

**DRAFT MINUTES OF THE SPECIAL MEETING  
CITY OF ALAMEDA PUBLIC UTILITIES BOARD**

April 25, 2022

1. ROLL CALL

President Serventi called the meeting to order at 5:01 p.m. On roll call, the following commissioners were present: President Serventi, Commissioner Giuntini, Commissioner Gould, Commissioner McKenna, City Manager Levitt.

2. ORAL COMMUNICATIONS – NON-AGENDA (Public Comment)

None

3. SPECIAL PRESENTATION

None

4. CONSENT CALENDAR

None

5. AGENDA ITEMS

A. Budget Workshop

Assistant General Manager Orbeta provided a detailed overview of the work AMP staff has been doing on the fiscal year 2023 budget.

President Serventi asked if increases to the capital fund budget lines affected potential rate increases, since the money for those projects comes from reserve funds. Assistant General Manager Orbeta clarified that the funding for many capital projects comes from both reserve funds and rates.

Commissioner Giuntini asked where transmission costs are included in the budget. Assistant General Manager Orbeta said they are included with Purchased Power.

Commissioner McKenna asked if Northern California Power Agency (NCPA) intervenes with PG&E concerning transmission rates or if there is any resistance to increasing rates. General Manager Procos said that traditionally NCPA does not get involved in the rates for electric transmission but has started to in recent years.

Commissioner Giuntini noted the sizeable increase in electrical sales and asked what can be done to make sure the budget is covered in the event sales do not increase as much as budgeted. General Manager Procos said that this is a concern for AMP as well, but with

new residential and commercial development and businesses reopening, load is forecasted to increase.

President Serventi asked why Alameda still has so many meters that have not been transitioned to smart meters. Assistant General Manager Orbeta said that there is a mix of customers who do not wish to change their meter and customers who would need to do a more expensive upgrade. In order to make the change a new service panel would be required as the current meter socket configuration cannot be used for AMP meters. AMP is providing rebates for the work on the meter clips issue, but not everyone has taken advantage of it.

Commissioner Giuntini asked how AMP can protect itself in the event the contribution to the City and the new labor agreement are higher than expected. General Manager Procos stated that the current budget process is planning for a higher contribution to the City, so any increase won't be a significant change to the budget. General Manager Procos said there is no way to know how the labor negotiations will go but that AMP is planning for an increase consistent with previous years.

Commissioner Gould asked how the budget would be affected if a 3 percent rate increase was put into place, instead of a 5 percent rate increase. Assistant General Manager Orbeta stated that AMP would not be able to meet the 1.75 percent debt coverage ratio. City Manager Levitt asked what the technical requirement for debt coverage ratio is. Assistant General Manager Orbeta said it is 1.1 percent. President Serventi mentioned that the Board voted on the 1.75 percent debt ratio policy, and it is important to keep it.

President Serventi asked if an additional increase to AMP's contribution to the City or a higher labor negotiation result would affect the 1.75 percent debt coverage. General Manager Procos confirmed that it would.

6. GENERAL MANAGER'S REPORT

None

7. COUNCIL COMMUNICATIONS

President Serventi mentioned that usually, the Public Utilities Board meets with AMP bargaining groups to provide comments on labor agreements. The City Attorney determined this type of meeting is a violation of the Brown Act and should not be continued. Instead, individual members are allowed to provide their own comments directly to General Manager Procos or there can be a discussion as a line item on an open meeting.

8. BOARD COMMUNICATIONS

None

9. ORAL COMMUNICATIONS – NON-AGENDA (Public Comment)

None

10. ADJOURNMENT

President Serventi adjourned the meeting at 6:23 p.m.