

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES  
THURSDAY, MARCH 17, 2016  
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE  
REGULAR MEETING**

1:30 p.m. Mayor's Conference Room – Room 10

At 2:30 p.m., the Board adjourned the Study Session and reconvened to open session in City Council Chamber at 2:37 p.m.

**ROLL CALL**

**MINUTES APPROVAL – March 3, 2016**

Present (5) Chairman Galvin, Vice Chair Kaun, Board Members Dowd, Tibbetts, Watts

Vice Chair Kaun moved a motion to approve the minutes from March 3, 2016. The motion was seconded by Board Member Tibbetts. AYES (5) NO (0) ABSENT (2) Arnone, Holt ABSTAIN (0)

Absent (2) Board Members Arnone and Holt

**STATEMENTS OF ABSTENTION BY BOARD MEMBERS**

**STAFF BRIEFINGS - NONE**

No statements of abstention were made.

**CONSENT ITEMS - NONE**

**STUDY SESSION**

**REPORT ITEMS**

**3.1 2016/2017 WATER, WASTEWATER AND SUBREGIONAL REVENUE ASSUMPTIONS AND PROPOSED OPERATIONS AND MAINTENANCE BUDGET REVIEW**

**7.1 SONOMA COUNTY WATER AGENCY 2016/17 WATER TRANSMISSION BUDGET AND RATE INCREASE**

**BACKGROUND:** The Water 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 will be asked to recommend proposed fiscal year water, wastewater, and Subregional system budgets to the City Council. Staff will review 2016/17 revenue assumptions and proposed water, wastewater, and Subregional system fund operations and maintenance budgets at this study session.

**BACKGROUND:** The City of Santa Rosa purchases approximately 90% of the water supplied to our customers from the Sonoma County Water Agency (SCWA). The SCWA is proposing to raise the wholesale rate of water by 5.98% from \$761.05 to 806.59 per acre foot. This increase is passed through to Santa Rosa customers and would result in an average increase to the water usage charge of 2.6%. The Board of Public Utilities may make a recommendation to the City Council, which will in turn advise their representative to the Water Advisory Committee (WAC) prior to a WAC vote. The WAC is an advisory board. Ultimately, the SCWA Board of Directors will have final authority to approve the proposed rate increase.

**PRESENTER(S):** Linda Reed, Acting Director

**3.2 WATER, WASTEWATER AND SUBREGIONAL 2016/17 CAPITAL IMPROVEMENT PROGRAM BUDGET REVIEW**

**RECOMMENDATION:** The Water 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.

**BACKGROUND:** The Board of Public Utilities 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 in the 2016/17 request.

**PRESENTER(S):** Lynne Rosselli, Budget Manager, Sonoma County Water Agency (SCWA)

**PRESENTER(S):** Lori Urbanek, Supervising Engineer; Marie Benson, Quality Control Associate

Vice Chair Kaun thanked Ms. Roselli for her presentation, and asked whether the SCWA

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anticipated a smaller increase in rates if water use goes up later this year? Ms. Rosselli replied that the long range financial plan is used as a guide and for the projects that are necessary. She added that if the SCWA does deliver more water, while maintaining the conservation requirements, a smaller increase may be possible.

**MOTION:**

Vice Chair Kaun moved a motion to consider the SCWA budget and proposed water rate increase and make a recommendation to the City Council regarding Council's direction to their Water Advisory Committee representative. The motion was seconded by Board Member Dowd. AYES (5) NO (0) ABSENT (2) Arnone and Holt ABSTAIN (0)

**7.2 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 of Water and Engineering Resources; and Mike Prinz, Deputy Director of Subregional Operations

Deputy Director Burke gave updates on the water supply and department outreach efforts. Deputy Director Prinz gave an update to the Board regarding recycled water supply, and reported that per the permit requirements, not storage capacity issues, the Laguna Treatment Plant will be performing a discharge from Delta Pond to test the functionality of the system. Deputy Director Prinz also gave an update on the temporary flood wall.

Board member Dowd asked Deputy Director Burke how our Spanish speaking ratepayers are notified of classes offered. Deputy Director Burke responded that the class information is translated and dispersed as bill inserts, and have utilized networking with the Spanish Chamber of Commerce for outreach and events.

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

**9. REFERRALS - NONE**

**10. WRITTEN COMMUNICATION (AND POSSIBLE BOARD DISCUSSION/ ACTION) – NONE**

**11. SUBCOMMITTEE REPORTS**

Board Member Tibbetts reported that the Water Conservation Subcommittee met to speak about the Water Shortage Contingency Plan and the addition of stages, and introduction of water shortage charge at an earlier stage.

Chairman Galvin announced that Expanded Water Supply Committee will be meeting on March 25th.

**12. BOARD MEMBER REPORTS**

Vice Chair Kaun attended the Sonoma County Food Forum, and wanted to remark on how Santa Rosa Water is an integral part of the food supply, and wanted to acknowledge how the department's work plays into a resilient and sustainable food supply. Vice Chair Kaun also reported on her work with the landscaping contract subcommittee who met with the consultant who will develop a draft scope of work for contractors who choose to bid on the landscaping contract.

**13. DIRECTORS REPORT**

Acting Director, Linda Reed, thanked the subcommittees for all their work and time. Director Reed announced that Deputy Director Powell of Local Operations will be retiring April 1st. Chairman Galvin thanked Deputy Director Powell for his work with the City. Director Reed also reported that the California section of Water Reuse held their Annual Conference in Santa Rosa last Sunday- Tuesday, and Deputy Directors Burke and Prinz both participated in an expert panel regarding 100% reuse, and the conference included a tour of the Geysers pipeline.

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**14. ADJOURNMENT OF MEETING**

At 3:22 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, April 7, 2016 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