ROLL CALL

Present (6) Chairman Dowd, Vice Chairman Lowe, Board Members Galvin, Holt, Lindsay and Swinth

Absent (1) Board Member Downey

STATEMENTS OF ABSTENTION BY BOARD MEMBERS

Chairman Dowd abstained from item 6.2 because work will be done within 500 feet of property that he owns. He also abstained from items 6.1 and 6.3 because his company carries a note on some property that Pipeline Excavators purchased. Board Member Lindsay abstained from item 6.2 because work will be done within 500 feet of property that he owns.

MINUTES APPROVAL

Board Member Lindsay moved approval of the minutes of May 15, 2008. The motion was seconded by Board Member Swinth and carried unanimously. AYES (6) NO (0) ABSENT (1) Downey ABSTAIN (0)

CONSENT ITEMS

6.1 BID AWARD—BARNETT, DAVIS AND EARLE STREET SEWER AND WATER MAIN REPLACEMENT PROJECT

MOTION:

Board Member Swinth moved a motion to award a construction contract in the total amount of $674,837.00 to the lowest responsive bidder, Pipeline Excavators of Sebastopol, CA, for Barnett, Davis and Earle Street Sewer and Water Main Replacement and approve a construction contingency of 15 percent. The motion was seconded by Board Member Galvin and carried unanimously. AYES (5) NO (0) ABSENT (1) Downey ABSTAIN (1) Dowd

6.2 BID AWARD—2008 UTILITIES PAVEMENT PATCHING

MOTION:

Board Member Galvin moved a motion to award a construction contract in the total amount of $208,715.45 to the lowest responsive bidder, Team Ghilotti, Inc. of Petaluma, CA, for 2008 Utilities Pavement Patching and approve a construction contingency of 15 percent. The motion was seconded by Board Member Holt and carried unanimously. AYES (4) NO (0) ABSENT (1) Downey ABSTAIN (2) Dowd and Lindsay

6.3 BID AWARD—PALM STREET AND SANTA ROSA AVENUE WATER AND SEWER IMPROVEMENTS

MOTION:

Board Member Swinth moved a motion to award a construction contract in the total amount of $408,191.00 to the lowest responsive bidder, Pipeline Excavators of

BOARD OF PUBLIC UTILITIES – JUNE 5, 2008
SANTA ROSA BOARD OF PUBLIC UTILITIES MEETING MINUTES
THURSDAY, JUNE 5, 2008
CITY HALL COUNCIL CHAMBER, 100 SANTA ROSA AVENUE
REGULAR MEETING

Sebastopol, CA, for Palm Street and Santa Rosa Avenue Water and Sewer
Improvements and approve a construction contingency of 15 percent. The motion was
seconded by Board Member Lindsay and carried unanimously. AYES (5) NO (0)
ABSENT (1) Downey ABSTAIN (1) Dowd

6.4 MEMORANDUM OF UNDERSTANDING REGARDING THE SONOMA-MARIN
SAVING WATER PARTNERSHIP
MOTION:
Vice Chairman Lowe moved to approve
Resolution No. 928 entitled “Resolution of the
Board of Public Utilities Recommending that
the City Council Approve the Memorandum of
Understanding Regarding Sonoma-Marin
Saving Water Partnership (SM MOU) Without
an Amendment and Authorize the Mayor to
Sign the SM MOU. The motion was
seconded by Board Member Holt and carried
unanimously. AYES (6) NO (0) ABSENT (1)
Downey ABSTAIN (0)

REPORT ITEMS

7.1 REPORT–INCREMENTAL RECYCLED
WATER PROGRAM (IRWP) DISCHARGE
COMPLIANCE PROJECT, SEASONAL
STORAGE PROJECT, AND PROGRAM
MANAGEMENT—PROFESSIONAL
SERVICES AGREEMENT AMENDMENT
NO.5 WITH KENNEDY/JENKS
CONSULTANTS, AMENDMENT NO.6 WITH
WINZLER & KELLY CONSULTING
ENGINEERS, AMENDMENT NO.5 WITH
WINZLER & KELLY CONSULTING
ENGINEERS, AND AMENDMENT NO.1
WITH MERRITT SMITH CONSULTING FOR
PROGAM MANAGEMENT AND RELATED
SERVICES

Glen Wright, Deputy Director Water
Resources, gave the staff presentation and
explained that the contracts would be funded
by the proposed bond sale scheduled to be
completed on July 2, 2008. He then reviewed
the components of the scopes and indicated
the amendments had been developed to
complete the Discharge Compliance Project
(DCP) and Seasonal Storage Project (SSP)
EIRs and to support the DCP selection
process. The amendments also include tasks
to support IRWP activities such as Santa
Rosa Urban Reuse Pilot Project design,
CEQA documentation for grants, policies and
ordinances, discharge operations and water
supply development. A table was presented
showing the proposed budget changes for
each of the amendments including the
methodology used for establishing the cost of
preparing responses to comments. Dr. Dave
Smith, Merritt Smith Consulting discussed the
current practice for addressing labor rate
increases in professional services
agreements, provided an explanation for how
labor rates are established, provided a
comparison graph of the proposed rates with
those from numerous bay area firms and gave
examples of the factors that are causing the
proposed rate increases.

Brenda Adelman, Russian River Watershed
Protection Committee expressed concern
about the amount of work the consultants are
being asked to do in the amendments. She
asked that the Board consider taking out D1
due to fatal flaws and noted money would be
saved if that occurred.

Colleen Fernald requested that consultants
consider giving a 10% discount until the
economy improves and asked that the scope
of work be changed based on Ms. Adelman’s
comments submitted on June 4, 2008.

Board Member Lindsay asked if a third party
review of a random sample of time cards was
conducted, with Dr. Smith responding that one
round of review had been completed, a written
report was prepared and no irregularities were
found. Board Member Swinth stated that the
subcommittee spent a great deal of time
reviewing the contracts and felt the increases
were reasonable but they had not seen the
rate increase portion of the amendments.
Chairman Dowd stated that a cost of living
increase should have been imbedded in the
original agreements and because some of the
classification rate increases are 15%, he
would not be supporting the increase. Vice
Chairman Lowe requested that staff revisit
certain rates as they seem higher than the
average of the firms that were reviewed.
Board Member Galvin expressed concern that
the subcommittee did not have the opportunity

BOARD OF PUBLIC UTILITIES – JUNE 5, 2008
to review the labor rate increases during their meeting. Board Member Holt asked if an alternative were to be removed from the Final EIR, would a savings be realized, with Dr. Smith responding that alternatives could not be removed from the EIR at this point in the process based on information currently available, and that the next point in the process to discuss alternatives is the Project Selection phase following EIR certification.

The Board directed staff to go back to the consultants to negotiate the labor rates and then go back to the subcommittee prior to the full Board.

7.2 REPORT–INTERNATIONAL RECOGNITION FOR A LAGUNA TREATMENT PLANT (LTP) DEMONSTRATION PROJECT AND SOLAR SONOMA COUNTY DEPARTMENT OF ENERGY GRANT

Dell Tredinnick, Utility Project Development Manager gave the staff presentation and informed the Board that the City had been selected to receive a grant from the Department of Energy for $200,000 to establish a program entitled Solar Sonoma County. Only 12 other cities across the nation were selected for such a program. He then reported that the City was the unanimous choice to receive the 2008 International Council on Local Environmental Initiatives award for Innovation. The award was received for its Algae-to-Fuel project currently underway at the Laguna Treatment Plant. The recognition came with a $1,000 prize and will assist the $75,000 grant that has been awarded by the Bay Area Quality Management District for Phase II of the project. Mr. Tredinnick noted that the two grants are being reviewed by the City Attorney’s office and will come back to the Board for a recommendation to City Council.

Colleen Fernald congratulated the Board for pursuing the Algae-to-Fuel project and encouraged them to pursue similar projects, possibly a grease collection project to generate Biofuel.

7.3 WATER SUPPLY UPDATE

Jennifer Burke, Sr. Water Resources Planner gave the staff presentation and provided the Board with an update on current water supply. Due to one of the driest springs on record coupled with the continued reduction in diversion from the Potter Valley Project, the Sonoma County Water Agency (SCWA) is projecting that Lake Mendocino storage will drop below last year’s storage curve by July. The SCWA has suggested that a reduction in diversions from the Russian River of 12,000–15,000 acre-feet is needed to preserve water supply for the fall. SCWA has requested implementation of voluntary water conservation measures from all users in the watershed and maximization of local production and recycled water use. The water contractors have agreed on a coordinated effort to implement voluntary conservation measures, maximize use of local supply and recycled water, work with SCWA on a coordinated marketing campaign, and to sign the Sonoma-Marin Saving Water Partnership MOU. Ms. Burke highlighted Santa Rosa’s response to SCWA’s request for voluntary water conservation and briefly reviewed the existing Water Conservation Programs. Glen Wright gave an overview of the Water Waste Patrol.

8. PUBLIC COMMENTS ON NON-AGENDA MATTERS

Colleen Fernald spoke about fluoride being added to potable water, expressed concerns about fluoride in wastewater and submitted written comments on the subject.

John Jenkel spoke about the contamination of the Laguna de Santa Rosa and the impacts of discharging and irrigating at the site.

9. REFERRALS

10. WRITTEN COMMUNICATION (And Possible Board Action)

11. SUBCOMMITTEE REPORTS - NONE

12. BOARD MEMBER REPORTS

Board Member Swinth reported that she is working on the Request for Proposals for the Power Master Plan with Mike Prinz and that
the panel reviewed proposals on June 2, 2008. The item will be coming to the Board at a future meeting.

13. DIRECTORS REPORT

Mr. Ferris reported that he and several staff members had visited a biodiesel plant in Stockton similar to a project that has been proposed to the Agency and City. He further reported that staff is negotiating with Calpine to reduce flows through the irrigation season but that the farmers have been notified that they will be assigned a ration.

14. ANNOUNCEMENT OF CLOSED SESSION ITEM(S) AND ADJOURNMENT TO CLOSED SESSION(S) (MAYOR'S CONFERENCE ROOM-ROOM 10)

At 4:14 p.m., Chairman Dowd announced that the Board would be going into closed session.

14.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: 4090 Walker Avenue
Agency Negotiator: Josh Maresca, Right-of-Way Agent
Negotiating Parties: Max Graff Trust
Under Negotiation: Price and terms of payment

14.2 CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: 1811 Ludwig Avenue
Agency Negotiator: Josh Maresca, Right-of-Way Agent
Negotiating Parties: James Lafayette Trust
Under Negotiation: Price and terms of payment

14.3 CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: 5217 Llano Road
Agency Negotiator: Josh Maresca, Right-of-Way Agent
Negotiating Parties: Clement & Ann Marie Carinalli
Under Negotiation: Price and terms of payment

15. RECONVENE TO OPEN SESSION

At 4:55 p.m., Chairman Dowd announced that the Board met in closed session with its real property negotiator on the three items listed on the agenda and provided him with instructions.

16. ADJOURNMENT OF MEETING

At 5:00 p.m. the meeting was adjourned. The next special meeting of the Board of Public Utilities will be held on Thursday, June 26, 2008 at approximately 1:30 p.m. in the Council Chamber, City Hall, 100 Santa Rosa Avenue, Santa Rosa.

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Richard Dowd

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Gina Perez