



City of Santa Rosa

Hybrid - See Agenda for
Participation Information
City Council Chamber
100 Santa Rosa Avenue

Board of Public Utilities Meeting Minutes - Draft

Thursday, March 17, 2022

1:30 PM

1:30 PM - HYBRID VIA IN-PERSON AND ZOOM

1. CALL TO ORDER AND ROLL CALL

Chair Galvin called the meeting to order at 1:33 p.m.

Present 6 - Chair Daniel Galvin III, Vice Chair William Arnone Jr., Board Member Christopher Grabill, Board Member Mark Walsh, Board Member Mary Watts, and Board Member Glen Wright

Absent 1 - Board Member Lisa Badenfort

2. STATEMENTS OF ABSTENTION BY BOARD MEMBERS

There were no Statements of Abstention from Board Members.

3. STUDY SESSION - NONE.

4. MINUTES APPROVAL

4.1 March 3, 2022 - Regular Meeting Minutes.

The minutes for March 3, 2022 were received and accepted as submitted.

5. STAFF BRIEFINGS

5.1 SANTA ROSA PLAIN GROUNDWATER SUSTAINABILITY AGENCY UPDATE

The Sustainable Groundwater Management Act (SGMA) requires some groundwater basins, including the Santa Rosa Plain subbasin, to form Groundwater Sustainability Agencies (GSAs) to sustainably manage the groundwater basin. SGMA also required GSAs to develop and submit a Groundwater Sustainability Plan (GSP) by January 2022. The City of Santa Rosa is a member of the Santa Rosa Plain GSA. Staff will provide the Board with an update on the current activities of the Santa Rosa Plain GSA, including the development of a long-term fee structure for implementation of the GSP. The Board may discuss this item and give direction to staff.

Presenter: Peter Martin, Deputy Director - Water Resources

5.2 WATER SUPPLY UPDATE

Staff will update the Board on water supply issues. The Board may discuss this item and give direction to staff.

Presenter: Peter Martin, Deputy Director - Water Resources

6. CONSENT ITEMS - NONE.

7. REPORT ITEMS

7.1 REPORT - SONOMA WATER 2022/23 WATER TRANSMISSION BUDGET AND RATE INCREASE

BACKGROUND: The City of Santa Rosa purchases approximately 90% of the water supplied to our customers from Sonoma Water. Sonoma Water is proposing to raise the wholesale rate of water by 6.06% from \$1,000.46 to \$1,061.04 per acre foot.

There is a Water Advisory Committee (WAC) made up of elected officials of each of the prime contractors to the Sonoma Water wholesale water. The WAC is an advisory committee to the Sonoma Water Board of Directors. The City's WAC Representative is Council Member Natalie Rogers. On April 4, 2022, the WAC is scheduled to vote on whether or not to recommend the Sonoma Water budget and proposed rate increase for approval of the Sonoma Water Board of Directors.

The Technical Advisory Committee (TAC) is made up of technical staff of each of the prime contractors to Sonoma Water's wholesale water. The TAC provides technical analysis and recommendations to the WAC.

RECOMMENDATION: It is recommended by Santa Rosa Water that the Board of Public Utilities consider Sonoma Water's 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 (WAC) representative for the WAC vote on April 4, 2022.

Presenters: Kimberly Zunino, Deputy Director - Administration and Lynne Rosselli, Administration Division Manager - Sonoma Water

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Walsh, to recommend the City Council give direction to its Water Advisory Committee (WAC) representative for the WAC vote on April 4, 2022 to approve the Sonoma Water FY 2022-23 Water Transmission budget and rate as presented. The motion carried by the following vote:

Yes: 6 - Chair Galvin III, Vice Chair Arnone Jr., Board Member Grabill, Board Member Walsh, Board Member Watts and Board Member Wright

Absent: 1 - Board Member Badenfort

7.2 REPORT - WATER DEMAND OFFSET POLICY, FEE STUDY, AND FEES

BACKGROUND: The City of Santa Rosa is required by California State Law to prepare an Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (Shortage Plan) every five years to assess the adequacy and reliability of water supplies for current and future needs as well as plan for and detail how the City will respond to various levels of water supply shortage. On November 18, 2021, the BPU unanimously approved a resolution recommending the City Council adopt the Water Demand Offset (WDO) Policy, WDO Fee Study, and WDO Fees which have been developed to implement the City's Shortage Plan requirement that new construction must offset water demand during water shortage emergencies that require very restrictive water allocations (water rationing) by the City's existing customers. Staff will present information that was prepared in response to the City Council's request, at the meeting on November 30, 2021, for more information, including additional analysis and information regarding alternatives.

RECOMMENDATION: It is recommended by Santa Rosa Water that the Board of Public Utilities, after receiving an additional briefing, reaffirm by motion the November 18, 2021 recommendation that the City Council (1) adopt the Water Demand Offset (WDO) Policy, (2) adopt the WDO Fee Study, (3) adopt the WDO Fees, and (4) authorize the WDO Fees to be adjusted on an annual basis to account for inflation at the beginning of the calendar year (January 1) starting in 2023, using the Engineering News Record's 20-Cities CCI (20-cities CCI).

Presenter: Colin Close, Senior Water Resources Planner

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Walsh, to reaffirm the November 18, 2021 recommendation that the City Council (1) adopt the Water Demand Offset (WDO) Policy, (2) adopt the WDO Fee Study, (3) adopt the WDO Fees, and (4) authorize the WDO Fees to be adjusted on an annual basis to account for inflation at the beginning of the calendar year (January 1) starting in 2023, using the Engineering News Record's 20-Cities CCI (20-cities CCI). The motion carried by the following vote:

Yes: 6 - Chair Galvin III, Vice Chair Arnone Jr., Board Member Grabill, Board Member Walsh, Board Member Watts and Board Member Wright

Absent: 1 - Board Member Badenfort

7.3 REPORT - CONTINGENCY INCREASE - NORTH TRUNK SEWER REPLACEMENT-MENDOCINO AVE TO TERRA LINDA DR

BACKGROUND: The North Trunk Sewer Replacement Project addresses the lack of accessibility to the existing north trunk sewer main for routine maintenance, and

environmental risks associated with its proximity to an existing watercourse. The project will relocate approximately 1,950 feet of existing 12-inch and 15-inch vitrified clay pipe (VCP) sewer main that is located adjacent to Paulin Creek, and approximately 1,350 feet of existing 15-inch reinforced concrete pipe (RCP) located in Mendocino and Lomitas Ln. The project also includes installing approximately 1,866 linear feet of 8-inch water main in various parts of Chanate Road, Lomitas Ave and Lomitas Lane to both increase and upgrade the existing water system and provide separation from the new sewer main.

The existing 8-inch diameter Asbestos Cement Pipe (ACP) water line experienced at least 3 failures during the installation of the North Trunk Sewer Main project. Upon further review, the City's Asset Management Team concluded that leaving the existing ACP in place poses an unacceptable risk of future failures and thus should be replaced. Work includes installing 1,400 linear feet of 8-inch ductile iron water main on Chanate Road between Belvedere Way and Terra Linda Drive, abandoning the existing 8-inch ACP and restoring surface conditions.

RECOMMENDATION: It is recommended by the Transportation and Public Works Department and the Water Department that the Board of Public Utilities, by resolution, approve a new contingency amount increase of \$1,650,000.00 for the North Trunk Sewer Replacement-Mendocino Ave to Terra Linda Dr project, for a total contract amount of \$12,386,570.04.

Presenter: Greg Dwyer, Associate Civil Engineer

A motion was made by Board Member Walsh, seconded by Board Member Wright, to approve Item 7.3 - RESOLUTION NO. 1288 ENTITLED "RESOLUTION OF THE BOARD OF PUBLIC UTILITIES APPROVING A CONTINGENCY INCREASE FOR NORTH TRUNK SEWER REPLACEMENT PROJECT – MENDOCINO AVE TO TERRA LINDA DR." The motion carried by the following vote:

Yes: 6 - Chair Galvin III, Vice Chair Arnone Jr., Board Member Grabill, Board Member Walsh, Board Member Watts and Board Member Wright

Absent: 1 - Board Member Badenfort

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS

None.

9. REFERRALS - NONE.

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

11. SUBCOMMITTEE REPORTS

Board Member Wright reported the Budget Review Subcommittee

met on March 15, 2022. Staff presented a comprehensive review of the FY 2022-23 Water, Local Wastewater and Regional O&M, CIP and Debt Service budgets, expenditures versus revenues and reserves. The subcommittee voted to recommend the budget to the full Board for approval.

12. BOARD MEMBER REPORTS

None.

13. DIRECTORS REPORTS

Jennifer Burke, Director, reported Santa Rosa Water is working closely with Sonoma Water on a project to rehabilitate a groundwater well on Sebastopol Road that is next to Santa Rosa's recycled water system. Any reject water produced from initial flushing, filter backwash and flushing the chlorine contact system will be temporarily discharged to the Reclamation system then moved into a sewer trunk line, sent back to the Laguna Treatment Plant and treated for reuse. The department is working with the Division of Drinking Water to obtain approval to reuse this water without treatment as part of the recycled water system in the future.

Director Burke announced the City is upgrading some equipment in the Council Chamber and the facility will be unavailable during the month of April. The two Board meetings in April will be held virtually.

Director Burke shared that the CWEA Redwood Empire section is presenting its Laboratory Analyst of the Year award to Kathy Herman, a Principal Laboratory Analyst at the the Laguna Environmental Laboratory.

Director Burke shared that Caryn Lozada, Development Review Coordinator for Santa Rosa Water, will be retiring the first week of April after more than 32 years of service to the City.

Director Burke announced that Karen Donovan, Assistant City Attorney, will be leaving the City at the end of March and Bob Maddow will return under contract as Interim Assistant City Attorney.

14. ADJOURNMENT OF MEETING

Chair Galvin adjourned the meeting at 3:33 p.m. in honor of Assistant City Attorney Karen Donovan and wished her much good luck and good health in the future. The next regular meeting of the Board of Public Utilities is scheduled for April 7, 2022.