

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES  
THURSDAY, JUNE 26, 2008  
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE  
SPECIAL MEETING**

1:32 p.m. City Council Chamber

RECLAIMED WATER MAIN REPLACEMENT

**ROLL CALL**

**MOTION:**

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**

Vice Chairman Lowe abstained from item 6.3 because Fedco Construction does business with the company that he works for. Board Member Galvin abstained from item 6.3 because Fedco Construction is a client of his firm.

Board Member Lindsay moved a motion to award a construction contract in the total amount of \$269,104.00 to the lowest responsive bidder, Terracon Pipelines of Healdsburg, CA, for Wilfred Avenue Reclaimed Water Main Replacement and approve a construction contingency of 15 percent. The motion was seconded by Board Member Holt and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

**6.3 BID AWARD – MIDWAY DRIVE AND MAGOWAN DRIVE SEWER AND WATER REPLACEMENT**

**STUDY SESSION - None**

**MOTION:**

**MINUTES APPROVAL**

Vice Chairman Lowe moved approval of the minutes of June 5, 2008. The motion was seconded by Board Member Holt and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

Board Member Lindsay moved a motion to award a construction contract in the total amount of \$1,810,155.00 to the lowest responsive bidder, Fedco Construction, Inc. of Santa Rosa, CA for Midway Drive and Magowan Drive Sewer and Water Replacement and approve a construction contingency of 10 percent. The motion was seconded by Board Member Holt and carried unanimously. AYES (4) NO (0) ABSENT (1) Downey ABSTAIN (2) Lowe and Galvin

**STAFF BRIEFINGS - None**

**CONSENT ITEMS**

**6.1 CONTRACT EXTENSION – LANDSCAPE SERVICES**

**6.4 RECOMMENDATION TO THE CITY COUNCIL TO ACCEPT THE DEPARTMENT OF ENERGY, SOLAR AMERICA CITIES 2008 GRANT & APPROPRIATE FUNDS**

**MOTION:**

Board Member Lindsay moved a motion to authorize amendment No.6 to Contract No. 05-8193 for landscape services with Luke Crawford, dba Things To Do, Santa Rosa, California, to extend the contract for an additional one-year term, with a 4% increase in current contract unit price, additional services and approval of \$18,000 for the Incentive Program. The total amount of the contract amendment is \$121,435.13. The motion was seconded by Board Member Holt and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

**MOTION:**

Board Member Lindsay moved to approve Resolution No. 929 entitled "Resolution of the Board of Public Utilities to Recommend to the City Council, to Accept the Department of Energy, Solar America Cities 2008 Grant & Appropriation of Funds." The motion was seconded by Board Member Holt and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

**6.2 BID AWARD – WILFRED AVENUE**

**REPORT ITEMS**

**7.1 BID AWARD – WEST COLLEGE UTILITIES FACILITY – PHASE 2**

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Glen Wright, Deputy Director Water Resources gave the staff presentation. He reviewed the components of Phase 2 which include equipment and vehicle parking, small and large equipment storage with solar arrays, vehicle wash, communications building, and a recycled water pump station. Funds for phase 2 are currently in the budget. Phase 3 of the project would include the shops and operations buildings, the training center and additional employee parking. Phase 3 is in the design phase with bids anticipated in March of 2009 and funding included in the July 2008 bond sale. Vice Chairman Lowe asked what items were removed from Phase 3 when it was scaled back with Mr. Wright responding that the covered parking for vehicles had been removed. Board Member Lindsay asked about the previously proposed administration building with Mr. Wright responding that that portion of the project is deferred until a decision is made about the proposed new downtown City Hall. Board Member Holt asked if additional items could be added back into the project since the bid that was received was below the engineers estimate with Mr. Wright responding yes, additional items could be added into the Phase 3 portion of the project if the Board chooses.

**MOTION:**

Vice Chairman Lowe moved a motion to award a construction contract in the total amount of \$8,557,035.60 to the lowest responsive bidder, Argonaut Constructors of Santa Rosa, CA, for West College Utilities Facility – Phase 2 and approve a construction contingency of 10 percent. The motion was seconded by Board Member Galvin and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

**7.2 INCREMENTAL RECYCLED WATER PROGRAM (IRWP) DISCHARGE COMPLIANCE PROJECT, SEASONAL STORAGE PROJECT, AND PROGRAM MANAGEMENT – PROFESSIONAL SERVICES AGREEMENT AMENDMENT NO.5 WITH KENNEDY/JENKS CONSULTANTS, AMENDMENT NO.6 WITH WINZLER & KELLY CONSULTING ENGINEERS, AMENDMENT NO.5 WITH**

**WINZLER & KELLY CONSULTING ENGINEERS, AND AMENDMENT NO.1 WITH MERRITT SMITH CONSULTING**

Glen Wright, Deputy Director Water Resources gave a brief review of the amendment development and review process that had taken place to date. Dr. Dave Smith, Merritt Smith Consulting, continued the presentation and explained the possible labor rate escalation approaches that are used throughout the industry. He provided results of a survey that was conducted among 13 Bay Area agencies and the approaches used by each of those agencies. The Contract Review Subcommittee (CRS) met and reviewed each method and preferred the “Annual Adjustment According to the Federal Index”. Staff found that similar methods were used by entities that had long term contracts similar to these; would allow the City to compete for the best professional services by allowing such increases; would avoid the need for recurring labor rate negotiations; and would aid in approximating actual cost increases. Board Member Lindsay stated that the CRS reviewed the approaches in greater detail and the index recommended is meaningful and can be used in the future but should not be used exclusively. The CRS requested that future contracts be looked at on a case by case basis but were comfortable with the approach for these contract amendments. Dr. Smith provided a detailed review of the Federal Employee Cost Index, the proposed application to the amendments and the current proposed amounts of the four amendments.

Brenda Adelman, Russian River Watershed Protection Committee asked if the Board would consider removing the other discharge sites from the EIR since 2 of the 4 sites had already been removed and stated that additional savings could be realized if this occurred.

Chairman Dowd responded that the subject of this item is to approve consultant contracts and not to consider options for the EIR.

**MOTION:**

Vice Chairman Lowe moved a motion to

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approve PSA Amendment No.5 with Kennedy/Jenks Consultants for engineering services, Amendment No. 6 with Winzler & Kelly Consulting Engineers for engineering services, Amendment No.5 with Winzler & Kelly Consulting Engineers for environmental services, and Amendment No.1 with Merritt Smith Consulting for program management and related services. The motion was seconded by Board Member Swinth and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

**7.3 INCREMENTAL RECYCLED WATER PROGRAM UPDATE: REGULATORY ISSUES UPDATE**

Dan Carlson, Deputy Director Utility Operations introduced Craig Johns, California Resource Strategies. Mr. John discussed the State Water Board's "Water Quality Improvement Initiative" which recommends substantial legislative and regulatory changes to the current State and Regional Board system. He suggested that the Board may want to submit a comment letter asking that the proposed reform should not be processed through the State Budget reconciliation process as a "trailer bill" which would allow little or no stakeholder input and that such proposals be introduced like any other significant new legislation. The Board concurred with Mr. Johns' suggestion. He then reviewed AB 2986 (Leno) and updated the Board on both the State and the Regional Water Board Recycled Water Policy process. A letter was submitted on the City's behalf to the State Water Resources Control Board with Scoping Comments on the proposed State Board General Permit for irrigation of landscaping with recycled water.

Brenda Adelman, Russian River Watershed Protection Committee asked for a copy of the City's letter that Mr. Johns spoke about and asked if there were any other letters to the State on the various legislation.

Chairman Dowd asked staff to provide a copy of the letter to Ms. Adelman and stated that the Board received their copy of the letter at the dais at the beginning of the meeting.

**7.4 WATER SUPPLY UPDATE**

Glen Wright, Deputy Director Water Resources reported that Lake Sonoma is 93% full and Lake Mendocino is 77% full. During the recent hot spell, the Sonoma County Water Agency had a demand of 70 mgd. He further reported that Mike Kerns proposed a motion that the SCWA Board of Directors delay the release of Water Transmission and Reliability EIR until after adoption of the County General Plan and completion of the Biological Opinion which is due at the end of September. The motion to delay the EIR was passed unanimously. Water Conservation recently completed a water audit at Kaiser Hospital and located a leak which will save them 2 million gallons in a month.

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

**9. REFERRALS - NONE**

**10. WRITTEN COMMUNICATION (And Possible Board Action)**

Chairman Dowd reported that the Board received a copy of a letter sent to the State Board on behalf of the City of Santa Rosa.

**11. SUBCOMMITTEE REPORTS - NONE**

**12. BOARD MEMBER REPORTS**

Vice Chairman Lowe reported on the June 17<sup>th</sup> City Council meeting that he attended representing the Board, honoring the late Mayor Bob Blanchard. He expressed thanks to his family for their support of Bob and his continued service to the City and support of the Board in many of the ventures that have been pursued.

Board Member Lindsay reported that he attended the Overhead Cost Allocation meeting today. A consultant firm has been selected to review the 15 year old cost allocation program and results should be complete by November or December. The impact of the study will be seen in the 2009/10 budget.

Chairman Dowd thanked the Board for the

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card he received on his mother's passing.

**13. DIRECTORS REPORT**

Dell Tredinnick and Tasha Wright showed the Board the plaque that will be displayed at Station 4 for the solar project that was completed. The system was designed in 2006 and is a 29 kW system that completely covers the roof of Station 4 and intended to offset 15% of the usage with clean energy. The plaque will let citizens know about the project and those that supported the project through completion including the Board and City Council.

**14. ADJOURNMENT OF MEETING**

At 3:10 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, July 17, 2008 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

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Richard Dowd

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Gina Perez