



**BOARD OF PUBLIC UTILITIES
REGULAR MEETING AGENDA AND
SUMMARY REPORT
APRIL 6, 2017**

1:30 PM (City Council Chamber)

- 1. CALL TO ORDER AND ROLL CALL**
- 2. STATEMENTS OF ABSENTION BY BOARD MEMBERS**
- 3. MINUTES APPROVAL - NONE**
- 4. PRESENTATION FOR OUTGOING BOARD MEMBERS**
- 5. CONSENT ITEMS**

- 5.1 RESOLUTION - CONTRACT AWARD FOR GRIT AND SCREENING DISPOSAL SERVICES**

RECOMMENDATION: It is recommended by the Finance and Water Departments that the Board of Public Utilities, by resolution, approve a five (5) year contract for grit and screening disposal services to Total Waste Systems, Inc., Santa Rosa, CA in the amount not to exceed \$247,910. Funding for this expense is included in the Water Department fiscal year 2016-17 adopted budget. As a regular operating expenditure, these services will be included in subsequent years' budget proposals when presented to the City Council.

Attachments [Staff Report](#)
[Resolution](#)
[Exhibit A](#)

- 6. REPORT ITEMS**

- 6.1 REPORT - FY 2017/18 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 appropriation.

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 2.2% (for a combined water rate increase of approximately 2.7% for most customers), this increase, combined with the use of current fund balances are considered sufficient to fund the prudent operation of the water system in Fiscal Year 2017/18. The authorized 3% wastewater rate increase combined with the use of current fund balances is 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 Fiscal Year 2017/18.

RECOMMENDATION: It is recommended by Santa Rosa Water staff that the Board of Public Utilities, by resolution, recommend that the City Council approve the Fiscal Year 2017/18 Water Fund and Local Wastewater Fund operation, maintenance and capital expenditure appropriation requests.

Attachments [Staff Report](#)
[Resolution with COI](#)
[Resolution without COI](#)
[PowerPoint Presentation \(Added 4/4/17\)](#)

6.2 REPORT - APPROVAL OF THE PRELIMINARY FY 2017/18 REGIONAL WATER REUSE SYSTEM OPERATING AND MAINTENANCE, CAPITAL IMPROVEMENT, AND DEBT SERVICE BUDGET AND ALLOCATION OF COSTS

BACKGROUND: The Regional Water Reuse 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 Regional Water Reuse Operations and Maintenance (O&M) Fund budget request is \$34,717,521, up \$2.8 million or 8.7%, the Regional Water Reuse cash-funded Capital Improvement Program (CIP) continues to increase at \$1 million per year, as per agreement of the User Agencies, making this year's budget request \$4,080,000, and the Regional Water Reuse debt service is \$22,643,932.

The operating Agreement requires that the City annually prepare a Preliminary Budget and Allocation of Costs for the Regional Water Reuse System and notify the User Agencies of these costs by May 1st of each year. The Agreement further requires that the proposed budget and allocation of costs be reviewed by the Regional Water Reuse 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 18, 2017, and will review the proposed budget in greater detail with the city-wide budget study session on May 16, 2017.

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 fiscal year 2017/18 Regional Water Reuse System Operating and Maintenance, Capital Improvement, and Debt Service Budget and Allocation of Costs for the purpose of notifying the participating Regional Water Reuse User Agencies of their allocation of such costs.

Attachments [Staff Report](#)
[Resolution](#)
[PowerPoint Presentation \(Added 4/4/17\)](#)

6.3 REPORT - WATER SUPPLY UPDATE

BACKGROUND: Staff will update the Board on water supply issues. The Board may discuss this item and give direction to staff.

Attachments [PowerPoint Presentation \(Added 4/4/17\)](#)

7. PUBLIC COMMENTS ON NON-AGENDA MATTERS

8. REFERRALS

9. SUBCOMMITTEE REPORTS

10. BOARD MEMBER REPORTS

11. DIRECTORS REPORTS

12. 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 on the basis of disability in the admissions or access to, or treatment of or employment in, its programs or activities. Disability-related aids or services, including printed information in alternate formats, to enable persons with disabilities to participate in public meetings are available by contacting the Board Secretary at 543-3933 or one week prior to the meeting. For TDD call (707) 543-3063