

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES
THURSDAY, JANUARY 16, 2014
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE
REGULAR MEETING**

1:35 p.m. Mayor's Conference Room - Room 10

Presenter: Jennifer Burke, Deputy Director Water and Engineering Resources

ROLL CALL

No action was taken by the Board.

Present (7) Chairman Gale, Vice Chair Galvin, Board Members Arnone, Dowd, Holt, Kaun and Steffensen

Chairman Gale adjourned the Study Session at 2:40 p.m. and reconvened to open session in City Council Chamber at 2:56 p.m.

STATEMENTS OF ABSTENTION BY BOARD MEMBERS - NONE

MINUTES APPROVAL

STUDY SESSION

Board Member Holt moved the approval of the minutes for October 17, 2013 as presented. The motion was seconded by Board Member Steffensen and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

3.1 LEGISLATION ADVOCACY – THE FURMAN GROUP

STAFF BRIEFINGS

BACKGROUND: On October 16, 2009, the Board of Public Utilities approved a contract with The Furman Group (TFG) to seek federal funding to implement Phase 1 West of the Santa Rosa Urban Reuse Project (Project). The Project would offset 760 AFY potable water use (including the Pilot Project offset) and contribute to the diversification of the City's water supply portfolio as specified in the City's Urban Water Management Plan. Design and construction of Phase 1 West was estimated in 2007 to cost \$36.6 million. On November 18, 2010, March 1, 2012, and January 17, 2013, the Board authorized amendments to the TFG contract to extend the contract until December 31, 2013. This study session will provide the Board with an update on the Project and with the status of the federal funding prospects. The Board may discuss this item and give direction to staff.

5.1 QUARTERLY REPORT ON CAPITAL IMPROVEMENT PROGRAM PROJECTS

BACKGROUND: Staff will provide an update on Capital Improvement Program (CIP) projects. The briefing will summarize expenditures, fund transfers and carryover from July to September 2013 and will provide updates on major projects and coming attractions. CIP projects provide the infrastructure that is critical to the economic vitality and quality of life in Santa Rosa.

Presenters: David Guhin, Director of Utilities, and Hal Furman, The Furman Group

Presenter: Colleen Ferguson, Deputy Director Engineering Services

No action was taken by the Board.

5.2 UPDATE ON THE 2014 AND 2015 WATER AND SEWER RATE HEARING

BACKGROUND: Staff will present an update on the proposed 2014 and 2015 water and sewer rates and action taken by the City Council. Staff will discuss next steps and impacts of the council's action.

3.2 WATER SUPPLY UPDATE AND URBAN WATER SHORTAGE CONTINGENCY PLAN OVERVIEW

Presenter: Linda Reed, Administrative Services Officer – Budget

BACKGROUND: Staff will provide an update on current water supply conditions, drought outreach and messaging, water use efficiency programs and provide an overview of the City's adopted Urban Water Shortage Contingency Plan. No action is requested, but the Board may discuss this item and give direction to staff.

CONSENT ITEMS

6.1 APPROVAL OF AMENDMENT TO AGREEMENT – ENGAGEMENT OF DOWNEY BRAND LLP

MOTION:

Board Member Holt moved a motion to approve Amendment No. 5 to Engagement of

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Downey Brand LLP re NPDES Discharge Permit Assistance increasing the total contract amount from \$100,000 to \$125,000. The motion was seconded by Vice Chair Galvin and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

**6.2 AMENDMENT NO. 4 TO
PROFESSIONAL SERVICES AGREEMENT
WITH THE FURMAN GROUP FOR
FEDERAL FUNDING ADVOCACY
SERVICES FOR IMPLEMENTATION OF
THE SANTA ROSA URBAN REUSE
PROJECT**

Board Member Dowd requested this item be continued to amend the scope to reflect the need for frequent reports to the Director about the status of relevant legislation and for contract management decisions to be made in response to the status reports.

No action was taken and the item was continued to the February 6, 2014 meeting.

REPORT ITEMS

**7.1 REPORT – ENERGY OPTIMIZATION
PLAN PROJECT CONTRACT AMENDMENT
ONE**

BACKGROUND: On September 5, 2013, the Board of Public Utilities (BPU) approved a contract with Kennedy/Jenks Consulting, Inc., (KJ Consulting) for the completion of a scope of work for the development of an Energy Optimization Plan (EOP). This contract amendment is for Task 1 (Subregional site audits and a workshop with staff).

RECOMMENDATION: It is recommended by the Project Development Division that the Board of Public Utilities, by motion, approve Amendment One to the Professional Services Agreement with Kennedy/Jenks Consultants, Inc. for an amount not to exceed \$159,700 to identify potential practices, programs, and projects for optimizing energy use in the Subregional System.

Presenter: Colin Close, Research and Program Coordinator

MOTION:

Vice Chair Galvin moved a motion to approve Amendment One to the Professional Services

Agreement with Kennedy/Jenks Consultants, Inc. for an amount not to exceed \$159,700 to identify potential practices, programs, and projects for optimizing energy use in the Subregional System. The motion was seconded by Board Member Dowd and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

**7.2 REPORT - APPROVAL OF A
PROFESSIONAL SERVICES AGREEMENT
WITH THE LAGUNA DE SANTA ROSA
FOUNDATION TO IMPLEMENT A HABITAT
RESTORATION PROJECT**

BACKGROUND: City staff has developed Ranch Plans for City of Santa Rosa Reclamation Farms. The Ranch Plans specify a goal of an increased setback from farming and ranching activities to 100 feet from top of bank on all the creeks on City Reclamation Farms. The Ranch Plans call for the establishment of native trees and shrubs in these riparian zones. Riparian restoration is underway on Irwin Creek, located on the City of Santa Rosa's Stone Farm. The next section of the Creek could be completed faster and at a substantially reduced cost by partnering with the Laguna de Santa Rosa Foundation to implement the Irwin Creek Riparian at Stone Farm project.

RECOMMENDATION: It is the recommendation of Utilities Department staff that the Board of Public Utilities, by resolution, approve a Professional Services Agreement with the Laguna de Santa Rosa Foundation allowing access to Irwin Creek on City of Santa Rosa's Stone Farm in order to carry out the Irwin Creek Riparian Restoration at Stone Farm project and authorize the Chair to sign the Agreement.

Presenters: Jennifer Burke, Deputy Director Water and Engineering Resources, and Denise Cadman, Environmental Specialist

Board Member Arnone made a late notice abstention stating his firm has done work with the Laguna Foundation.

MOTION:

Vice Chair Galvin moved to approve Resolution No. 1060 entitled "Resolution of

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the Board of Public Utilities Approving a Professional Services Agreement with the Laguna Foundation to Implement a Habitat Restoration Project and Authorizing the Chair to Sign the Agreement.” The motion was seconded by Board Member Dowd. AYES (6) NO (0) ABSENT (0) ABSTAIN (1) Arnone

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS – NONE

9. REFERRALS - NONE

10. WRITTEN COMMUNICATION (And Possible Board Action)

10.1 Memo dated January 16, 2014 from David Guhin, Director of Utilities re: Quarterly Capital Improvement Program Projects Update: July-September 2013; included in packet

10.2 Memo dated January 16, 2014 from David Guhin, Director of Utilities re: Minor On-Call Contract Change Order over \$75,000 – C01742 – Laguna Treatment Plant On-Call Repair and Installation – Phase 2, CC02; included in packet

11. SUBCOMMITTEE REPORTS

Board Member Dowd thanked the Budget Review Subcommittee for all of their efforts to move the two year rates forward to Council.

Vice Chair Galvin reported that the Contract Review Subcommittee recently met several times and the next meeting has been postponed.

Chairman Gale made the following Subcommittee Assignments for 2014:

City Council/BPU Liaison: Chairman Gale, Vice Chair Galvin and Board Member Steffensen

Budget Review: Board Members Dowd, Arnone and Kaun

Contract Review: Vice Chair Galvin, Board Members Holt and Kaun

Water Conservation: Board members Holt and Steffensen

Ad Hoc Assignments were made as follows:

Healdsburg: Board Member Dowd

Nutrient Offset Program: Vice Chair Galvin

Water Resources Development Act (WRDA): Board Member Kaun

12. BOARD MEMBER REPORTS – NONE

13. DIRECTORS REPORT

David Guhin, Director of Utilities provided an update on the ongoing drought and a potential grant opportunity for the Water Use Efficiency group to change the landscape at City Hall.

14. ADJOURNMENT OF MEETING

At 4:01 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, February 6, 2014 at approximately 1:30 p.m. in the City Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

Stephen Gale

Gina Perez