

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES
THURSDAY, MARCH 18, 2010
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE
SPECIAL MEETING**

1:32 p.m. Mayor's Conference Room

5. ADJOURNMENT OF MEETING

ROLL CALL

Present (5) Chairman Dowd, Board Members Galvin, Holt, Meechan (arrived at 1:37 p.m.) and Swinth

Absent (2) Vice Chair Gale and Board Member Lowe

At 3:20 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, April 1, 2010 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

STATEMENTS OF ABSTENTION BY BOARD MEMBERS - NONE

PUBLIC APPEARANCES (COMMENTS LIMITED TO ITEMS 4.1 AND 4.2) - NONE

Chairman Dowd stated that Board Member Swinth will be chairing the Budget Subcommittee until Vice Chair Gale's return and added that he had requested a special meeting of the BPU so he and other Board members could join the subcommittee and provide additional input.

Richard Dowd

Gina Perez

REPORT ITEMS

4.1 WATER AND WASTEWATER RATE MODELS UPDATE AND WATER FUND DEFICIT REVIEW

Linda Reed, Administrative Services Officer discussed the rate models which generated preliminary projections and assumptions regarding revenue estimates for 2009/10 and 2010/11. She then provided information on the status of the Water Operating Reserve and briefly reviewed the Utilities Reserve Policy. Staff then presented a variety of potential cost reductions within the water fund. The subcommittee requested additional information on the number of managers vs. the number of employees and how the department is balanced in terms of staffing. They also requested that staff look into the effects of additional temporary cuts to the groundwater program. The subcommittee supported funding to be allocated on 19,000 acre feet in water sales and purchases and would assume 15% of O & M being turnbacked to the Water Fund. The subcommittee requested a special Board meeting on April 6, 2010 & April 13, 2010 to continue budget discussions.