

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES  
THURSDAY, MARCH 19, 2015  
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE  
REGULAR MEETING**

1:33 p.m. Mayor's Conference Room – Room 10

may ask questions and discuss the requested funding.

**ROLL CALL**

**PRESENTER(S):** Danielle Dugre, Associate Civil Engineer and Marie Benson, Quality Control Associate

Present (6) Chairman Galvin, Vice Chair Kaun, Board Members Arnone, Holt, Steffensen and Tibbetts

**3.3 2015/16 WATER, WASTEWATER AND SUBREGIONAL REVENUE ASSUMPTIONS AND PROPOSED OPERATIONS AND MAINTENANCE BUDGET REVIEW**

Absent (1) Board Member Dowd

**STATEMENTS OF ABSTENTION BY BOARD MEMBERS**

**BACKGROUND:** The Utilities Department manages the City of Santa Rosa's water and wastewater enterprise funds under the guidance of the Board of Public Utilities (BPU) per the City Charter. The BPU, at their April 2, 2015 meeting, will be asked to recommend proposed fiscal year water, wastewater, and Subregional system budgets to the City Council. Staff will review 2015/16 revenue assumptions and proposed water, wastewater, and Subregional system fund operations and maintenance budgets at this study session. The Board may ask questions and discuss the assumptions and preliminary budget.

No statements of abstentions were made.

Chairman Galvin stated that he would need to leave the meeting briefly at 3:00 p.m. for a court appearance by phone. Vice Chair Kaun will chair the meeting during his absence.

**STUDY SESSION**

**PRESENTER(S):** Linda Reed, Deputy Director Administration

**3.1 PRINCIPALS OF ASSET MANAGEMENT**

**BACKGROUND:** Staff will present a brief overview of the Utilities Department Asset Management (AM) program. The AM Section of Utilities develops the City-wide Capital Improvement Program (CIP) on an annual basis. This is a rigorous and collaborative process that utilizes advanced AM principles. This presentation will highlight some of those principles and the process AM uses to develop the CIP. No action is requested, but the Board may discuss this item and give direction to staff.

Chairman Galvin left the meeting at 2:54 p.m. with Vice Chair Kaun presiding.

**PRESENTER(S):** Steve Allen, Supervising Engineer

Adjourn study session and reconvene to open session in City Council Chamber at 3:08 p.m.

**3.2 WATER, WASTEWATER AND SUBREGIONAL 2015/16 CAPITAL IMPROVEMENT PROGRAM BUDGET REVIEW**

**MINUTES APPROVAL**

Board Member Arnone moved a motion to approve the minutes from February 19, 2015 and March 5, 2015. The motion was seconded by Board Member Steffensen. AYES (5) NO (0) ABSENT (2) Dowd and Galvin ABSTAIN (0)

**BACKGROUND:** The Board of Public Utilities at their meeting on April 2, 2015 will be asked to recommend the water, wastewater and Subregional system capital improvement program to the City Council. Staff will review the new and carryover projects and programs included in the 2015/16 request. The Board

**STAFF BRIEFINGS**

**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

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expenditures, fund transfers and carryover from October to December 2014 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. The Board may discuss this item and give direction to staff.

**PRESENTER(S):** Colleen Ferguson, Deputy Director Engineering Services

**CONSENT ITEMS**

**6.1 BID AWARD AND ISSUANCE OF CONTRACT - DEWATERING POLYMER**

David Guhin, Director reported that the item would be pulled from the agenda to correct the contract documents and would be brought back at a future meeting.

**6.2 APPROVAL OF AGREEMENT FOR FUNDING OF ROBLES AVENUE SEWER MAIN REPLACEMENT PROJECT DESIGN**

**MOTION:**

Board Member Holt moved to approve the Agreement for Funding of Robles Avenue Sewer Main Replacement Project Design. The motion was seconded by Board Member Tibbetts. AYES (5) NO (0) ABSENT (2) Dowd and Galvin ABSTAIN (0)

**REPORT ITEMS**

Chairman Galvin returned to the dais at 3:28 p.m.

**7.1 AGREEMENT FOR ENERGY OPTIMIZATION PLAN PROJECT PART 2**

**BACKGROUND:** The purpose of the Energy Optimization Plan (EOP) is to identify potential practices, programs, and projects for optimizing energy use in cost-effective ways. The Board of Public Utilities (BPU) approved an agreement and two subsequent amendments to the agreement with Kennedy/Jenks Consultants, Inc., (K/J) for the first stage of work on an EOP for the Subregional System. K/J has completed the first phase of work, including developing a

comprehensive scope of work, conducting detailed energy and process efficiency audits of the Subregional System, completing assessments of large recycled pump stations, and facilitating a brainstorming session with staff. The findings and recommendations are documented by K/J in a series of Technical Memorandums. At the request of staff, K/J has provided a scope of work and fee schedule for the next stages of work on the EOP for the Subregional System. The scope for Part 2 includes analyzing five potential energy optimization projects that were identified in a brainstorming session with staff in July 2014. The scope for Part 3 includes developing an Action Plan for prioritizing and implementing the recommendations of Part 1 and Part 2 and writing a report outlining the EOP process and results.

**RECOMMENDATION:** It is recommended by the Contract Review Subcommittee and Utilities Department staff that the Board of Public Utilities, by motion, approve the Professional Services Agreement with Kennedy/Jenks Consultants, Inc. for an amount not to exceed \$121,960 to conduct Part 2 of the Subregional Energy Optimization Plan.

**PRESENTER(S):**

Colin Close, Research and Program Coordinator

**MOTION:**

Board Member Holt moved to approve the Professional Services Agreement with Kennedy/Jenks Consultants, Inc. for an amount not to exceed \$121,960 to conduct Part 2 of the Subregional Energy Optimization Plan. The motion was seconded by Vice Chair Kaun and carried unanimously. AYES (6) NO (0) ABSENT (1) Dowd ABSTAIN (0)

**7.2 REPORT - SONOMA COUNTY WATER AGENCY 2015/16 WATER TRANSMISSION BUDGET AND WATER RATE INCREASE**

**BACKGROUND:** Sonoma County Water Agency (SCWA) staff presented the proposed 2015/16 Water Transmission System budget to the SCWA Technical Advisory Committee

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(TAC) on March 2, 2015. The SCWA proposed to increase rates for wholesale water on the Santa Rosa Aqueduct by 4.16% or from \$730.68 per acre foot to \$761.05 per acre foot.

**RECOMMENDATION:** The Utilities Department recommends that the Board consider the SCWA budget and proposed water rate increase and, by motion, make a recommendation to the City Council regarding Council's direction to its Water Advisory Committee representative.

**PRESENTER(S):** Linda Reed, Deputy Director Administration, Michael Gossman and Lynne Rosselli, Sonoma County Water Agency

**MOTION:**

Board Member Arnone moved a motion to recommend that the City Council recommend to the City's Water Advisory Committee representative that they approve the budget as presented. The motion was seconded by Vice Chair Kaun and carried unanimously. AYES (6) NO (0) ABSENT (1) DOWD ABSTAIN (0)

**7.3 REPORT - WATER SUPPLY UPDATE**

**BACKGROUND:** Staff will update the Board on water supply issues. The Board may discuss this item and give direction to staff.

**PRESENTER(S):** Jennifer Burke, Deputy Director Water and Engineering Resources

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

**9. REFERRALS – NONE**

**10. WRITTEN COMMUNICATION (AND POSSIBLE BOARD DISCUSSION/ ACTION)**

10.1 Memo dated March 19, 2015 from David Guhin, Director of Utilities re: Quarterly Capital Improvement Program Projects Update: October – December 2014; included in packet

Director Guhin indicated that detailed information on this item was presented during the earlier staff briefing.

**11. SUBCOMMITTEE REPORTS**

Vice Chair Kaun reported that the Budget Review Subcommittee has been meeting once a week over the last month. No further meetings are set but a rate review will be coming to the committee next. Chairman Galvin reported that the Contract Review Subcommittee has met and give their reports. He further reported that he attended the Expanded Water Supply meeting.

**12. BOARD MEMBER REPORTS – NONE**

**13. DIRECTORS REPORT**

Director Guhin reported on the design charrette that is scheduled for the City Hall Demonstration Garden; that the new Director for Transportation and Public Works will be starting on Monday and he will be helping with his transition; that the City Manager broke his leg and will be out for at least the next two weeks; and concluded that he will be on vacation next week and Jennifer Burke will be the Acting Director.

**14. ADJOURNMENT OF MEETING**

At 4:12 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, April 16, 2015 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

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Daniel J. Galvin III

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Gina Perez