

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES  
THURSDAY, AUGUST 5, 2010  
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE  
REGULAR MEETING**

1:33 p.m. Mayor's Conference Room

Adjourn study session and reconvene to open session in City Council Chamber at approximately 2:38 p.m.

**ROLL CALL**

Present (7) Chairman Dowd, Vice Chair Gale, Board Members Galvin, Holt, Lowe, Meechan and Swinth

**PUBLIC COMMENTS**

Carol Dean spoke about her observations on a recent 9 month sailing trip to Mexico. She spoke about the importance of keeping the Catastrophic Reserves in place because she saw the devastation of Hurricane Jimenez and the quake in Mexicali. She stressed the importance of I & I control and the cities that she visited where half of the town received water on one day and the other half on the next day. She commended the Board for the work they are doing.

**STATEMENTS OF ABSTENTION BY BOARD MEMBERS**

Vice Chair Gale and Board Member Galvin stated they would be abstaining from the approval of the minutes of June 3, 2010 because they were absent from that meeting.

**STUDY SESSION**

**3.1 REVIEW OF THE UTILITIES DEPARTMENT RESERVES**

Linda Reed, Administrative Services Officer gave the staff presentation. She reviewed the Utilities Reserve Policy that was reviewed by the Board and adopted by City Council in 2006. She provided a detailed review of the funds including Operating Reserves, Catastrophic Reserves, Designated Reserves and Capital Improvement Program (CIP) Reserves. She discussed how remaining reserves are determined and provided a history of the water and wastewater reserve totals. She concluded by saying that the department is still deficit spending but staying within the Reserve Policy Guidelines.

Chairman Dowd discussed the process that the Ad Hoc Budget Task Force committee has been going through and how it relates to reserves levels and impacts on rates. A discussion ensued about the current practice of moving CIP projects forward when additional funds are available instead of fully replenishing reserves. Ms. Reed responded that while reserves are needed, we need to look at the construction bidding climate and determine if it is a good time to move projects forward. Vice Chair Gale expressed concern that it is not fiscally responsible to not make sure reserves are replenished prior to completing non-scheduled projects. Chairman Dowd acknowledged that all Board Member comments are correct and requested that staff take a look at all of this information to develop a recommendation for the Board to consider.

**MINUTES APPROVAL**

Board Member Swinth moved the approval of the minutes for June 3, 2010. The motion was seconded by Board Member Holt and carried unanimously. AYES (5) NO (0) ABSENT (0) ABSTAIN (2) Gale and Galvin

Board Member Swinth moved the approval of the minutes for July 1, 2010. The motion was seconded by Board Member Galvin and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

The approval of the minutes for the July 15, 2010 meeting is deferred to the next meeting.

Chairman Dowd requested a motion to add an item to the agenda to discuss Deputy City Manager's Greg Scoles departure from the City of Santa Rosa.

**MOTION:**

Vice Chair Gale moved a motion to add an agenda item to discuss Mr. Scoles. The motion was seconded by Board Member Galvin and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

Chairman Dowd stated that it has been a pleasure working with Mr. Scoles and thanked him for the work on the Geysers Contract and the Town of Windsor agreement. He wished him the best of luck in his new opportunity as City Manager for the City of Belmont.

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Mr. Scoles stated that it has been his pleasure working with the Board for the last 8 years and spoke about some of the highlights in his career with the City. He added that there are great people working in Utilities and he is leaving the Board in good hands and looking forward to a new challenge.

**STAFF BRIEFINGS**

**5.1 STATUS REPORT ON OPEN SPACE DISTRICT TRAIL PLAN ON CITY FARMS AND PROPOSED TRAIL CONSTRUCTION ON KELLY FARM**

Josh Maresca, Right-of-Way Agent indicated that this was an update to make the Board aware of an item going forward to Council on September 14, 2010. He reviewed the agreement that was put into place in 2001 that in exchange for rights for installing the Geysers Project in the Audubon area, the County received rights for trail construction along City Farms. Dan Carlson, Deputy Director of Utility Operations discussed the proposed trails and added that negotiations are occurring to determine who will be responsible for the maintenance of the trails. Mr. Carlson indicated that the Board will be informed of the terms of the final agreement at the time that it is submitted to the City Council for action.

**CONSENT ITEMS**

**6.1 BID AWARD – URBAN REUSE PILOT PROJECT EXTENSION**

**MOTION:**

Vice Chair Gale moved to a motion to award a construction contract in the total amount of \$1,229,944.00 to the lowest responsive bidder, Argonaut Constructors of Santa Rosa, CA, for the Urban Reuse Pilot Project Extension and approve a construction contingency of 15 percent. The motion was seconded by Board Member Holt and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

**7. PUBLIC COMMENTS ON NON-AGENDA MATTERS**

**8. REFERRALS**

**9. WRITTEN COMMUNICATION (And Possible Board Action)**

9.1 Memo dated July 21, 2010 from Miles Ferris, Director of Utilities re: Minor Contract Award – Brown Farm Pump Station Modifications; included in packet

9.2 Memo dated July 28, 2010 from Miles Ferris, Director of Utilities re: Correction to: July 8, 2010 memo “Minor Contract Award – City of Santa Rosa West College Municipal Facilities On-Call Site Repair and Maintenance; included in packet

9.3 Letter to Grant Davis, Sonoma County Water Agency from City of Santa Rosa re: City of Santa Rosa Input on the Sonoma County Water Agency Draft Water Supply Strategy Action Plan – May 2010; included in packet

**10. SUBCOMMITTEE REPORTS**

Board Member Swinth updated the Board on the work of the Ad Hoc Budget Task Force. She stated that a number of Study Session topics have been established for the remainder of this year that will provide information towards the goals of bringing expenditures in line with revenues.

Board Member Lowe updated the Board on the Steering Team and explained that currently the group is going through an educational process and working on trust building among the members. This is an open process and Board Member Lowe added that he will bring back updates at each meeting.

Board Member Holt reported that the Water Conservation Subcommittee is scheduled to meet next Tuesday. He also reported that the consultant review panel that he has been participating on is scheduled to meet on August 31, 2010 and Board Member Galvin will be participating in this session as a representative of the Contract Review Subcommittee.

**11. BOARD MEMBER REPORTS**

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Board Member Swinth requested an update on the Oakmont discussions that have been taking place. She also requested an analysis of the costs of various water supply options.

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Richard Dowd

**12. DIRECTORS REPORT**

Miles Ferris Director of Utilities reported that staff had a meeting yesterday with the Oakmont group and they are scheduled to meet again next week. He further reported that staff has been trying to obtain water supply data from the Sonoma County Water Agency but it has been frustrating. Mr. Ferris then spoke about a meeting that was held by the State for State Discharge Permits. He explained that 167 agencies that have not yet applied.

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Gina Perez

13. At 3:18 pm, the Board adjourned the regular meeting and reconvened at the Utilities Field Operations at 35 Stony Point Road to Tour Facility

**13.1 TOUR – UTILITIES FIELD  
OPERATIONS AND SURROUNDING  
PROPERTIES**

The Board received a guided tour of all phases of the West College Utilities Facility project including the shop, operations, storage and training buildings, the vehicle wash facility, the recycled water pump station, the public parking area, the equipment parking area, and the transfer station.

**14. CONCLUSION OF TOUR AND  
ADJOURNMENT OF MEETING**

At 4:30 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, August 19, 2010 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.