

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

April 25, 2022

1. ROLL CALL

President Serventi called the meeting to order at 7:01 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

A. Minutes of the March 21, 2022 Regular Meeting of the City of Alameda Public Utilities Board

B. Listing of Bills Paid – March 2022

C. Financial Report – February 2022

D. Treasurer’s Report for the Month Ending February 28, 2022

E. By Motion, Authorize the General Manager to Issue a Purchase Order to Anixter with Eaton ISG in an Amount Not to Exceed \$1,073,800 for 15kV class, Solid Dielectric Pad-Mounted Vacuum Switch and VFI Taps Switchgear per Material Specification No. MS 02-22-03

F. By Motion, Authorize the General Manager to Issue a One-Time Purchase Order to American Wire Group in an Amount Not to Exceed \$73,100 with a Contingency of \$3,700 for a Total Amount Not to Exceed of \$76,800 to purchase 15,000 Feet of 600V, 3/0 XLPE Cable

G. By Motion, Approve Amendment #2 to Professional Services Agreement PS 11-18-01 with Synergy Companies to Extend the Term of the Contract to May 20, 2024

H. By Motion, Authorize the General Manager to Issue Purchase Orders to Howard Industries, Inc., in an Amount of \$176, 400 with a Contingency Amount of \$17,700 for a Total Not to Exceed \$194,100 for Submersible Transformers per Material Specification

No. MS 02-22-04 and to Howard Industries, Inc., in an Amount of \$315,300 with a Contingency Amount of \$31,500 for a Total Not to Exceed \$346,800 for Pad Mounted Transformers per Material Specification No. MS 05-18-01 and to Howard for Pole Mounted Transformers in an Amount of \$24,800 with a Contingency Amount of \$2,400 for a Total Not to Exceed \$27,200

I. By Motion, Accept the Independent Audit of Alameda Municipal Power's Financial Position for the Fiscal Years Ended June 30, 2021, and June 30, 2020, and Its Associated Reports

With a motion from Commissioner Giuntini and a second from City Manager Levitt, the Board unanimously approved all consent calendar items.

5. AGENDA ITEMS

A. Adopt a Resolution Approving Alameda Municipal Power Rate Schedules and Riders for Fiscal Year 2023

Alan Harbottle provided a presentation on AMP's proposed rate structure, including a recommendation for a 5 percent rate increase starting July 1.

Commissioner Gould stated that he wishes he could not approve this rate increase and that he does not feel confident about the state of the economy as Alameda has not fully recovered from Covid. He asked if there can be any belt-tightening or delay of capital projects. General Manager Procos assured the Board that AMP always tries to review and analyze expenditures and keep electric rates in Alameda as low as possible and will continue to work to keep costs down. He said that underground utility district proposals came in much higher than expected, but that the community is excited about this project as AMP has not done any undergrounding projects for a long time. General Manager Procos also mentioned that the Doolittle Solar project is coming from reserve funds and not from rates so that project does not affect the recommended rate increase. Commissioner Gould added that a 5 percent rate increase sends the wrong message about electrification.

Commissioner Giuntini agreed that the economy is an issue, but Alameda has been lucky to have no rate increases over the past two years. She is optimistic that the new capital projects will move AMP into the future. She stated that the current concerns about an increased City contribution and unknown labor agreement make the rate increase necessary.

Commissioner McKenna mentioned that costs for all goods are going up in all areas and while it is difficult, she supports the rate increase.

City Manager Levitt echoed the concerns raised by other Board members and also supported the rate increase.

President Serventi said that he was a supporter of no rate increases over the past two years and that the Board may be at a spot now where they have no choice but to make a larger increase. President Serventi mentioned that while this change is hard to make, Alameda's higher rate tier is still less expensive than PG&E's lowest rate tier, which is great. He suggested that AMP look at a way to expand tier 2 in the future to encourage more electrification.

With a motion from Commissioner Giuntini and a second from Commissioner McKenna, the Board approved the item 4-1 with Commissioner Gould dissenting.

6. GENERAL MANAGER'S REPORT

General Manager Procos reported on the recent rating review AMP received from Standard & Poor's (S&P) affirming AMP's AA- rating with a stable outlook. S&P referenced AMP's competitive rates, diverse energy supply, strong reserves, financial policy, and commitment to cyber security in their reasoning for the high rating.

General Manager Procos also reminded the Board that AMP started shutoffs due to non-payment earlier this month with 10 shutoffs in the previous week, of which 9 customers have now paid. The plan is to do about 10 shutoffs for non-payment per week as part of a phased approach to get customers back on track without overwhelming our customer support staff.

General Manager Procos recognized City Manager Eric Levitt, as this will be his final Board meeting before he resigns as City Manager.

7. COUNCIL COMMUNICATIONS

City Manager Levitt told the group he would be resigning in one week from the date of this meeting. He thanked the commissioner for their work and is proud to be associated with Alameda Municipal Power during his three years on the Public Utilities Board.

8. BOARD COMMUNICATIONS

None

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

None.

10. ADJOURNMENT

President Serventi adjourned the meeting at 7:42 p.m.