

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

June 17, 2019

1. ROLL CALL

President McCormick called the meeting to order at 7 p.m. On roll call, the following commissioners were present: President McCormick, Commissioner Serventi, Commissioner Gould, Commissioner Giuntini and City Manager Levitt.

2. ORAL COMMUNICATIONS – NON AGENDA (Public Comment)

William Morrison, an Alameda resident and representative of Fernside Homeowners Association, requested the status of a customer account website in development. President McCormick said she would ask staff to reach out to him directly.

3. SPECIAL PRESENTATION

None

4. CONSENT CALENDAR

A1. Minutes – Special Meeting – May 20, 2019

A2. Minutes – Regular Meeting – May 20, 2019

B. Listing of Bills Paid – May 2019

C. Financial Report – April 2019

D. Treasurer’s Report for the Month Ending April 30, 2019

E. By Resolution, Approve a Budget Policy for Alameda Municipal Power With An Effective Date Of July 1, 2019

F. By Resolution, Approve an Investment Policy for Fiscal Year 2020, and Delegate Investment Authority per the Investment Policy to the General Manager of Alameda Municipal Power or His Designee

G. By Motion, Accept Alameda Municipal Power’s Senate Bill 1037 Energy Efficiency Report for Fiscal Year 2018H.

H. By Motion, Authorize the General Manager to Purchase One Digger Derrick Utility Vehicle in an Amount Not-to-Exceed \$272,500 from Altec Industries, Inc.

I. By Motion, Authorize the General Manager to Issue Purchase Orders to Howard Industries, Inc., in an Amount Not to Exceed \$141,400; ABB, Inc., in an Amount Not to Exceed \$31,300; Power Partners, Inc., in an Amount Not to Exceed \$1,500; and The Okonite Company in an Amount Not to Exceed \$119,300 to purchase Distribution Transformers and 1/0 AWG Underground Distribution 15 Kilovolt Power Cables per Material Specification Nos. MS 05-18-01 and MS 09-18-01

President McCormick pulled item 4G from the consent calendar. With a motion from Commissioner Serventi and a second from Commissioner Giuntini, the Board unanimously approved the balance of the consent calendar.

President McCormick addressed item 4G, noting that AMP achieved its energy efficiency goals this year on a gross basis. However, staff has room for improving energy efficiency results in the residential sector, she said. AMP is now focusing on a residential energy efficiency program for low-income customers, she said, adding that she hopes staff can build on the momentum generated by this new program.

With a motion from Commissioner Gould and a second from Commissioner Giuntini, the Board unanimously approved item 4G.

5. AGENDA ITEMS

- A. Adopt Separate Resolutions Establishing the Fiscal Year 2020 Budget, Including Delegating Authority for Implementing and Managing the Budget to the General Manager of Alameda Municipal Power or His Designee

President McCormick asked staff to clarify that if AMP did not use reserves, rates would be impacted. Staff confirmed, saying that an additional rate adjustment would be needed if AMP did not use reserve funding for the fiscal year (FY) 2020 budget.

She also clarified the difference between rate reserves, which can be used for occasional expenses without raising rates, and designated reserves, which are funds used only for specific purposes. Examples of designated reserves include funds for moving overhead utility lines underground, or for projects that reduce greenhouse gas emissions associated with electricity use. Staff confirmed.

President McCormick asked staff about a new digger derrick truck, which is in the budget. Staff said the new truck is needed because the old one has many maintenance issues.

Commissioner Serventi asked whether the construction truck industry was considering more environmentally friendly power sources for its vehicles. Staff responded that AMP researched whether there was an electric digger derrick truck, but could not find one available for purchase. Staff will continue to look for electric trucks in the future.

There are prototypes for electric bucket trucks, staff added.

Commissioner Gould said there are fuel cell electric vehicles in the heavy-duty vehicle industry, he said, and AC Transit has fuel cell electric buses.

Staff said the first thing AMP looks for is a clean-air vehicle when researching vehicle purchases.

Commissioner Serventi said he would not be opposed if staff came to the Board with a prototype for an environmentally friendly heavy-duty vehicle.

President McCormick praised staffers and the Board members for their many months of work on the budget. The 2.5 percent rate increase was balanced by the draw from reserves, she said, noting that it is never easy to raise rates.

With a motion from City Manager Levitt and a second from Commissioner Giuntini, the Board unanimously approved the item.

B. By Motion, Approve and Recommend to the City Council the Draft Climate Action and Resiliency Plan Proposal

General Manager Procos said that the city's previous climate action plan had a goal of reducing Alameda's greenhouse gas emissions 25 percent below 2005 levels by 2020. The projection shows the city will be almost there, and the majority of those savings toward that target comes from AMP's commitment to be 100 percent carbon free in 2020, he said. This speaks to the leadership of the current and past members of the Public Utilities Board, he said.

Deputy Public Works Director Erin Smith presented the item.

President McCormick addressed the "already committed to actions" in the draft plan. She said that AMP was happy about its accomplishments, but she wanted to know how and if other sectors addressed their goals from the 2008 plan.

Ms. Smith responded that she could not personally speak personally to any lapses in implementation. She noted that the city's new transportation choices and zero waste implementation plans are more recent plans addressing other sectors' roles in addressing climate change.

President McCormick said that tracking and accountability need to be considered moving forward. Ms. Smith agreed.

On the topic of energy efficiency, President McCormick said that saving energy lowers customers' power costs, allows fuel switching, and can lead to investment in infrastructure like heat pump water heaters.

Debi Ryan, representing Community Action for a Sustainable Alameda (CASA), spoke in support of the draft plan. While there is room for improvement in the plan, the community came together and turned over stones to develop the plan, she said.

Assistant City Attorney Alan Cohen said while the plan is fluid, it is important to recognize that the Board would recommend to the City Council the content of the plan as it is currently drafted.

Referring to the plan's goal for Alamedans to telecommute 1.5 days per week, City Manager Levitt asked whether it was achievable, given the growth in the Bay Area service and construction sectors. For example, AMP line workers need to be at the worksite and cannot telecommute, he said.

Ms. Smith said the issue was contemplated as part of the planning. Telecommuting is recommended for people who live and work in Alameda, as well as those who work off island. Staff believes, based on the studies, that 1.5 days is achievable, even with the service and construction job profile, she said.

Commissioner Gould said that he was pleased the draft plan addresses electric vehicles. He added that he thinks it's important to incentivize solar power. He also mentioned the idea of developing a large-scale utility solar project in Alameda at Alameda Point or at Doolittle Landfill.

Commissioner Serventi thanked AMP staff and the city for all the work on the draft plan. He said he looks forward to continued cooperation between AMP staff and the city.

Commissioner Giuntini said it was refreshing to see many inputs from groups across the city.

City Manager Levitt said he would abstain from the Board vote due to his role at the City Council meeting on July 16.

Following a motion from Commissioner Gould and a second from Commissioner Serventi, the Board voted 4-0 to approve the item, with City Manager Levitt abstaining.

6. GENERAL MANAGER'S REPORT

A. General Manager's Report – May 2019

General Manager Procos told the Board that AMP sold more resource adequacy capacity due to the hydro conditions. He also noted that AMP is now fully staffed in System Control.

Alameda resident William Morrison spoke in favor of a utility-scale solar project at Alameda Point.

7. COUNCIL COMMUNICATIONS

City Manager Levitt noted that the draft climate action plan would go before the City Council on July 16.

8. BOARD COMMUNICATIONS

None

9. ORAL COMMUNICATIONS – NON-AGENDA ITEMS

Alameda resident William Morrison addressed Commissioner Serventi's previous comments regarding prototypes of heavy-duty electric vehicles. He said the Board should wait until those types of vehicles are sold by mainstream companies.

10. ADJOURNMENT

President McCormick adjourned the meeting at 8:25 p.m.