



**Board of Public Utilities
Regular Meeting Minutes - Final**

Thursday, July 18, 2024

1:30 PM

1. CALL TO ORDER AND ROLL CALL

Chair Galvin called the meeting to order at 1:31 p.m.

All Board Members were present.

2 REMOTE PARTICIPATION UNDER AB 2449 (IF NEEDED)

None.

3. OATH OF OFFICE FOR NEW BOARD MEMBER

Due to a technical issue, this portion of the recording does not have audio.

Recording Secretary Montoya administered the Oath of Office to new Board Member Duane Dewitt.

Board Member DeWitt gave a brief introduction.

Board Members welcomed Board Member DeWitt to the Board.

Present 7 - Chair Daniel Galvin III, Vice Chair William Arnone Jr., Board Member Lisa Badenfort, Board Member Robin Bartholow, Board Member Duane De Witt, Board Member Christopher Grabill, and Board Member Glen Wright

4. STATEMENTS OF ABSTENTION BY BOARD MEMBERS

None.

5. STUDY SESSION

None.

6. MINUTES APPROVAL

6.1 June 20, 2024 - Regular Meeting Minutes - DRAFT

The minutes for the June 20, 2024 Board of Public Utilities meeting were approved as submitted.

7. STAFF BRIEFINGS

7.1 KELLY FARM CALIFORNIA TIGER SALAMANDER MITIGATION BANK UPDATE

Staff will provide a brief update on the development of the California tiger salamander mitigation bank on Kelly Farm.

The Laguna Treatment Plant (LTP) and many of the city-owned farms are located within the Santa Rosa Plain which is home to endangered species, including the California tiger salamander (CTS), and rare plants, including Sebastopol meadowfoam, Burke's goldfields, and Sonoma sunshine. When the City undertakes a project located at these facilities, projects need to be designed to avoid impacts to these sensitive species, or the City needs to purchase mitigation credits from a privately held mitigation bank to offset the impacts. Over the last ten years, the cost of CTS credits has continually increased. The City has planned projects that may require significant mitigation credits, including the LTP Flood Protection Project. The purchase of mitigation credits can add a large cost to projects and extend the time that it takes to obtain regulatory permits, thus delaying the start of projects.

As an alternative to purchasing mitigation credits from privately-owned mitigation banks, the City is planning to establish a CTS and wetland mitigation bank for City projects on an approximately 100-acre portion of the Kelly Farm property. In order to develop the mitigation bank, the City has hired GHD, Inc. to plan, design, permit, manage construction, and monitor the proposed mitigation bank. Construction is currently planned for 2025. The Board may discuss this item and give direction to staff.

Chair Galvin recessed the meeting at 1:37 p.m. and reconvened the meeting at 1:38 p.m.

Sean McNeil, Deputy Director - Environmental Services, presented.

Staff answered Board Member questions.

7.2 2023 ANNUAL COMPLIANCE UPDATE

Staff will provide an overview of the Regional Water Reuse System's applicable regulations, highlight permit requirements, and summarize compliance during 2023. The Board may discuss this item and give direction to staff.

Heather Johnson, Environmental Services Officer, presented and answered Board Member questions.

8. CONSENT ITEMS

Board Member DeWitt abstained from vote without explanation.

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Grabill to approve Consent Items 8.1 and 8.2.

The motion carried by the following vote:

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

Abstain: 1 - Board Member De Witt

8.1 MOTION - AMENDMENT TO BLANKET PURCHASE ORDER 164811 - FOUR-YEAR EXTENSION AND INCREASE COMPENSATION FOR UTILITY BILL PRINTING, BILL INSERTS, AND MAILING SERVICES

RECOMMENDATION: It is recommended by Santa Rosa Water and the Finance Department that the Board of Public Utilities, by motion, approve an amendment to Blanket Purchase Order 164811 for utility bill printing, bill inserts, and mailing services to extend for four years and increase compensation in the amount of \$561,000 to InfoSend, Inc., Anaheim, California, for a not to exceed cumulative value of \$897,000.

This Consent - Motion was approved.

8.2 MOTION - APPROVAL OF FOURTH AMENDMENT TO BLANKET PURCHASE ORDER 164874 - ONE YEAR EXTENSION, PRICE INCREASE, AND INCREASE COMPENSATION FOR SODIUM HYPOCHLORITE SUPPLY

RECOMMENDATION: It is recommended by Santa Rosa Water and the

Finance Department that Board of Public Utilities, by motion, approve a fourth amendment to Blanket Purchase Order (BPO) 164874 for sodium hypochlorite supply with Olin Corporation dba Olin Chlor Alkali Products, Tracy, California, to extend for a one-year period with no increase in unit price, and increase in compensation in the amount of \$840,000, for a total amount not to exceed \$2,495,000, and grant authority to the Purchasing Agent to approve any increases upon six month review, up to a maximum 10% with no additional funds required.

This Consent - Motion was approved.

9. REPORT ITEMS

9.1 REPORT - FUNDING AGREEMENT BETWEEN SONOMA COUNTY WATER AGENCY AND SANTA ROSA WATER TO IMPLEMENT PHASE 2 OF THE DIRECT INSTALL WATER USE EFFICIENCY PROJECT VIA GRANT FUNDING FROM THE US BUREAU OF RECLAMATION WATERSMART WATER AND ENERGY EFFICIENCY GRANTS PROGRAM

BACKGROUND: The Sonoma-Marin Saving Water Partnership, a group comprised of 13 utilities in Sonoma and Marin Counties was awarded a total \$2,000,000 regional grant from the US Bureau of Reclamation (USBR) WaterSMART FY 2023 Water and Energy Efficiency Grants (WEEG) program. Per the terms of the grant, Sonoma County Water Agency (Sonoma Water) is acting as the grant administrator and Santa Rosa Water would be a sub-awardee. Santa Rosa Water is eligible to receive funding in the amount of \$813,933 with a required cost match of \$994,848 to complete a second phase of the ongoing Direct Install Water Use Efficiency Program Project for approved residential customers. The Direct Install Water Use Efficiency Program utilizes authorized contractors to directly install a package of high efficiency toilets paired with other water saving fixtures at no cost to the customer. Receipt of the grant funding by Santa Rosa Water requires the Board of Public Utilities authorization of the execution of a sub-awardee agreement with Sonoma Water.

RECOMMENDATION: It is recommended by Santa Rosa Water that Board of Public Utilities, by resolution, approve the sub-awardee grant agreement between Sonoma County Water Agency (Sonoma Water) and the City of Santa Rosa for the Direct Install Water Use Efficiency

Project, delegate authority to the Director of Santa Rosa Water to enter the agreement and execute any future amendments, authorize the designation of existing funds for the cost share required by the grant, and make a recommendation to the City Council of Santa Rosa to authorize receipt of grant funds and appropriate the grant funds into the Water Department budget.

Stacie Hatfield, Revenue Operations Supervisor, presented.

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Grabill, to waive reading of the text and adopt:

RESOLUTION NO. 1330 ENTITLED: RESOLUTION OF THE BOARD OF PUBLIC UTILITIES APPROVING THE SUB-AWARDEE GRANT AGREEMENT BETWEEN SANTA ROSA WATER AND SONOMA WATER, DELEGATING AUTHORITY TO ENTER INTO THE AGREEMENT AND EXECUTE ANY AMENDMENTS TO THE DIRECTOR OF SANTA ROSA WATER, AUTHORIZING THE DESIGNATION OF EXISTING CAPITAL IMPROVEMENT FUNDS FOR COST SHARE REQUIREMENT FOR THE GRANT, AND RECOMMENDING THAT THE CITY COUNCIL OF SANTA ROSA PASS A RESOLUTION APPROPRIATION ACTION BY THE COUNCIL. AUTHORIZING THE RECEIPT OF GRANT FUNDS AND THEIR APPROPRIATION TO THE WATER DEPARTMENT BUDGET.

The motion carried by the following vote:

Yes: 7 - Chair Galvin III, Vice Chair Arnone Jr., Board Member Badenfort, Board Member Bartholow, Board Member De Witt, Board Member Grabill and Board Member Wright

9.2 REPORT - APPROVAL OF AMENDMENT NO. 2 TO PROJECT WORK ORDER WITH GREEN VALLEY CONSULTING ENGINEERS - EMERGENCY WELL PUMP STATION - A PLACE TO PLAY - CONSTRUCTION MANAGEMENT AND INSPECTION

BACKGROUND: The A Place To Play well project includes the conversion of an existing test well to an emergency ground water well and pump station. Construction began in July 2020 with a design based on past water quality data that was obtained when the well was initially constructed. As construction on the conversion and pump station progressed, subsequent water sampling analyses detected arsenic levels above the State maximum contaminant level (MCL) for public drinking water supplies. Construction was suspended in November

2020 to explore water treatment options that would reduce the arsenic concentrations below the regulatory limit.

Construction commenced February 2022, and progressed until November of 2022, when an electrical material procurement delay caused the project to fall into suspension. Construction was suspended from November 2022 until March 2024.

The 2022-2024 suspension extended the project timeline and required continuous construction management to address Contractor questions, submittals, requests for information and coordination. The extended timeline and additional work required from the consultant resulted in an increased cost above the estimated amount that was included in the original contract. However, it did not take into account continued services throughout the project suspension timeline.

RECOMMENDATION: It is recommended by the Transportation and Public Works Department and Santa Rosa Water that the Board of Public Utilities, by motion, approve Amendment No. 2 to Project Work Order No. A010146-2016-20 with Green Valley Consulting Engineers of Santa Rosa, California, for the Emergency Well Pump Station - A Place to Play project for Construction Management and Inspection services, increasing the contract amount by \$146,773 for a total value of \$645,147.

Chris Balanesi, Associate Civil Engineer, presented.

Board Member Grabill left the Council Chamber at 2:38 p.m.

Board Member Bartholow left the Council Chamber at 2:39 p.m.

Board Member Grabill returned to the Council Chamber at 2:42 p.m.

A motion was made by Board Member Wright, seconded by Board Member Badenfort, to approve Amendment No. 2 to Project Work Order No. A010146-2016-20 with Green Valley Consulting Engineers of Santa Rosa, California, for the Emergency Well Pump Station - A Place to Play project for Construction Management and Inspection services, increasing the contract amount by \$146,773 for a total value of \$645,147.

The motion carried by the following vote:

Yes: 5 - Chair Galvin III, Vice Chair Arnone Jr., Board Member Badenfort, Board Member De Witt and Board Member Wright

Absent: 2 - Board Member Bartholow and Board Member Grabill

10. PUBLIC COMMENTS ON NON-AGENDA MATTERS

None.

11. REFERRALS

None.

12. WRITTEN COMMUNICATION (AND POSSIBLE BOARD DISCUSSION)

None.

13. SUBCOMMITTEE REPORTS

None.

14. BOARD MEMBER REPORTS

Chair Galvin announced that he will be sending out updated Subcommittee assignments.

15. DIRECTORS REPORTS

Director Burke reported: Good news regarding the Trucked Waste Program at the Laguna Treatment Plant. We continue to see robust demand for the program, with a corresponding growth in program revenues. For the fiscal year end June 30, 2024, the program generated \$4.5 million in revenue, exceeding the revenue budget by over \$1.3 million, and representing a 25% increase in revenue generated as compared to the fiscal year ended June 30, 2023. This program is a valuable asset for our operations as these revenues offset our annual Regional cost allocations, providing excellent value for Santa Rosa Water and our Regional Partner Agencies.

The geysers shut down will begin August 5, 2024 and be placed back on line August 19. The annual shutdown is an all-hands operation. Our teams will be performing scheduled and unscheduled maintenance which includes pipe line inspections and

valve turning, pump station inspections and ancillary equipment. This year our electrical team will be focusing on the Llano pump station electrical equipment maintenance and inspections. In addition to the Geysers' maintenance, the electrical team will be assisting Delta Starr with the Regional wastewater treatment plant substation transformers. During the shut down we focus all our efforts to tackle the maintenance tasks that have the potential to disrupt the Geysers' operations to limit pump station shutdowns during our operational season.

16. ADJOURNMENT OF MEETING

Chair Galvin adjourned the meeting at 2:45 p.m. The next Board of Public Utilities meeting is scheduled for August 1, 2024 at 1:30 p.m.

Approved on: August 1, 2024

_____/S/_____
Michelle Montoya
Recording Secretary