELECTRICAL SWITCH IN THE AMOUNT OF \$68,795 AND APPROVAL OF WORK ORDER NO. 1607467 FOR \$230,000

Board Member Ron Cole requested this item be placed on the Discussion Calendar to clarify why RPU personnel cannot perform 100% of the switch replacement work.

Electric Engineering Manager George Hanson replied that our personnel only completes the 100% of the electrical work after the civil work is completed by contract personnel.

Board Member Cole also asked if the cost of the replacement switch was included in the work order, and Mr. Hanson responded that the cost of the switch was indeed included in the "Electric Construction Underground" line item of the Work Order.

Following discussion, the Board of Public Utilities:

1. Approved Work Order No. 1607467 in the amount of \$230,000; and
2. Awarded Bid No. 1607467-17RPU for the replacement of an electrical switch on Magnolia Avenue and Harrison Street, to the lowest responsive bidder, Asplundh Construction Corp., Anaheim, California, in the amount of \$68,795.

Motion – Cole. Second – Scott-Coe.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker.

Absent: None.

- 9 APPROVE THE SENATE BILL 1368 COMPLIANCE FILING TO THE CALIFORNIA ENERGY COMMISSION FOR PARTICIPATION IN THE INTERMOUNTAIN POWER REPOWERING PROJECT

Vice Chair Justin Scott-Coe requested this item be placed on the Discussion Calendar to compliment the Power Resources' group for the great job in significantly reducing the amount of greenhouse gas in RPU's Power Resource portfolio which was reflected on Slide 10 of the PowerPoint presentation.

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

1. Approve the attached Senate Bill 1368 Compliance Filing package to the California Energy Commission for potential participation in the Repowering of Intermountain Power Project; and

2. Authorize the City Manager or his designee, to execute any documents necessary to complete and submit the Compliance Filing.

Motion – Scott-Coe. Second – Cole.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker.

Absent: None.

- 11 ACCEPT AN IN-KIND DONATION FROM THE TORO COMPANY NOT TO EXCEED \$50,000 AND ACCEPT GRANT FUNDING FROM THE AUDUBON INTERNATIONAL SUSTAINABLE COMMUNITIES PROGRAM FOR \$2,500 TO BE UTILIZED FOR CONSTRUCTION OF THE DEMONSTRATION GARDEN AT STREETER PARK (JANET GOESKE CENTER) TOTAL NOT TO EXCEED \$52,500

Public Benefit/Customer Relations Manager Kevin Palmer gave an overview of this report and introduced Mr. Mike Baron, representative of the Toro Company, who also gave input and answered questions regarding their in-kind donation.

The Board complimented The Toro Company for their partnership with the City and their financial contribution to the project.

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

1. Accept the donation of high-efficiency irrigation materials from the Toro Company in an amount not to exceed \$50,000 for use in constructing the demonstration garden at Streeter Park (Janet Goeske Center);
2. Accept a grant in the amount \$2,500 from Audubon International Sustainable Communities Program for the demonstration garden at Streeter Park (Janet Goeske Center); and
3. Authorize an increase in estimated revenues in the amount of \$2,500 and appropriate expenditures in the same amount to a project account as assigned by the Finance Department.

Motion – Cole. Second – O'Farrell.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker.

Absent: None.

- 12 ADOPTION OF RESOLUTION OF NECESSITY AUTHORIZING INITIATION OF EMINENT DOMAIN PROCEEDINGS TO ACQUIRE ELECTRICAL FACILITIES AND REAL PROPERTY INTERESTS FROM SOUTHERN CALIFORNIA EDISON WITHIN THE CITY OF RIVERSIDE ANNEXATION AREAS 95 AND 99 AND APPROVAL OF WORK ORDER NO. 170409 FOR \$444,000.

Electric Engineering Manager George Hanson gave a presentation explaining the background of the City of Riverside annexation areas 95 and 99 and answered questions from the Board.

It was requested that the Board approve only Recommendations No. 1 and No. 2 at this time and defer for a later date Recommendation No. 3: *"Approve Work Order No. 170409 in the amount of \$444,000 for deposit into the State Condemnation Fund for the eminent domain process."*

Also the Board requested the past LAFCO minutes regarding this subject be included in the City Council report and brought back to the Board as an informational source.

Following discussion, the Board of Public Utilities:

1. Recommended that the City Council consider adoption of a Resolution of Necessity authorizing the initiation of eminent domain proceedings to acquire electrical facilities and real property interests from Southern California Edison within the City of Riverside Annexation Areas 95 and 99; and
2. Recommended that the City Council find that the transfer of ownership is exempt from CEQA.

Motion – Scott-Coe. Second – Walcker.

Ayes: Austin, Scott-Coe, Cole, Crohn, Foust, O'Farrell, and Walcker.

Absent: None.

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

##### **13 SYSTEMATIC REPORTING ON MEETINGS/CONFERENCES/SEMINARS BY BOARD MEMBERS AND/OR STAFF**

Board Member David Crohn reported that on Wednesday, October 19, he attended a tour at the Inland Empire Utility Agency.

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

- Public Benefit Program – bottled water program

#### **GENERAL MANAGER'S REPORT**

Deputy General Manager Kevin Milligan announced that this meeting was Assistant General Manager/Resources Reiko Kerr's last meeting as she will be retiring from the City of Riverside and taking a position at LADWP. Each Board Member expressed their farewell wishes and that they wished her all the best and will miss her.

Also it was noted that tentatively on January 23, 2017, before the regular meeting at 6:30 pm that night, there would be a workshop at 2:00 pm regarding the rate setting principles and an update on Utility 2.0.

##### **15 Aliso Canyon Update**

##### **16 Open Work Orders over \$200,000 and Closed Work Orders – Summary Report for September 2016**

- 17 Electric / Water Contract Panel Update as of September 2016
- 18 SCPPA Miscellaneous Billings – September 2016
- 19 SCPPA Monthly Agenda / Minutes – August 18, 2016
- 20 City Council / Committee Agendas – September 27, 2016, October 4, 2016, October 11, 2016, and October 18, 2016
- 21 Water Highlights – August 2016
- 22 Preliminary Year-End Financial Report – June 30, 2016
- 23 Monthly Power Supply Report – August 2016
- 24 Quarterly Board of Public Utilities Attendance Report – July, August, and September 2016
- 25 Upcoming Meetings
- 26 Electric / Water Utility Acronyms

#### UPCOMING MEETING

Chair Dave Austin adjourned the meeting at approximately 7:54 p.m. The next scheduled meeting of the Board of Public Utilities is to be held on Monday, November 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: November 14, 2016