

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES
THURSDAY, JULY 17, 2008
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE
REGULAR MEETING**

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

CONSERVATION VIDEOS

ROLL CALL

Present (6) Chairman Dowd, Vice Chairman Lowe, Board Members Galvin, Holt, Lindsay and Swinth

Absent (1) Board Member Downey

STATEMENTS OF ABSTENTION BY BOARD MEMBERS - NONE

STUDY SESSION

3.1 OVERVIEW OF A PROPOSED BIODIESEL PRODUCTION FACILITY AT THE LAGUNA TREATMENT PLANT

Dan Carlson, Deputy Director Utility Operations provided a brief introduction and introduced Dale Roberts and Amy Bolten from the Sonoma County Water Agency. Mr. Roberts presented an explanation about what biodiesel is, the difference between ethanol and biodiesel and the benefits of using biodiesel as a fuel source. Results of the preliminary feasibility studies have indicated that numerous benefits to the Utilities Department, Santa Rosa and Water Agency vehicle fleets, and the green house gas (GHG) reduction efforts exist within the concept. A possible joint project implementation schedule was presented. The Board requested that a business plan be prepared outlining the proposed responsibilities and costs to each of the agencies.

Adjourn study session and reconvene to open session in City Council Chamber at approximately 2:15 pm.

MINUTES APPROVAL

Board Member Holt moved approval of the minutes of June 26, 2008. The motion was seconded by Board Member Galvin and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

STAFF BRIEFINGS

5.1RRWA WINNING WATER

Jennifer Burke, Senior Water Resources Planner provided an overview of the Russian River Watershed Association and its goals and achievements. The City of Santa Rosa is a member of the Association along with nine cities, counties and special districts in the Russian River Watershed. Each year, RRWA sponsors a high school video contest in celebration of Water Awareness month with this year's theme being Water Conservation. Video Contest winners were announced and their videos, which will be future Public Service Announcements, were shown to the Board.

5.2 UPDATE ON CURRENT CONSTRUCTION PROJECTS

Colleen Ferguson, Interim Deputy Director Utilities Engineering gave the staff briefing. The presentation included updates of recently completed and ongoing construction projects and projects that will be going to construction soon. The focus was on projects that are visible to the community including sewer and water line replacements, water tanks, parks, street overlays and slurry seals. She briefly explained that while the Capital Improvement Program has been impacted by decreased revenue, the budget provides for replacement of 0.8% of the sewer system and 0.4% of the water system and rehabilitation of 3.2% of streets that need to be rehabilitated.

CONSENT ITEMS

6.1 AUTHORIZE SUBMITTAL OF A GRANT APPLICATION TO THE DEPARTMENT OF WATER RESOURCES PROPOSITION 50 URBAN DROUGHT ASSISTANCE GRANT PROGRAM

MOTION:

Vice Chairman Lowe moved to approve Resolution No. 930 entitled "Resolution of the Board of Public Utilities Authorizing the Submittal of Two Grant Applications to the State of California Department of Water Resources for Emergency Drought Assistance Grant to Partially Fund Santa Rosa's Water Conservation Programs." The motion was

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seconded by Board Member Swinth and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

Kennedy/Jenks Consultants in the amount of \$284,950.

REPORT ITEMS

Chairman Dowd reported that he has assigned future work and policy discussion, related to recycled water, to the Water Conservation Subcommittee.

7.1 SANTA ROSA 2035: FOCUSED GENERAL PLAN REVISION

Troy Eggleston, City Planner presented the Board with an outline of the General Plan Revision strategy. He reviewed the areas where both minor and significant changes would be incorporated into the plan and the overall timing of the project.

MOTION:

Board Member Swinth moved a motion to approve the Professional Services Agreement with Kennedy/Jenks Consultants for the SRURPP Design Services and authorize the Chair to sign the Agreement. The motion was seconded by Board Member Galvin and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

7.2 APPROVE PROFESSIONAL SERVICES AGREEMENT WITH KENNEDY/JENKS CONSULTANTS FOR SANTA ROSA URBAN REUSE PILOT PROJECT (SRURPP) DESIGN SERVICES

Ms. Burke gave the staff presentation and explained that the Board and Council approved Phase 1 West of the Santa Rosa Urban Reuse Project in December 2007. On March 28, 2008, the City distributed a Request for Proposals for SRURPP Design Services. Seven proposals were submitted and four firms were interviewed. The selection committee selected Kennedy/Jenks Consultants as the most qualified firm based on the proposals and interviews. Funding for the project is available via a Proposition 50 Integrated Regional Water Management Plan (IRWMP) Implementation Grant for the North Coast IRWMP from the State Water Resources Control Board (SWRCB) in the amount of \$1.004 million and L/R/T2 funds from the Sonoma County Water Agency in the amount of \$1.1 million. An additional \$3 million in Prop 50 IRWMP grant funds has become available and the North Coast Policy Review Panel has recommended that the funding be awarded to the City for our project. Approval of the Policy Review Panel's recommendation is pending with the SWRCB. In accordance with the requirements of the Proposition 50 grant, work must be completed by spring 2010. The Contract Review Subcommittee met on July 10, 2008, and recommended approval of the Professional Services Agreement with

7.3 ACCEPTANCE OF A GRANT FROM THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT TO PROVIDE REBATES FOR COMMERCIAL LAUNDRY SYSTEMS

Sean McNeil, Water Conservation Representative gave the staff presentation. He provided an outline of the Embedded Energy Pilot Project and explained that it would be a partnership with PG&E. The existing Water Conservation Program, Sustained Reduction Rebate Program, proposed to conduct a pilot water and energy conservation rebate for hotels and commercial laundry facilities. The Water Conservation Program applied for and was recommended to receive a Climate Protection Grant in the amount of \$43,000 to fund staff time, program and brochure development and 10 or more laundry system rebates. Mr. McNeil explained how the Ozone Purification System works and the potential water, energy and green house gas emission savings. A report summarizing the results of the pilot program will be prepared and made available throughout the State for other municipalities.

MOTION:

Board Member Galvin moved a motion to approve the "Bay Area Air Quality Management District Grant Agreement, Grant No. 2008-117" and authorize the Chair to sign the Agreement. The motion was seconded by Board Member Lindsay and carried

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unanimously. AYES (6) NO (0) ABSENT (1)
Downey ABSTAIN (0)

**7.4 UPDATE ON TRACE
PHARMACEUTICAL AND PERSONAL CARE
PRODUCT RESIDUES IN WATER**

Lynn Small, Deputy Director Environmental Compliance discussed the City's involvement in funding various Research Institutes and Local Programs. He presented a detailed list of the current research topics being studied through the American Water Works Association Research Foundation (AwwaRF), Water Environment Research Foundation and Water Reuse Foundation. The City is sponsoring the "Safe Medicine Disposal Program" which includes 17 participating pharmacies in Santa Rosa, Rohnert Park, Sebastopol and Cotati, which to date, has collected 1,183 lbs. of drugs for disposal. A future statewide campaign entitled "No Drugs Down the Drain", which is a variation of the existing local program will occur October 4-11, 2008 and will be organized by the California Association of Sanitation Agencies, California Water Environment Association, and the Bay Area Clean Water Agencies. Dr. Jean Debroux continued the presentation and provided an update on pharmaceuticals and personal care products in water. He discussed the recent AwwaRF Rapid Response and WERF Webcasts regarding human and environmental health; the removal of bisphenol A, a suspected endocrine disruptor, from plastic bottles by Nalgene; draft EPA analytical methods for the measurement of steroid hormones and pharmaceuticals; the "Drug Free Water Act" (HR 6451); and California AB 2425. He then discussed various wastewater treatment options available and their relative estimated costs.

**7.5 STATE WATER RESOURCES
CONTROL BOARD'S (SWRCB) DRAFT
POLICY FOR MAINTAINING INSTREAM
FLOWS IN NORTHERN CALIFORNIA
COASTAL STREAMS**

Chairman Dowd reported that he, Board Member Holt, Council Members Gorin and Dean had met with staff to discuss this item. Ms. Burke presented information on the SWRCB's Draft Instream Flows Policy and

explained it was developed in response to Assembly Bill (AB) 2121 which requires SWRCB adopt principles and guidelines for maintaining instream flows in northern California coastal streams including the Russian River and its tributaries as a basis for making water rights decisions. She reviewed the Policy approval process and stated that the SWRCB is holding two workshops to receive input on the Draft Policy on August 5 and 6, 2008. The Russian River Watershed Association and the Water Advisory Committee, which the City is a member of, previously submitted written comments supporting allowance of a watershed approach. She then provided a range of possible comments for consideration which the Board approved, as a whole, with one minor addition to comment #3 of the proposed resolution.

MOTION:

Vice Chairman Lowe moved to approve Resolution No. 931 entitled "Resolution of the Board of Public Utilities of the City of Santa Rosa Recommending that the City Council Comment on the State Water Resource Control Board's Draft Policy for Maintaining Instream Flows in Northern California Coastal Streams." The motion was seconded by Board Member Holt and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

7.6 WATER SUPPLY UPDATE

Miles reported that Water Conservation staff is booked through September to perform various field visits, the Water Patrol continues and the Farmers Lane wells continue to operate. Chairman Dowd suggested that some positive recognition be sent out to citizens who have worked to conserve water through the voluntary water use reduction plea, sent out by the Water Agency, possibly on their water bill statements. Mr. Ferris responded that he would follow up with Utility Billing.

**8. PUBLIC COMMENTS ON NON-AGENDA
MATTERS - NONE**

9. REFERRALS

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10. WRITTEN COMMUNICATION (And Possible Board Action)

11. SUBCOMMITTEE REPORTS

Chairman Dowd reported that he and Board Member Holt worked on the Draft Instream Policy with City Council/BPU Liaison Subcommittee.

12. BOARD MEMBER REPORTS - NONE

13. DIRECTORS REPORT

Mr. Ferris reported that AB938, which would work with Prop 218 and access the actual cost of providing for storm water, has died and the author may bring it back next year for another try and that AB2175, which is the water conservation bill, is being amended daily. He further reported that the Subregional System has been selected as the Recycling Institution of the Year by the WateReuse Association. Only one of these awards is given out each year. The award will be presented in Dallas on September 8, 2008.

14. ADJOURNMENT OF MEETING

At 4:35 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, August 7, 2008 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

Richard Dowd

Gina Perez