



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, November 18, 2021

1:30 PM

1. CALL TO ORDER AND ROLL CALL

Chair Galvin called the meeting to order at approximately 1:30 p.m.

Board Member Watts joined the meeting at 1:36 p.m.

Present 7 - Chair Daniel Galvin III, Vice Chair William Arnone Jr., Board Member Lisa Badenfort, Board Member Christopher Grabill, Board Member Mark Walsh, Board Member Mary Watts, and Board Member Glen Wright

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 November 4, 2021 - Regular Meeting Minutes.

The minutes for November 4, 2021 were received and accepted as submitted.

5. STAFF BRIEFINGS

5.1 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

6.1 MOTION - FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT NUMBER F001315 WITH ACCELERATED TECHNOLOGIES LABORATORIES, INC.

RECOMMENDATION: It is recommended by the Water Department that the Board of Public Utilities, by motion, approve the First Amendment to Professional Services Agreement number F001315 for Laboratory Information Management

System (LIMS) service with Accelerated Technology Laboratories Inc.

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Grabill, to approve the First Amendment to Professional Services Agreement number F001315 for Laboratory Information Management System (LIMS) service with Accelerated Technology Laboratories Inc. The motion carried by the following vote:

Yes: 7 - Chair Galvin III, Vice Chair Arnone Jr., Board Member Badenfort, Board Member Grabill, Board Member Walsh, Board Member Watts and Board Member Wright

7. REPORT ITEMS

7.1 REPORT - AMENDED 2020 WATER SHORTAGE CONTINGENCY PLAN (continued from November 4, 2021)

BACKGROUND: In conformance with the Urban Water Management Planning Act (Act), the City of Santa Rosa prepared its 2020 Urban Water Management Plan (UWMP) and its 2020 Water Shortage Contingency Plan (Shortage Plan). Both documents were adopted by City Council on June 8, 2021 and submitted to the State Department of Water Resources on June 30, 2021. State law allows each water supplier to amend its Shortage Plan independent of the UWMP. The City wishes to amend the 2020 Shortage Plan to revise the Excess Use Penalty structure that applies in severe stages of shortage and change the water demand offset requirements that apply to new construction when water is being allocated for existing customers. The Board will be considering a recommendation to Council to adopt the Amended 2020 Water Shortage Contingency Plan.

RECOMMENDATION: It is recommended by Santa Rosa Water that the Board of Public Utilities, by resolution, recommend that the City Council adopt the Amended 2020 Water Shortage Contingency Plan and introduce an ordinance approving revisions to the Excess Use Penalty structure set forth in Section 14-04.015 of the City Code.

Presenter: Colin Close, Senior Water Resources Planner

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Wright, to approve Item 7.1 - RESOLUTION NO. 1276 ENTITLED "RESOLUTION OF THE BOARD OF PUBLIC UTILITIES RECOMMENDING THAT THE COUNCIL OF THE CITY OF SANTA ROSA ADOPT THE AMENDED 2020 WATER SHORTAGE CONTINGENCY PLAN AND INTRODUCE AN AMENDMENT TO THE CITY CODE." The motion carried by the following vote:

Yes: 7 - Chair Galvin III, Vice Chair Arnone Jr., Board Member Badenfort, Board Member Grabill, Board Member Walsh, Board Member Watts and Board Member Wright

7.2 REPORT - WATER DEMAND OFFSET POLICY, FEE STUDY, AND FEES
(continued from November 4, 2021)

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. Staff will present the Water Demand Offset (WDO) Policy, 2021 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.

RECOMMENDATION: It is recommended by Santa Rosa Water that the Board of Public Utilities, by resolution, recommend that the City Council adopt the Water Demand Offset (WDO) Policy, the 2021 WDO Fee Study, and the WDO Fees and 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).

Presenters: Colin Close, Senior Water Resources Planner and Mark Hildebrand, Hildebrand Consulting

Board Members had a detailed discussion related to the proposed Water Demand Offset Fees and the balance of preserving water supply versus impacts to housing development. Board Member Walsh offered a friendly amendment to the proposed recommendation to include a request that the City Council consider a General Fund subsidy to offset the fee for affordable housing projects, which was accepted by the Board Members who made the original motion and second.

PUBLIC COMMENT

Ananda Sweet, Santa Rosa Metro Chamber of Commerce, spoke about the Water Demand Offset Fee approach and how it doesn't align with the City's housing needs, stated goals and strategy of encouraging housing by offering a mix of lower fees and a reduced permitting process burden.

Calum Weeks, Generation Housing, spoke of Water Demand Offset Fees creating an additional layer of uncertainty in the development process, requested a General Fund subsidy for affordable housing and asked if changes would be required related to new State laws if the item was postponed to January 2022.

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Wright, to approve Item 7.2 - RESOLUTION NO. 1277 ENTITLED "RESOLUTION OF THE BOARD OF PUBLIC UTILITIES RECOMMENDING THAT THE COUNCIL OF THE CITY OF SANTA ROSA ADOPT THE WATER DEMAND OFFSET POLICY, WATER DEMAND OFFSET FEE STUDY, AND WATER DEMAND OFFSET FEES" as amended with a recommendation that the Council consider a General Fund subsidy to offset the Water Demand Offset Fee for affordable housing projects. The motion carried by the following vote:

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

No: 1 - Board Member Grabill

7.3 REPORT - CONTRACT AWARD - MONTROSE AIR QUALITY, LLC PROFESSIONAL SERVICES AGREEMENT

BACKGROUND: The City of Santa Rosa Regional Water Reuse Facility - Laguna Treatment Plant holds an Air District Title V Major Facility Review Permit #A1403. The facility has four Combined Heat and Power Engines which are currently abated by a digester gas conditioning system. The Title V permit contains conditions for routine emissions testing from these processes. The City seeks to obtain professional services for the routine and non-routine emission monitoring for compliance with Air District permit requirements. The Professional Services Agreement with Montrose Air Quality, LLC is to provide air quality emission testing at the Laguna Treatment Plant for monthly, annual, and as-needed monitoring.

RECOMMENDATION: It is recommended by the Contract Review Subcommittee and the Water Department that the Board of Public Utilities, by motion, approve the Professional Services Agreement with Montrose Air Quality, LLC in the amount of \$200,000 over three years.

Presenter: Heather Johnson, Environmental Services Officer

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Walsh, to approve the Professional Services Agreement with Montrose Air Quality, LLC in the amount of \$200,000 over three years. The motion

carried by the following vote:

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

Absent: 1 - Board Member Watts

7.4 REPORT - DIRECTION TO SANTA ROSA PLAIN GROUNDWATER SUSTAINABILITY AGENCY BOARDMEMBER REGARDING ADOPTION OF THE GROUNDWATER SUSTAINABILITY PLAN FOR THE SANTA ROSA PLAIN SUBBASIN

BACKGROUND: The Sustainable Groundwater Management Act requires that the Santa Rosa Plain Groundwater Sustainability Agency (SRP GSA), comprised of the Cities of Cotati, Rohnert Park, Santa Rosa, and Sebastopol, the Town of Windsor, the County of Sonoma, Sonoma Water, the Gold Ridge and Sonoma Resource Conservation Districts, and a group of independently owned water systems, adopt and submit a Groundwater Sustainability Plan (GSP) by January 31, 2022. The GSP, released for a 30-day public review on October 1, 2021 is now finalized and proposed for adoption at a public hearing of the SRP GSA scheduled for December 9, 2021. Santa Rosa Water staff is requesting the Board of Public Utilities provide direction to the City Council and the City's SRP GSA Boardmember regarding adoption of the GSP at that public hearing.

RECOMMENDATION: It is recommended by Santa Rosa Water that the Board of Public Utilities, by motion, recommend to the City Council that the Council recommend that the City's Santa Rosa Plain Groundwater Sustainability Agency Boardmember support adoption of the Santa Rosa Plain Groundwater Sustainability Plan at their December 9, 2021 Public Hearing.

Presenter: Peter Martin, Deputy Director - Water Resources

A motion was made by Board Member Wright, seconded by Board Member Grabill, to recommend to the City Council that the Council recommend that the City's Santa Rosa Plain Groundwater Sustainability Agency Boardmember support adoption of the Santa Rosa Plain Groundwater Sustainability Plan at their December 9, 2021 Public Hearing. The motion carried by the following vote:

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

Absent: 1 - Board Member Watts

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS

NONE.

9. REFERRALS - NONE.

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

11. SUBCOMMITTEE REPORTS

NONE.

12. BOARD MEMBER REPORTS

NONE.

13. DIRECTORS REPORTS

Deputy Director Joe Schiavone reported construction of temporary bypass piping to supply air to the aeration tanks at the Laguna Treatment Plant is underway and going smoothly. Work is nearly complete and the bypass system should be operating within the next week.

Deputy Director Schiavone, on behalf of Director Jennifer Burke and all the Water Department Deputy Directors, expressed appreciation to the Board Members and all staff in the Water Department. He stated, as the holiday season and end of the year approaches, it's a good time to reflect on all the positive accomplishments that were achieved.

14. ADJOURNMENT OF MEETING

Chair Galvin adjourned the meeting at 4:19 p.m. The next regular meeting of the Board of Public Utilities is scheduled for December 16, 2021.