

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES
THURSDAY, MAY 15, 2008
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE
REGULAR MEETING**

1:30 p.m. City Council Chamber

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 - None

MINUTES APPROVAL

Vice Chairman Lowe moved approval of the minutes of May 1, 2008 as corrected. The motion was seconded by Board Member Galvin and carried unanimously. **AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)**

STAFF BRIEFINGS

5.1 OVERVIEW OF METER SHOP OPERATIONS

Mike Illingworth, Utility System Supervisor gave the staff briefing. The Meter Shop is responsible for maintaining 51,900 meters and curb stops, 180 temporary meters, 26,000 meter boxes and 4 data loggers. Meters range from 5/8' to 6' and vary from direct read, touch read and radio read. Mr. Illingworth reported that the division had set 3,455 meters over the last 5 years. Temporary construction meters and flow testing meters are also overseen by the division. Staff maintains meter boxes and lids to ensure they are up to current City standards; performs repairs on broken and leaking curb stops; utilizes data loggers to assist customers with water usage concerns and assists Utility billing with customers with delinquent accounts.

CONSENT ITEMS

6.1 WAIVER OF COMPETITIVE BIDDING AND SOLE SOURCE AWARD—ULTRAVIOLET SYSTEM PARTS

Board Member Lindsay asked if staff had contacted other customers of the vendor to verify that the quantity prices that the City is receiving is equivalent to other customers. Jama Giammona, Stores Specialist responded that the vendor indicated that the same pricing is offered to all of their customers. When possible purchases are made through after market vendors but in this case the system is proprietary and parts must be purchased through this vendor. Jim Wright, Purchasing Agent responded that it is practice to contact other customers to get comparative pricing but it was not done for this item. Mr. Wright further explained that after negotiations, the vendor did lower the total cost by \$16,000. Vice Chairman Lowe requested that in the future when sole sources come forward, please provide comparative pricing information in the staff report so the public is able to see that sufficient work has been done to ensure that the best price is being provided to the City and its ratepayers.

MOTION:

Vice Chairman Lowe moved to approve Resolution No. 926 entitled "Resolution of the Board of Public Utilities Waiving Competitive Bidding and Authorizing the Award of a Sole Source Blanket Purchase Order for Ultraviolet System Inventory Parts to DC Frost Associates, Inc., Walnut Creek, California." The motion was seconded by Board Member Lindsay and carried unanimously. **AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)**

REPORT ITEMS

7.1 INCREMENTAL RECYCLED WATER PROGRAM—DISCHARGE COMPLIANCE PROJECT (DCP) DRAFT EIR

Glen Wright, Deputy Director Water Resources gave a brief introduction and explained that the item was for consideration to eliminate discharge site D-4 from further detailed evaluation from the Discharge Compliance EIR. Dr. Dave Smith, Merritt Smith Consulting presented a map of the proposed discharge sites and their proximity to municipal well locations. He reported that the EIR identifies significant unavoidable impacts with Discharge site D-4 that are not

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identified for any of the other discharge sites. The impact on surrounding municipal wells, water quality, and public health raises feasibility concerns and CEQA allows for alternatives to be eliminated if they are found to be unfeasible and unable to avoid significant impacts. Dr. Smith reviewed the next steps in the preparation of the response to comments and Final EIR and noted that written comments continue to be accepted until May 20, 2008.

MOTION:

Vice Chairman Lowe moved a motion that the Board concurs with staff recommendation to eliminate Discharge Site D-4 from further detailed analysis in the Discharge Compliance Project EIR. The motion was seconded by Board Member Holt and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

**7.2 SUBREGIONAL SYSTEM 2008
RECYCLED WATER PRICING POLICY AND
WHOLESALE RECYCLED WATER RATE**

Virginia Porter, Virginia Porter Consulting Services explained that the current Reclamation Water Pricing Policy was developed with recycled water disposal the sole driver for its development. The proposed Subregional System 2008 Recycled Water Pricing Policy would recognize the increasing value of recycled water; terminate "no cost" water for members of the Subregional System; establish policy related to mandatory/voluntary and eligible uses; and allow new contracts with the Subregional System to be initiated, reflecting the new policy. The new rate structure recommended the wholesale rate of \$225 per acre foot; honors all contracts until expirations for existing urban users; and allows for future urban and agricultural reuse in accordance with the 2008 Policy.

MOTION:

Vice Chairman Lowe moved to approve Resolution No. 927 entitled "Resolution of the Board of Public Utilities Adopting the Subregional System 2008 Recycled Water Pricing Policy and Recommending that the

City Council Adopt the Wholesale Recycled Water Rate for the Santa Rosa Urban Reuse Project." The motion was seconded by Board Member Swinth and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

7.3 WATER SUPPLY UPDATE

Mr. Wright stated that the Sonoma County Water Agency has reported that water deliveries were at 75 mgd on Wednesday and are expecting it to peak at 80 mgd on Sunday. Average is 64 mgd and system capacity is 92 mgd which was reached in 2002. He also reported that Lake Sonoma is 96.8% full, Lake Mendocino is 83.4% full and Lake Pillsbury is 79.7% full and they continue to go down. Mr. Wright recapped the progress of the Sonoma Marin Water Saving Partnership and noted that the Technical Advisory Team is working with the Water Agency to convince them to sign the agreement with the other water contractors. This item will be coming back to the Board for action when the current issue has been resolved. On May 6th, the Water Agency gave a presentation to the State Water Resources Control Board on issues that have been brought to the Board's attention before and slides of that presentation are available for viewing on the agency's website. Mr. Wright then spoke briefly about AB2175 and AB2153 and he noted that staff and the Association of California Water Agencies (ACWA) continue to watch these bills as they move through the legislature.

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

9. REFERRALS

**10. WRITTEN COMMUNICATION (And
Possible Board Action) - None**

11. SUBCOMMITTEE REPORTS - None

12. BOARD MEMBER REPORTS

Board Member Lowe reported that he had appeared before City Council to present the Water Conservation Awards to two deserving members of the community. He also thanked

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the Council for their continued support of the Board and their recommendations.

13. DIRECTORS REPORT

Mr. Ferris spoke about a State law that would force agencies to install fluoride systems if the State provides financial assistance. He noted that it would be very costly for the City to implement such a system. The treatment plant has reported that flows to the plant are 17.5 mgd and dropping. Flows of this level aren't normally seen until August, therefore water is estimated to run out by the end of August. Dan Carlson has met with the farmers to discuss this situation. Mr. Ferris noted that the plant continues to work operations around peak hours to avoid the higher power rate periods. He also spoke about the recent passing of long time farmer Jim Dei.

14. ADJOURNMENT OF MEETING

At 2:43 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, June 5, 2008 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

Richard Dowd

Gina Perez