



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

Thursday, April 18, 2019

1:30 PM

1. CALL TO ORDER AND ROLL CALL

Chair Galvin called the meeting of the Board of Public Utilities to order at approximately 1:30 p.m.

Present 6 - Chair Daniel Galvin III, Vice Chair William Arnone Jr., Board Member Lisa Badenfort, Board Member Richard Dowd, Board Member David Bannister, and Board Member Mary Watts

Absent 1 - Board Member Christopher Grabill

2. STATEMENTS OF ABSTENTION BY BOARD MEMBERS

Vice Chair Arnone stated that he would be abstaining from the partial approval of the budget on item 7.3 as one of the projects is within 500 ft of his residence.

3. STUDY SESSION - NONE.

4. MINUTES APPROVAL

4.1 April 4, 2019 - Regular Meeting Minutes.

Attachments: [April 4, 2019 - Regular Meeting Minutes \(added 4/18/19\)](#)

The minutes were accepted as submitted.

13. DIRECTORS REPORTS

Chair Galvin announced that the agenda would be reordered to present the item prior to Interim Director Burke leaving for the remainder of the meeting.

Ms. Burke discussed a recent email from Deputy Director Walton providing a project update on the potential regional compost facility on City property. In addition, Ms. Burke provided a report on the Groundwater Sustainability Agency rate setting process and announced the recent promotion of Sean McNeil to Deputy Director Environmental Services. Finally, a brief presentation was given from Ms. Burke and parting words from Rick Santarini who's last day after

30 years with the department.

At 1:40 p.m., Interim Director Burke left for the remainder of the meeting. Emma Walton, Deputy Director Engineering Resources took her place at the dais.

5. STAFF BRIEFINGS

5.1 2019 EARTH DAY ONSTAGE FESTIVAL

Water Department staff will provide information on Santa Rosa's annual Earth Day OnStage event, which will take place Saturday, April 27, 2019, from 12:00pm-4:00pm, at Courthouse Square. Staff will provide an overview of the event and information on the activities that will take place.

Attachments: [Presentation \(added 4/18/19\)](#)

Presenter(s): Tasha Wright, Sustainability Coordinator and B Amador, Administrative Technician.

6. CONSENT ITEMS

6.1 MOTION - CONTRACT AMENDMENT - AGREEMENT FOR ACCEPTANCE OF BIOSOLIDS AND LAND APPLICATION NO. F001429 WITH GILARDI & JACOBSEN AG SERVICES, INC.

RECOMMENDATION: It is recommended by the Water Department that the Board, by motion, approve a one-year amendment to Agreement No. F001429: Agreement for Acceptance of Biosolids and Land Application with Gilardi & Jacobsen Ag Services, Inc., and an associated increase of total compensation of \$47,951.00, for a total three-year contract amount not to exceed amount of \$132,586.00.

Attachments: [Staff Report](#)
[Attachment 1](#)

A motion was made by Vice Chair Arnone, Jr., seconded by Board Member Watts to, approve a one-year amendment to Agreement No. F001429: Agreement for Acceptance of Biosolids and Land Application with Gilardi & Jacobsen Ag Services, Inc., and an associated increase of total compensation of \$47,951.00, for a total three-year contract amount not to exceed amount of \$132,586.00. The motion carried by the following vote:

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

Absent: 1 - Board Member Grabill

7. REPORT ITEMS

7.1 REPORT - RE-CERTIFICATION OF THE SEWER SYSTEM MANAGEMENT PLAN (SSMP) AND RECOMMENDATION TO CITY COUNCIL

BACKGROUND: On May 2, 2016, the State Water Resources Control Board (SWRCB) adopted Order No. 2006-0003 Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems, developing a regulatory mechanism to provide a consistent statewide approach for reducing sanitary sewer overflows (SSOs). The City's sanitary sewer system is subject to this WDR, which required each agency to create a Sanitary Sewer Management Plan (SSMP) to provide a plan and schedule to properly manage, operate, and maintain all parts of the sanitary sewer system to help reduce and prevent SSOs, as well as mitigate any SSOs that do occur.

The WDR requires that the SSMP be updated and re-certified every five years. The SSMP was updated in March 2019 and must be re-certified and submitted to the State by May 1, 2019. The Water Department will request that City Council, by resolution, delegate authority to the Board of Public Utilities to approve future SSMP re-certifications. Delegating approval authority of future re-certifications to the Board of Public Utilities will streamline the process of adopting future revisions and is consistent with the general policy and management authority over the water and sewer utilities granted to the Board under Section 25 of the Charter of the City of Santa Rosa.

RECOMMENDATION: It is recommended by the Water Department that the Board of Public Utilities, by resolution, recommend that the City Council approve re-certification of the Sewer System Management Plan (SSMP) as required by the State Water Resources Control Board Order No. 2006-003 Statewide General Waste Discharge Requirements for Sanitary Sewer Systems and delegate authority to the Board of Public Utilities to approve future re-certifications of the SSMP.

Attachments: [Staff Report](#)
 [Attachment 1](#)
 [Attachment 2](#)
 [Attachment 3](#)
 [Resolution](#)
 [Presentation \(added 4/18/19\)](#)

Presenter(s): Joe Schiavone, Deputy Director Local Operations and Camryn Schiavone.

A motion was made by Board Member Bannister, seconded by Board Member Badenfort to approve Item 7.1 - RESOLUTION NO. 1190 ENTITLED "RESOLUTION OF THE BOARD OF PUBLIC UTILITIES RECOMMENDING THE CITY COUNCIL APPROVE THE RE-CERTIFICATION OF THE SEWER SYSTEM MANAGEMENT PLAN (SSMP) AS REQUIRED BY THE STATE WATER RESOURCES CONTROL BOARD ORDER NO. 2006-0003 STATEWIDE GENERAL WASTE DISCHARGE REQUIREMENTS FOR SANITARY SEWER SYSTEMS AND THAT THE COUNCIL DELEGATE AUTHORITY TO THE BOARD OF PUBLIC UTILITIES TO APPROVE FUTURE RE-CERTIFICATIONS OF THE SSMP". The motion carried by the following vote:

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

Absent: 1 - Board Member Grabill

7.2 **REPORT - APPROVAL OF THE PRELIMINARY FY 2019/20 SUBREGIONAL SYSTEM OPERATING AND MAINTENANCE, CAPITAL IMPROVEMENT, AND DEBT SERVICE BUDGET AND ALLOCATION OF COSTS-RECOMMENDATION TO CITY COUNCIL**

BACKGROUND: The Subregional System, managed by the City of Santa Rosa per Agreement, is a state-of-the-art wastewater treatment facility serving five-member agencies (Santa Rosa, Rohnert Park, Sebastopol, Cotati, and the Sonoma County South Park Sanitation District, each hereinafter referred to as "User Agency" or collectively as "User Agencies"). The Laguna Treatment Plant is a tertiary-level treatment facility permitted for 21.34 million gallons per day (MGD) average dry weather flow.

The Subregional Operations and Maintenance (O&M) Fund budget request is \$31,354,411 the Subregional cash-funded Capital

Improvement Program (CIP) is \$6,000,000 and the Subregional debt service due is \$22,966,151.

The operating Agreement requires that the City annually prepare a Preliminary Budget and Allocation of Costs for the Subregional System and notify the User Agencies of these costs by May 1st of each year. Each year, City staff present the proposed budget and allocation of costs to be reviewed by the Subregional Technical Advisory Committee (TAC), the Board of Public Utilities (BPU) and the Council of the City of Santa Rosa prior to noticing the partners of operating and debt service costs due. The Council will be asked to approve the preliminary budget for the purpose of notifying the User Agencies on April 30, 2019 and will review the proposed budget with the city-wide budget study session on May 22, 2019.

RECOMMENDATION: It is recommended by Santa Rosa Water Staff and the Technical Advisory Committee (TAC) that the Board of Public Utilities, by resolution, recommend that the City Council approve the Preliminary 2019/20 Subregional System Operating and Maintenance, Capital Improvement, and Debt Service Budget and Allocation of Costs for the purpose of notifying the participating Subregional User Agencies of their allocation of such costs.

Attachments: [Staff Report](#)
 [Resolution](#)
 [Presentation \(added 4/18/19\)](#)

Presenter(s): Kimberly Zunino, Deputy Director Administration.

A motion was made by Board Member Watts, seconded by Board Member Badenfort to approve ITEM 7.2 - RESOLUTION NO. 1191 ENTITLED "RESOLUTION OF THE BOARD OF PUBLIC UTILITIES RECOMMENDING THAT THE SANTA ROSA CITY COUNCIL APPROVE THE PRELIMINARY FISCAL YEAR 2019/20 SUBREGIONAL SYSTEM OPERATING, CAPITAL AND DEBT SERVICE BUDGET AND THE PROPOSED OPERATIONS AND DEBT SERVICE ALLOCATION OF COSTS". The motion carried by the following vote:

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

Absent: 1 - Board Member Grabill

7.3 REPORT - FY 2019/20 WATER AND LOCAL WASTEWATER FUNDS OPERATION, MAINTENANCE AND CAPITAL EXPENDITURE REQUESTS - RECOMMENDATION TO CITY COUNCIL

BACKGROUND: Santa Rosa Water manages the City of Santa Rosa's water and wastewater enterprise funds under the general policy authority and direction of the Board of Public Utilities (BPU) per the City Charter. The BPU annually recommends a proposed fiscal year water and wastewater budget to the City Council to be included in the annual City budget adoption.

The water and wastewater funds are primarily financed by Santa Rosa ratepayer user fees and charges. Water rates approved by the Santa Rosa City Council, including a fixed charge increase of 5% and a wholesale water rate pass-through increase of approximately 1.9% (for a combined water rate increase of approximately 2.6% for most customers), combined with the use of current fund balances are considered sufficient to fund the prudent operation of the water system in 2019/20. The authorized 2.5% wastewater fixed and usage rate increases are considered sufficient to fund the prudent operation of the wastewater system and Santa Rosa's share of the Subregional system and maintain appropriate debt service ratios through 2019/20.

RECOMMENDATION: The Water Department recommends the Board of Public Utilities, by resolution, recommend that the City Council approve the Fiscal Year 2019/20 Water Fund and Local Wastewater Fund operation, maintenance and capital expenditure appropriation requests.

Attachments: [Staff Report](#)
 [Resolution 1](#)
 [Resolution 2](#)

PRESENTER(S): Kimberly Zunino, Deputy Director Administration

Public Comment:

Bob Harder thanked Ms. Zunino for her efforts to bring him up to speed on the current budget.

A motion was made by Board Member Dowd, seconded by Board Member Watts to approve ITEM 7.3 - RESOLUTION NO. 1192 ENTITLED

"RESOLUTION OF THE BOARD OF PUBLIC UTILITIES RECOMMENDING THAT THE SANTA ROSA CITY COUNCIL APPROVE THE PROPOSED FISCAL YEAR 2019/20SANTA ROSA WATER OPERATING, MAINTENANCE AND CAPITAL IMPROVEMENT BUDGETS FOR THE WATER FUND AND THE LOCAL WASTEWATER FUND". The motion carried by the following vote:

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

Absent: 1 - Board Member Grabill

A motion was made by Board Member Watts, seconded by Board Member Bannister to approve ITEM 7.3 - RESOLUTION NO. 1193 ENTITLED "RESOLUTION OF THE BOARD OF PUBLIC UTILITIES RECOMMENDING THAT THE SANTA ROSA CITY COUNCIL APPROVE THE PROPOSED FISCAL YEAR 2019/20SANTA ROSA WATER OPERATING, MAINTENANCE AND CAPITAL IMPROVEMENT BUDGETS FOR THE WATER FUND AND THE LOCAL WASTEWATER FUND". The motion carried by the following vote:

Yes: 5 - Chair Galvin III, Board Member Badenfort, Board Member Dowd, Board Member Bannister and Board Member Watts

Absent: 1 - Board Member Grabill

Abstain: 1 - Vice Chair Arnone Jr.

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS

NONE.

9. REFERRALS

NONE.

10. WRITTEN COMMUNICATION (AND POSSIBLE BOARD DISCUSSION)

NONE.

11. SUBCOMMITTEE REPORTS

Chair Galvin reported that the Contract Review Subcommittee provided direction on the scope of repairs for work planned for the reclamation ponds and the subcommittee approved staff moving forward with contract work done under a force account. The item will be brought forward to the full Board for consideration on May 16.

12. BOARD MEMBER REPORTS

NONE.

13. DIRECTORS REPORTS

Deputy Director Walton expressed appreciation for a job well done by Camryn Schiavone and support for a Junior Deputy Program.

14. ADJOURNMENT OF MEETING

Chair Galvin adjourned the meeting of at 2:30 p.m. The next regularly scheduled meeting of the Board of Public Utilities will be held on May 16, 2019.