

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES
THURSDAY, DECEMBER 2, 2010
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE
REGULAR MEETING**

1:30 p.m. Mayor's Conference Room

The minutes from November 4, 2010 will be deferred to the next meeting because there was not a quorum present.

ROLL CALL

Present (4) Vice Chair Gale, Board Members Holt, Meechan and Swinth

CONSENT ITEMS

Absent (2) Chairman Dowd and Board Member Galvin

**5.1 CONTRACT AMENDMENT –
JANITORIAL SERVICES FOR UTILITIES
DEPARTMENT AND SONOMA COUNTY
WATER AGENCY FACILITIES**

STUDY SESSION

MOTION:

**3.1 PRELIMINARY DISCUSSION RE
FUTURE RATE INCREASES**

Linda Reed, Administrative Services Officer, reviewed the water assumption data including sales and revenue and the Board discussed and concurred that a 4.3 % decline in water sales was an appropriate assumption for the remaining 2010/11 fiscal year and then a flat projection for 2011/12. Ms. Reed presented scenarios of what revenues various rate increases would generate as well as the effects of increasing the fixed percentage portion of a bill. She discussed the wholesale pass-through rate that was adopted in December 2009 that applies only to the usage charge and then identified the considerations that should be looked at regarding future water and wastewater rate increases. Three water rate matrixes were presented and discussed. Board Member Holt asked that that while considering all the options, we should look at maintaining flexibility. Board Member Swinth stated that increasing rates will not fix deficit problem and that cuts need to be made in expenditures and encouraged staff to look at the smallest rate increase possible. She then expressed concern about the unaccounted loss of water in the system and requested a future study session to discuss this matter. Board Member Meechan suggested that the fixed rates should be increased gradually. Vice Chair Gale added that this has been an exceptional year with a focus on budget and asked that staff continue to look at things that haven't been done before.

Board Member Swinth moved a motion to approve Amendment No.1 to Contract 08-8770 with James Furuli Investment Co. Inc., DBA Environmental Dynamics, Petaluma, CA, for janitorial services at various City Utilities Department and Sonoma County Water Agency facilities in the total amount of \$197,906.25. The motion was seconded by Board Member Holt and carried unanimously. AYES (4) NO (0) ABSENT (0) 2 Dowd, Galvin ABSTAIN (0)

**5.2 CONTRACT EXTENSION –
DEWATERING POLYMER SUPPLY**

MOTION:

Board Member Swinth moved a motion to approve Amendment No.1 to Contract No. 09-9059 with SNF Polydyne, Inc., Riceboro, GA., for dewatering polymer supply to the Laguna Wastewater Treatment Plant, for an additional one-year term with no increase in contract unit price, in the total amount of \$210,000. The motion was seconded by Board Member Holt and carried unanimously. AYES (4) NO (0) ABSENT (2) Dowd, Galvin ABSTAIN (0)

**5.3 WAIVER OF COMPETITIVE BIDDING –
SOLE SOURCE AWARD FOR
WINKLEPRESS BELT FILTER PRESS
RECONDITIONING AND RETROFITTING**

MOTION:

Board Member Swinth moved to approve Resolution No. 989 entitled "Resolution of the Board of Public Utilities Waiving Competitive Bidding and Authorizing the Award of a Sole Source Contract for Reconditioning and Retrofit of a Winklepress Belt Filter Press to

STATEMENTS OF ABSTENTION BY BOARD MEMBERS - NONE

MINUTES APPROVAL

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Ashbrook Simon-Hartley Operations, Dallas, Texas.” The motion was seconded by Board Member Holt and carried unanimously. AYES (4) NO (0) ABSENT (2) Dowd, Galvin ABSTAIN (0)

REPORT ITEMS - NONE

7. PUBLIC COMMENTS ON NON-AGENDA MATTERS - NONE

8. REFERRALS

9. WRITTEN COMMUNICATION (And Possible Board Action) - NONE

10. SUBCOMMITTEE REPORTS

Vice Chair Gale reported that the Budget Review Subcommittee met to discuss the material that was presented today. An additional Budget meeting will be scheduled in January. He then reported that the Steering Team will be meeting on December 9th.

11. BOARD MEMBER REPORTS - NONE

12. DIRECTORS REPORT

Linda Reed reported that the North Bay Business Journal featured an article on the Biomass to Fuel Project. She also reported the Miles Ferris, Director of Utilities was away attending the ACWA Conference.

13. ADJOURNMENT OF MEETING

At 2:32 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, December 16, 2010 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

Richard Dowd

Gina Perez