



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

Thursday, March 1, 2018

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 5 - Chair Daniel Galvin III, Board Member William Arnone Jr., Board Member Richard Dowd, Board Member Mary Watts, and Board Member Lisa Badenfort

Absent 1 - Board Member Christopher Grabill

2. STATEMENTS OF ABSEPTION BY BOARD MEMBERS

No statements of abstention were made by Board members.

3. STUDY SESSION - NONE.

4. MINUTES APPROVAL

The minutes of February 1, 2018 were approved as submitted.

4.1 February 1, 2018, Regular Meeting Minutes.

Attachments: [February 1, 2018 Regular Meeting Minutes \(added 2/28/18\)](#)

5. STAFF BRIEFINGS

5.1 FIRE RECOVERY ACTIVITIES

Staff will provide an update on the recovery efforts and on-going investigation and actions that Santa Rosa Water is taking to address the water quality issue.

Attachments: [Presentation \(added 2/28/2018\)](#)

Presenter(s): Jennifer Burke, Deputy Director Water and Engineering Resources

6. CONSENT ITEMS - NONE.

7. REPORT ITEMS

7.1 REPORT - SONOMA COUNTY WATER AGENCY 2018/19 WATER TRANSMISSION BUDGET AND RATE INCREASE

BACKGROUND: There is a Water Advisory Committee (WAC) made up of elected officials of each of the prime contractors to the Water Agency's wholesale water. The WAC is an advisory committee to the Water Agency Board of Directors. The City's WAC Representative is Council Member Tom Schwedhelm. On April 2, 2018, the WAC is scheduled to vote on whether or not to recommend the Water Agency budget and proposed rate increase for approval of the Water Agency Board of Directors. The Technical Advisory Committee (TAC) is made of technical staff of each of the prime contractors to the Water Agency's wholesale water. The TAC provides technical analysis and recommendations to the WAC.

RECOMMENDATION: The Water Department recommends that the Board of Public Utilities consider the SCWA 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 2, 2018.

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

Presenter(s): Kimberly Zunino, Deputy Director Administration and Lynne Rosselli, Sonoma County Water Agency.

A motion was made by Board Member Watts, seconded by Board Member Arnone, Jr., to approve a motion as submitted, recommending the SCWA budget and proposed water rate increase to the City Council regarding Council's direction to its Water Advisory Committee (WAC) representative for the WAC vote on April 2, 2018. The motion carried by the following vote:

Yes: 5 - Chair Galvin III, Board Member Arnone Jr., Board Member Dowd, Board Member Watts and Board Member Badenfort

Absent: 1 - Board Member Grabill

7.2 REPORT - STATE WATER RESOURCES CONTROL BOARD GRANT FUNDS FOR FREEWAY WELL PLANNING PROJECT

BACKGROUND: The City operated the groundwater well located at 1304 Cleveland Avenue in Santa Rosa (Freeway Well) sustainably for

about 30 years, until regular testing in the 1980s detected volatile organic compounds (VOCs) had reached the well from offsite contamination. The City has wanted to evaluate water quality risks in the vicinity and study the feasibility of alternatives for treating the groundwater or replacing Freeway Well but has not had the resources to do so. The State Water Resources Control Board (State) expressed interest in providing assistance with these efforts and invited the City to submit a grant application. Legal counsel determined the City Manager was authorized to submit the application per Council Policy No. 000-562: Grant Application and Administration Policy. Staff provided a briefing to the Board of Public Utilities and submitted the application on August 31, 2017.

The application was successful, and the State has asked the City to designate, by resolution, a representative to negotiate and enter into a grant funding agreement for the Freeway Well Planning Project. Staff is asking the Board of Public Utilities to recommend this and to recommend that Council authorize use of existing appropriations for the required matching funds and authorize the Chief Financial Officer to increase appropriations for the project in the amount of the grant award.

RECOMMENDATION: It is recommended by the Water Department that Board, by resolution, recommend that Council 1) authorize the Director of Santa Rosa Water to negotiate and execute a grant funding agreement with the State Water Resources Control Board for the Freeway Well Planning Project (Project); 2) authorize and designate the Director of Santa Rosa Water as a City Representative for the Project; 3) authorize use of non-General Funds to match the State funds being awarded; and 4) authorize the Chief Financial Officer to increase appropriations in the amount of the grant award.

Attachments: [Staff Report](#)
 [Attachment 1](#)
 [Resolution](#)
 [Presentation \(added 2/28/18\)](#)

Presenter(s): Colin Close, Sr. Water Resources Planner.

A motion was made by Board Member Dowd, seconded by Board Member Watts, to waive reading of the text and adopt Item 7.2 - RESOLUTION NO. 1156 ENTITLED "RESOLUTION OF THE BOARD OF PUBLIC UTILITIES RECOMMENDING THAT CITY COUNCIL AUTHORIZE THE DIRECTOR OF

SANTA ROSA WATER TO NEGOTIATE AND EXECUTE A GRANT FUNDING AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE FREEWAY WELL PLANNING PROJECT; DESIGNATE THE DIRECTOR OF SANTA ROSA WATER AS A REPRESENTATIVE FOR THE PROJECT; AUTHORIZE USE OF NON-GENERAL FUNDS TO MATCH THE STATE FUNDS BEING AWARDED; AND AUTHORIZE THE CHIEF FINANCIAL OFFICER TO INCREASE APPROPRIATIONS IN THE AMOUNT OF THE GRANT AWARD."

The motion carried by the following vote:

Yes: 5 - Chair Galvin III, Board Member Arnone Jr., Board Member Dowd, Board Member Watts and Board Member Badenfort

Absent: 1 - Board Member Grabill

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS

NONE.

9. REFERRALS

NONE.

10. WRITTEN COMMUNICATION (AND POSSIBLE BOARD DISCUSSION)

- 10.1** MONTHLY RATE REVENUE AND CIP BID AWARD REPORT - JANUARY 2018 - Provided for information.

Attachments: [Memorandum](#)

Chair Galvin received and filed the written correspondence as submitted.

11. SUBCOMMITTEE REPORTS

Board Member Dowd reported that the Budget Review Subcommittee has been meeting and the Board received information during the report on the fire impacts. An agenda item will be coming forward to the full board as soon as more information is available.

Vice Chair Arnone reported on the Ad Hoc Agricultural Contract committee activities that he and Board member Grabill are a member of. Work has begun to understand the City's use of the recycled water and how things have changed over time. There is an ongoing review to look at an opportunity to update the contracts based on the current value of the water and its usage.

Chair Galvin reported that he attended the Expanded Water Supply meeting with Council Member Schwedhelm to get an update on the Groundwater Sustainability Agency.

12. BOARD MEMBER REPORTS

NONE.

13. DIRECTORS REPORTS

Ben Horenstein, Director reported on various department activities.

14. ADJOURNMENT OF MEETING

The meeting was adjourned at 2:24 p.m. The next regularly scheduled meeting of the Board of Public Utilities will be held on April 19, 2018.