

**SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES
THURSDAY, SEPTEMBER 17, 2015
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE
REGULAR MEETING**

1:34 p.m. City Council Chamber

PRESENTER(S): Jenifer Piccinini, Research and Program Coordinator

ROLL CALL

Present (7) Chairman Galvin, Vice Chair Kaun, Board Members Arnone, Dowd, Holt, Steffensen, Tibbetts

CONSENT ITEMS

Colleen Ferguson, Deputy Director of Engineering Services discussed the current bidding climate, timing of future projects and provided information received from contractors regarding their ability to bid additional projects.

STATEMENTS OF ABSTENTION BY BOARD MEMBERS

No statements of abstention were made.

David Guhin, Director requested that the Board consider only the Major Tree Care contract and asked that the landscape maintenance contract be moved to a future date for the Board's consideration to allow staff to review portions of the contract.

STUDY SESSION – NONE

MINUTES APPROVAL

Board Member Holt moved a motion to approve the minutes from September 3, 2015. The motion was seconded by Vice Chair Kaun and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

6.1 CONTRACT AWARD - MOHAWK STREET LIFT STATION & FORCEMAIN REALIGNMENT - PHASE 1

STAFF BRIEFINGS

MOTION:

5.1 CREEK WEEK UPDATE

BACKGROUND: The Storm Water & Creeks section of the Water Department six years ago launched an annual event called "Creek Week" as a way to celebrate and clean up our local waterways, and educate the public on ways to prevent creek pollution. A proclamation is scheduled for City Council approval on September 15, 2014, proclaiming September 19-27, 2015 as "Creek Week". This year's weeklong event begins Saturday, September 19, which coincides with Coastal Cleanup Day, and includes creek cleanups, neighborhood creek walks, a combination hike/yoga class that will occur throughout the following week, and will culminate a repeat of last year's new event - Family Fun Day. Family Fun Day is planned for Saturday, September 26, from 10-2 with hands-on activities and tours along Prince Memorial Greenway and educational booths from the City of Santa Rosa, Regional Water Quality Board, Sonoma County and other natural resource related agencies placed at either end of the Greenway at Prince Gateway Park and Olive Park. The Board may discuss this item and give direction to staff.

Vice Chair Kaun moved a motion to approve the project (Phases 1 and 2) and award Construction Contract No. C00223 for Phase 1 of the project in the amount of \$1,122,670.00 to the lowest responsive bidder, Argonaut Constructors, Inc., of Santa Rosa, CA for Mohawk Street Lift Station & Forcemain Realignment - Phase 1, approve a 15% contract contingency, and authorize a total contract amount of \$1,291,070.50. The motion was seconded by Board Member Holt and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

6.2 CONTRACT AWARD - OAKMONT DRIVE WATER REPLACEMENT

MOTION:

Vice Chair Kaun moved a motion to approve the project, and award Construction Contract No. C01707 in the amount of \$753,967.00 to the lowest responsive bidder, Piazza Construction, of Penngrove, California for Oakmont Drive Water Replacement, approve a 15% contract contingency, and authorize a total contract amount of \$867,062.05. The motion was seconded by Board Member Holt

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and carried unanimously. AYES (7) NO (0)
ABSENT (0) ABSTAIN (0)

**6.3 CONTRACT AWARD - LABORATORY
INFORMATION MANAGEMENT SYSTEM
(LIMS)**

Board Member Arnone requested additional information on the scope of the contract for item 6.3 because it was not part of the agenda packet. Rita Miller, Deputy Director Environmental Services and Shirlee Johnson, Laboratory Supervisor were present but suggested that the item move to a future agenda so that information can be provided from Purchasing to the Board for review prior to approval. There was no action taken for this item.

RECOMMENDATION: It is recommended by the Finance and Water Departments, that the Board, by motion, approve the contract for the purchase and installation of a Laboratory Information Management System (LIMS) with Accelerated Technology Laboratories, Inc., West End, North Carolina, for the total amount of \$189,382.69.

**6.4 CONTRACT AWARDS - LANDSCAPE
MAINTENANCE AND MAJOR TREE CARE
SERVICES**

MOTION:

Vice Chair Kaun moved a motion to authorize the award of a one-year term contract, with four one-year extension options, for Water Department major tree care and removal services to JR Townsend Landscape Services, Santa Rosa, California in the amount of \$100,000. The motion was seconded by Board Member Holt and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

**6.5 APPROVAL OF DAIRY LOAN
SUBORDINATION AGREEMENT FOR THE
BENEFIT OF RABOBANK WITH JOHN AND
TERESA BALLETO, AS CO-TRUSTEES OF
THE BALLETO 2001 FAMILY TRUST;
AND AUTHORIZATION FOR THE
DIRECTOR OF SANTA ROSA WATER TO
APPROVE AND EXECUTE DAIRY LOAN
SUBORDINATION AGREEMENTS**

MOTION:

Vice Chair Kaun moved a motion to approve Resolution No. 1097 entitled "Resolution of the Board of Public Utilities Approving the Dairy Loan Subordination Agreement in Favor of Rabobank with John and Teresa Balletto as Co-Trustees of the Balletto 2001 Family Trust," and approve Resolution No. 1098 entitled "Resolution of the Board of Public Utilities Authorizing the Director of Santa Rosa Water to Consent to and Sign Dairy Loan Subordination Agreements." The motion was seconded by Board Member Holt and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

REPORT ITEMS

**7.1 REPORT – 2015 COST OF SERVICE
STUDY AND RATE STRUCTURE REVIEW
RECOMMENDATIONS**

BACKGROUND: The Reed Group, Inc. completed a thorough cost of service rate study and a rate structure review. Recommendations were shared with the Board in this Study Session on September 3. The Board of Public Utilities will be asked to present a recommendation to the City Council.

RECOMMENDATION: The Board of Public Utilities Budget Subcommittee and Water staff recommend that the Board recommend to the City Council that it enact changes to the potable water, recycled water, and wastewater fixed charges, usage charges and rates structures in January 2015 and 5 years of water service charge, wastewater service charge, and usage rate charges increases to go into effect on July 1 of each year, 2016 – 2020, and readopt the wholesale pass-through rate on water usage charges for another five year period.

PRESENTER(S): Linda Reed, Deputy Director Administration and Bob Reed, The Reed Group

Members of the Budget Review Subcommittee expressed support for the rates as presented.

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MOTION:

Board Member Holt moved a motion to approve Resolution No. 1099 entitled "Resolution of the Board of Public Utilities Recommending that the Council of the City of Santa Rosa Enact Increased Charges and Rates for Water Services." The motion was seconded by Board Member Dowd and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

Board Member Holt moved a motion to approve Resolution No. 1100 entitled "Resolution of the Board of Public Utilities Recommending that the Council of the City of Santa Rosa Revise the Charges and Rates for Wastewater Services." The motion was seconded by Board Member Dowd and carried unanimously. AYES (7) NO (0) ABSENT (0) ABSTAIN (0)

7.2 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 and Mike Prinz, Deputy Director Subregional Operations

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS - NONE

9. REFERRALS - NONE

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

11. SUBCOMMITTEE REPORTS - NONE

12. BOARD MEMBER REPORTS

Board Member Steffensen announced that he has resigned from the Board so he and his wife can embark on a new business and that today would be his last meeting.

Chairman Galvin thanked Board Member Steffensen for his time and wished him well in his new endeavors.

13. DIRECTORS REPORT

David Guhin, Director, acknowledged the Subregional Laboratory for achieving 100% on their proficiency testing which is unheard of in the lab world. He reported that Rita Miller's has been speaking at several conferences around the country on how to deal with strategic compliance and no net loading for nitrogen and phosphorus. He then added that while the City's Geysers facilities were not impacted by the Valley fire, the City could provide resources through CalWARN, if requested.

14. ADJOURNMENT OF MEETING

At 2:49 p.m. the meeting was adjourned. The next regular meeting of the Board of Public Utilities will be held on Thursday, October 1, 2015 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

Daniel J. Galvin III

Gina Perez