



City of Santa Rosa

Council Chamber
100 Santa Rosa Avenue

BOARD OF PUBLIC UTILITIES REGULAR MEETING AGENDA AND SUMMARY REPORT FEBRUARY 18, 2021

The Board of Public Utilities meeting will begin after the City Council goal setting session.

DUE TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF SONOMA TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, THE BOARD MEMBERS WILL BE PARTICIPATING VIA ZOOM WEBINAR.

MEMBERS OF THE PUBLIC CAN PARTICIPATE IN THE MEETING BY VISITING [HTTPS://SRCITY-ORG.ZOOM.US/J/97777115088](https://srcity-org.zoom.us/j/97777115088) OR BY DIALING 1-877-853-5257, THEN ENTERING WEBINAR ID: 977 7711 5088

THE MEETING WILL ALSO BE LIVE STREAMED AT [HTTPS://SANTA-ROSA.LEGISTAR.COM/CALENDAR](https://santa-rosa.legistar.com/calendar). CLICK ON THE "IN PROGRESS" LINK TO VIEW. THE MEETING CAN ALSO BE VIEWED ON COMCAST CHANNEL 28 AND AT [HTTPS://WWW.YOUTUBE.COM/CITYOFSANTAROSA](https://www.youtube.com/cityofsantarosa)

The public accessing the meeting through the Zoom link will be able to provide public comment on agenda items at the time an Agenda Item is discussed during the Board of Public Utilities Meeting.

Public Comment may also be submitted via e-mail at bpu-comment@srcity.org or recorded voice message at 707-543-4224.

Deadlines and additional instruction for public comment are set forth below. The City of Santa Rosa has postponed many non-essential meetings until further notice. We appreciate your patience and willingness to protect the health and wellness of our community. If you have any questions regarding this meeting, please contact Roberta Atha at ratha@srcity.org.

1:30 PM (Virtual Meeting)

- 1. CALL TO ORDER AND ROLL CALL**
- 2. STATEMENTS OF ABSTENTION BY BOARD MEMBERS - NONE.**
- 3. PRESENTATION FOR OUTGOING BOARD MEMBER**
- 4. BOARD REORGANIZATION, ANNOUNCEMENT OF CHAIR AND ELECTION OF VICE CHAIR**
- 5. STUDY SESSION - NONE.**
- 6. MINUTES APPROVAL**

- 6.1 February 4, 2021 - Regular Meeting Minutes

Attachments: [February 4, 2021 - Regular Meeting Minutes](#)

7. STAFF BRIEFINGS

- 7.1 REVIEW OF THE TRUCKED WASTE PROGRAM - LAGUNA TREATMENT PLANT

The City's Trucked Waste Program at the Laguna Treatment Plant has expanded over the last ten years and staff will provide an update on the program. The Board may discuss this item and give direction to staff.

Attachments: [Presentation \(added 2/17/21\)](#)

- 7.2 ENVIRONMENTAL SERVICES DIVISION UPDATE

The Environmental Services Division includes the Laguna Treatment Plant Permitting, Laguna Environmental Lab, Environmental Compliance, and the Storm Water and Creeks team. The presentation will focus on recent projects and upcoming initiatives. The Board may discuss this item and give direction to staff.

Attachments: [Presentation \(added 2/16/21\)](#)

- 7.3 WATER AND RECYCLED WATER SUPPLY UPDATE

Staff will update the Board on water and recycled water supply issues.

The Board may discuss this item and give direction to staff.

Attachments: [Presentation \(added 2/17/21\)](#)

8. CONSENT ITEMS

8.1 MOTION - EXTENSION OF EXCLUSIVE NEGOTIATION AGREEMENT WITH RENEWABLE SONOMA

RECOMMENDATION: It is recommended by the Water Department and the City Attorney's Office that the Board, by motion, approve a third extension, through December 31, 2021, of the Exclusive Negotiation Agreement with Renewable Sonoma to continue City staff negotiations with Renewable Sonoma regarding potential lease of City property to locate and operate an organics processing facility.

Attachments: [Staff Report](#)
[Attachment 1 Agreement](#)
[Attachment 2 First Amendment](#)
[Attachment 3 Second Amendment](#)
[Attachment 4 Third Amendment](#)

9. REPORT ITEMS

9.1 REPORT - 2021 WATER AND WASTEWATER COST OF SERVICE STUDY AND PROPOSED FY21/22 THROUGH FY24/25 RATE SCHEDULE, AND PROPOSED UPDATE TO WATER SHORTAGE RATE STRUCTURE

BACKGROUND: In 2018, Santa Rosa Water (SRW) hired The Reed Group, Inc (TRGI) to develop a ten-year long-range financial plan, followed by a thorough cost of service analysis and recommendation of a new water and wastewater rate schedule. TRGI found SRW's financial health is such that at the end of the current fee schedule, set to conclude on June 30, 2021, only moderate annual water and wastewater rate increases would be required. Proposed increases between 2-4% each year for water fixed and usage charges and 2% each year for wastewater fixed and usage charges are proposed to help ensure that SRW continues to meet all service and financial obligations.

In July 2021, SRW amended the TRGI contract to have TRGI analyze and update the Water Shortage Rate structure, which is part of the City's Water Shortage Contingency Plan (Shortage Plan). An update to the Shortage Plan is required by State Law and must be submitted to the State by July 1, 2021. To assist SRW with managing water supply and potential financial deficits during declared stages of drought or emergency, an update to the Water Shortage Charges and Excess Use Penalties are also being proposed.

RECOMMENDATION: It is recommended by the Board of Public Utilities Budget Subcommittee and Santa Rosa Water that the Board of Public Utilities, by three resolutions, recommend that, after compliance with applicable law and conduct of a public hearing pursuant to Proposition 218 on or about May 25, 2021, the City Council 1) enact increased charges and rates for water services; 2) enact increased charges and rates for waste water services; 3) adopt a change to the Water Shortage Rate Structure.

Attachments: [Staff Report](#)
[Attachment 1 Rate Update Study Report](#)
[Resolution 1246 Water Rates](#)
[Resolution 1247 Wastewater Rates](#)
[Resolution 1248 Water Shortage Charges](#)
[Presentation \(added 2/16/21\)](#)

- 10. PUBLIC COMMENTS ON NON-AGENDA MATTERS - NONE.**
- 11. REFERRALS - NONE.**
- 12. WRITTEN COMMUNICATION (AND POSSIBLE BOARD DISCUSSION) - NONE.**
- 13. SUBCOMMITTEE REPORTS**
- 14. BOARD MEMBER REPORTS - NONE.**
- 15. DIRECTORS REPORTS**
- 16. ANNOUNCEMENT OF CLOSED SESSION ITEM(S) AND ADJOURNMENT TO CLOSED SESSION**

**16.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR
(Government Code Section 54956.8)**

Property: 601 Piezzi Road, APN 130-230-064
Agency Negotiators: Stephanie Valkovic, Associate Real Property
Negotiator and Jill Scott, Real Property Negotiator
Negotiating Parties: County of Sonoma
Under Negotiations: Price and terms of payment.

**17. ADJOURN TO OPEN SESSION AND ANNOUNCEMENT OF CLOSED SESSION
ACTION, IF ANY**

18. ADJOURNMENT OF MEETING

The Board of Public Utilities encourages public comments regarding the above items. If you are unable to attend this meeting, please feel free to call the Water Department at 543-4200 or forward written comments to the City of Santa Rosa, Water Department, 35 Stony Point Road, Santa Rosa, CA 95401. All comments will be forwarded to the Board at the meeting.

The City of Santa Rosa does not discriminate against individuals with disabilities in its employment, services, benefits, facilities, programs or activities. Requests for accommodations, auxiliary aids, or services necessary to participate in a City program, service, or activity, including printed information in alternate formats, are available by contacting the Secretary at (707) 543-4266 (TTY Relay at 711) or ratha@srcity.org. Requests should be submitted as far in advance as possible, but no later than two business days before the scheduled meeting. Meeting information can also be accessed via the internet at <http://srcity.org>.