

**ACTION MINUTES OF REGULAR MEETING  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
CITY OF TULARE**

**May 19, 2016**

**A regular meeting of the Board of Public Utilities Commissioners, City of Tulare, was held on Thursday, May 19, 2016, at 3:00 p.m., in the Tulare Public Library & Council Chambers.**

**BOARD MEMBERS PRESENT:** Lee Brehm, Philip Smith, Edward Henry, Mark Watte, Dick Johnson

**STAFF PRESENT:** Don Dorman, Paul Melikian, Joe Carlini, Michael Miller, Trisha Whitfield, Steve Bonville, Benjamin Siegel, Tim Doyle, Rene Miller, Shonna Oneal

**I. CALL TO ORDER REGULAR SESSION:**

President Brehm called the regular session to order at 3:00 p.m.

**II. PLEDGE OF ALLEGIANCE:**

President Brehm led the Pledge of Allegiance.

**III. CITIZEN'S REQUEST OR COMMENTS:** *This is the time for citizens to comment on items within the jurisdiction of the Board. The Board cannot legally discuss or take official action on citizen comments that are introduced tonight. Each speaker will be allowed **three minutes**, with a maximum time of 10 minutes per item, unless otherwise extended by the Board.*

Alberto Aguilar addressed the Board regarding the Draft Rate Study Report and inquired if the revisions had been made to the document because it was not updated on the website. City Manager Don Dorman advised Mr. Aguilar that his concern would be addressed during General Business 2.

**IV. COMMUNICATIONS:**

There were no items for this section on the agenda.

**V. CONSENT CALENDAR:**

**It was moved by Board Member Johnson, seconded by Board Member Watte and unanimously carried that the items on the consent calendar be approved as presented with the exception of item 3, 4, 5, 6 and 10.**

**(1) Approve minutes of the April 21, 2016 regular/special meeting(s).**

- (2) **Accept the March Investment Report.**
- (3) **Accept Financial Status Report.** Board Member Watte pulled this item for clarification regarding the transfer to fleet for new vehicles and the increase in salaries reflected in Solid Waste and Wastewater. Public Works Director Joe Carlini, Cost Accountant Rene Miller and City Manager Don Dorman explained the reasons for the increased salary costs. Ms. Miller advised that the transfer to fleet for new vehicles was related to the Capital Improvement Plan for the purchase of work trucks.
- (4) **Accept Drought Surcharge Report.** Charles Ritchie of Tulare addressed the Board regarding his concerns related to the drought expenses and requested his letter be accepted into the record.

Board Member Henry pulled this item regarding the costs spent on advertising and the utility charges reflected in August 2015. Cost Accountant Rene Miller provided a response thereto. City Manager Don Dorman also commented on the increased costs. Ms. Miller advised she will review the calculations to confirm the amount referenced in the report.

Following discussion, the Board requested if an amended Drought Surcharge Report is submitted that staff leave the current numbers on the report and highlight any changes made in a one page report for ease of reference. In addition, the Board requested the actual amount billed by SCE for each well be provided. Mr. Dorman suggested that staff provide the report for the past twelve months without any adjustments and include the total amount of gallons pumped at each well. The Board further requested that a full year of data be provided in the fall to compare projections to actuals.

Mr. Ritchie addressed the Board regarding the actual numbers for electricity costs and his concern the calculations performed by city staff contain errors. City Manager Don Dorman advised the Board if a concern exists about the validity of staff's calculations that an independent audit firm can be hired to review this issue. The Board did not think it was warranted at this time.

- (5) **Accept Water Pumping and Sales Report.** Board Member Henry pulled this item to inquire about the wide discrepancy between pumped versus metered during the months of December, January and February. Public Works Director Joe Carlini provided a response thereto and advised that staff now has a tool that was identified in the Ewers Study to help identify the reason for water loss that will enable staff to provide a more accurate response when explaining the discrepancy in numbers. The Board raised additional questions and Mr. Carlini provided responses thereto.

- (6) Accept Public Works work performance reports for March and April 2016.** Vice President Smith pulled this item regarding the red categories that have been reoccurring on the Wastewater Treatment Plant (WWTP) dashboard and requested staff provide a plan to correct items when they are not meeting the standards on the dashboards. Public Works Director Joe Carlini advised that the plant was experiencing some mechanical issues and new parts have been ordered to address those issues. The Board made additional comments regarding concerns on the dashboards. Management Analyst Benjamin Siegel addressed the Board regarding the ongoing revisions of the dashboards and explained that databases are now being built to help utilize the information contained on the dashboards for planning purposes. City Manager Don Dorman advised the Board that staff has discussed reducing the dashboard to two pages as the process is refined. The Board and staff discussed the continuous improvement of the dashboards.
- (7) Receive the February and March 2016 water conservation report.**
- (8) Accept Public Works Comparator Tool update reflecting projected versus actual data.**
- (9) Approve a 5-year contract with OpenGov to provide financial transparency and visualization software for \$10,319 per year plus first year implementation costs of \$2,700; appropriate funds of \$13,019 for the Fiscal Year 2015/2016 evenly from Funds 001- General, 010- Water, 012- Refuse, 015- Sewer.**
- (10) Approve a one-time extension for an additional 12 months of the Entitlement Period for a ground lease between Colony Energy Partners – Tulare LLC (“Colony”) and the City of Tulare (“City”) entered into May 11, 2015 at the reduced lease rate and authorize the City Manager to execute the addendum to the lease.** Board Member Henry pulled this item to inquire about Colony’s need for an extension of time on this lease. City Manager Don Dorman explained the reason for the delay.

Following discussion, it was moved by Vice President Smith, seconded by Board Member Johnson and unanimously carried to approve Consent items 3, 4, 5, 6 and 10 as presented.

## **VI. PRESENTATION:**

- (1) Proclamation declaring May 15-21, 2016 as National Public Works Week in Tulare.** President Brehm presented the National Public Works Week proclamation to Water and Wastewater Collections Utility Manager Tim Doyle.

**VII. GENERAL BUSINESS:**

- (1) Accept the City's audited financial statements/Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. [A copy of the CAFR is available for review in the Office of the City Clerk]** City Manager Don Dorman provided a report for the Board's review and consideration. Following a brief discussion, it was moved by Board Member Watte, seconded by Board Member Johnson and unanimously carried to accept the item as presented.
- (2) Receive an update regarding the mailing of the Proposition 218 notices and set the public hearing date for the adoption of the proposed rates for July 21, 2016.** Field Services Manager Trisha Whitfield provided an update on the mailing of the Proposition 218 notices and advised the Board that the public hearing date was set for July 21, 2016 due to the delay in gathering and reconciling the mailing addresses for the Prop. 218 notices. Ms. Whitfield also advised the Board the Final Draft Rate Study will be uploaded to the City's website and are available for review in the City Clerk's office. Following discussion, no action was taken.
- (3) Informational Item Only: Receive an update on the negotiations of the twenty-year contract for sale of biomethane to Colony Energy Partners (CEP) and the use of fuel cell energy with Fuel Cell Energy, Inc. (FCE) on behalf of the City of Tulare.** Public Works Director Joe Carlini provided an update on the negotiations of the twenty-year contract for sale of biomethane to CEP and the use of fuel cell energy with FCE. The Board raised questions and Mr. Carlini provided responses thereto. Following a brief discussion, no action was taken.

**VIII. ITEMS OF BOARD INTERESTS:**

Items of Board interest were discussed among the Board and staff. City Manager Don Dorman introduced and the Board welcomed new Deputy City Manager Paul Melikian.

**IX. ADJOURN REGULAR MEETING:**

President Brehm adjourned the regular meeting at 4:45 p.m.

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President of the Board of Public Utilities  
Commissioners of the City of Tulare

**ATTEST:**

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Secretary of the Board of  
Public Utilities Commissioners