



City of Davis

Utilities Commission Minutes

Community Chambers Conference Room, 23 Russell Boulevard, Davis CA 95616

Wednesday, February 19, 2020

6:30 P.M.

Commissioners Present: Gerry Braun, Olof Bystrom, Linda Deos, Jacques Franco (left after Item 6B), Lorenzo Kristov (arrived during Item 5A), Elaine Roberts-Musser, Johannes Troost (Chair)

Commissioner(s) Absent: Matt Williams (Alternate)

Council Liaison(s) Present: Lucas Frerichs

Staff Present: Stan Gryczko, Public Works Utilities & Operations Director
Adrienne Heinig, Management Analyst

Also in Attendance: John Johnston

1. Call to Order and Roll Call

Chairperson Troost called meeting to order at 6:30pm.

2. Approval of Agenda

L Deos moved to approve the agenda, seconded by G Braun. The motion passed as follows:

Ayes: Braun, Bystrom, Deos, Franco, Roberts-Musser, Troost

Noes:

Absent: Kristov, Williams (Alternate)

3. Brief Announcements from Staff, Commission Members, and City Council Members

- E Roberts-Musser provided four articles for review:
 - Eater.Com - *The Dark Side of 'Compostable' Take-Out Containers*
 - Bloom Energy - *What's stopping microgrids*
 - Public Policy Institute of California - *Fighting Sea Level Rise the Natural Way*
 - the Bloom Energy Blog - *How Three Companies Survived a Blackout*
- J Troost discussed one item:
 - The Solid Waste subcommittee is working with the staff at CalRecycle to quantify the CRV totals received by Recology from residents of Davis.
- L Frerichs announced that the City hired a new Finance Director, Elena Adair, starting on March 16, 2020. He also announced that a member of Commissioner Franco's

family will be giving a presentation to the Recreation and Park Commission this evening.

4. Public Comment

None.

5. Consent Calendar

A. UC Draft Meeting Minutes – January 15, 2020

E Roberts-Musser moved, L Deos seconded, to approve the minutes as written. Approved by following votes:

Ayes: Braun, Bystrom, Deos, Franco, Kristov, Roberts-Musser, Troost

Noes:

Absent: Williams (Alternate)

6. Regular Items

A. Alternative Uses for Overland Flow and Pond Areas Located at the City’s Wastewater Treatment Plant.

Received staff report on an outline of the history of options considered for alternative uses of the overland flow and pond areas at the City’s Wastewater Treatment Plant as developed through the Recycled Water Master Plan, previously presented to the Commission in December 2019. The item also included the following:

- Review of presented language on action from Council closed session:

On February 11, 2020 the City Council announced that they directed staff to move forward with a preliminary agreement for utilizing 155 acres of the Overland Flow Site (OLF), and Treatment Ponds (Ponds) for use as a photovoltaic generation site, which could generate up to 25 megawatts of energy. This was a reportable action from Closed Session.

- Review of direction received from Council on organics disposal considerations, brief discussion of UCD study on organics disposal options
- Acknowledgement from L Frerichs and S Gryczko on current difficulties with providing information on the Council action, and that a press release will be provided within a day or two that will inform next steps
- Received and reviewed list of questions submitted by Commissioners

Discussion included the following:

- If overland flow site is decommissioned, water runoff from the site would have to be addressed, likely with a pump.
- Likely uses for recycled water at the Yolo County Landfill, use in summer on the farm, or on organics, as landfill runs out of their own water.
- There were a number of questions asked that could not be answered at this meeting, including:
 - At what stage is the process to install solar on the site, has bidding been done, costs been evaluated?

- Will the site and the installation of solar at the site be considered in the future at a non-closed session meeting, and the UC or another Commission meeting (will opportunities for input prior to decisions being made be provided?)
- Request for detail on the process of making the decision for the installation of solar at the site, and how the commission would be included in that process
- Request that staff send a memo to the Commission addressing the following questions after the press release is published:
 - For solar expansion as a priority:
 - Approximately how many megawatts?
 - Would there be other buyers of electricity besides the city?
 - What are the costs?
 - Has the solar expansion option been open for competing bids through an RFO or similar (or will it be)?
- Confusion on the language of the agenda on closed session items, why the matter is a “real estate” matter, and how the item was noticed
- If the cost of maintaining and operating the wetlands (if determined to be a priority) would be a cost to the ratepayers
- Members of the Commission, specifically the Subcommittee to Review Self-Generation Opportunities for Collaborative Development by the City of Davis and Valley Clean Energy (VCE), would be willing to help the city in planning the major project if requested, and would hope that the subcommittee would be given guidance on charge or direction if such assistance was requested
- Asked that the item be included in the March meeting for continued discussion

No formal action was taken on this item.

B. City of Davis Utility Resiliency

Receive staff report on the City’s currently budgeted strategies to maintain resilient Water, Wastewater, and Stormwater utilities, previously given to the Commission in December. The report included the addition of a table (requested by the Commission) listing out threats to the utilities as listed by the city’s utility managers, the immediacy of the threat, and any measures to prevent the threat, or how the threat may impact the utility’s operation. The list was not all inclusive, and the report included a note about the confidentiality of the city’s utility risk assessments. Discussion on the item included:

- The phrase “immediate impact” in the table meant that the impact to the utility would be immediate, lower threat items might have a slower impact

- The differences in the utilities in terms of risk and impact to each
- That the exercise is helpful in identifying areas to improve, and to generate questions for each utility
- Concerns with the stormwater utility (age, infrastructure concerns, funding challenges) and existing issues with flooding in the community
- Contract question with Recology - if the world market for recycling slows, and Recology does not maintain expected revenue, who bears the cost?
- Further specification in the table, such as high impact/low impact; high probability/low probability; high cost/low cost would help in assessing the information
- Opportunities for the Subcommittee to Review Self-Generation Opportunities for Collaborative Development by the City of Davis and Valley Clean Energy (VCE) to assist the city with questions around power sourcing and the utilities
- What reports are due and to which jurisdictional bodies for each utility, and a desire by commission members to see plans and reports
- The need to provide education and outreach to the public on the costs of climate change and regulatory changes

No formal action was taken on this item. J Franco left the meeting after the conclusion of this item.

C. Best Practices for Utilities Contracting

By consensus of the Commission, the item was tabled until the March Utilities Commission meeting, as M Williams was not present and the item was included at his request. Commissioners were encouraged to review the item and send comments or feedback to staff.

No formal action was taken on this item.

D. Urban Greening and Stormwater Management Project Funding

Reviewed a request from L Kristov to recommend that the Council direct staff to support an upcoming funding opportunity for an urban greening and stormwater management project grant to install rain gardens along three blocks in the Davis Manor neighborhood.

Discussion included:

- The definition of a rain garden
- A description of the plan being presented by the neighborhood, and the previous effort at a grant accompanied by a complete design for the entire neighborhood
- The grant opportunity offered by the state to fund 3 blocks of the plan, necessitating the collaboration with city staff (previous staff person no longer with the City)

- If there was an estimate on costs for ongoing infrastructure maintenance associated with the grant
- The application deadline of March 20
- Benefits of the project, including traffic calming, reducing urban heat, planting 30-40 new trees along the street
- Concerns around the cost of the project to the City

Public Comment on the item included the following:

- John Johnston: Grant that was not awarded cost \$1.39 million, grant would have covered \$960,000, and the City would be responsible for \$380,000. Of the \$380,000 total, \$300,000 was provided as in-kind support for construction management, design checks, etc. The operations and maintenance (O&M) costs associated with the project were developed using EPA planning tools, and anticipated to be 7% of capital costs per year. The project was developed to capture 85% of stormwater during an average year and pick up 30% of the flow, but was not designed for flood events. Infrastructure issues (like old pipes) would not be addressed by the project.

Motion: to recommend that Council direct staff to support an upcoming funding opportunity for an urban greening and stormwater management project grant to install rain gardens along three blocks in a City residential neighborhood, and carefully assess any required matching or other funds required from the City for this project.

Moved by L Kristov, seconded by O Bystrom. Approved by the following vote:

Ayes: Braun, Bystrom, Deos, Kristov, Roberts-Musser, Troost

Noes:

Absent: Franco, Williams (Alternate)

E. Review of Subcommittee on Enterprise Fund Reserve Policies

Item included a review of the Subcommittee on Enterprise Fund Reserve Policies and a recommendation to dissolve the subcommittee or revise the charter. The Commission received public comment on the item prior to the meeting, related to the work of the subcommittee. The City Council adopted the Enterprise Fund Reserve Policy at their meeting on January 28, 2020. Discussion included:

- Work is underway on three cost of service studies, and the reserve target is one piece of the larger process. Within each of these reviews is more for the Commission to discuss and provide consideration and value. Once financial plans are presented, the Commission will understand the impact of the reserves on rates and will have an opportunity to discuss
- The subcommittee members remaining on the commission reported that they had completed the task at hand, and recommended to dissolve the subcommittee, with the note that nothing is written in stone
- It was noted that if the subcommittee was needed, the Commission could constitute a new one.

Motion: to dissolve the Subcommittee on Enterprise Fund Reserve Policies.

Moved by J Troost, seconded by J Franco. Approved by the following vote:

Ayes: Braun, Bystrom, Deos, Kristov, Roberts-Musser, Troost

Noes:

Absent: Franco, Williams (Alternate)

7. Commission and Staff Communication

A. Long Range Calendar

- Update from Subcommittee on Recycling and Solid Waste:

Members reported that work was moving forward and the subcommittee would be meeting with a person who knows about requesting CRV data from the State.

Discussion also included:

- A request from the Commission to move the Solid Waste Utility introduction forward
- The process to request a detailed rate review from the hauler

- Update from Subcommittee to Review Self-Generation Opportunities for Collaborative Development by the City of Davis and Valley Clean Energy (VCE):

There were no reportable updates from the meeting. It was requested that the Commission include a review of the draft charge for the subcommittee on the calendar for March.

- Long Range Calendar:

- Item from Commission member:
An item had been submitted from M Williams on Drought Emergency Preparedness with a request to include the item as a standing agenda item for six months. Discussion included:
 - A review of the City's current water shortage contingency planning, including an update of the Urban Water Management Plan
 - Planned education and outreach related to current water use restrictions and low water years, in addition to the exploration of alternative billing practices during the water cost of service study which could help water customers better understand their usage
 - The term "drought" and whether or not the City can declare one
 - The language in the City Council Climate Emergency Resolution - Adopted March 5, 2019 referring to "fresh water scarcity and droughts" as well as "addressing water management and conservation"
 - Commission request that a discussion of the water sources, limitations and implications of "low water years" be included in March meeting
- Added to the calendar for March:
 - Solar discussion at the Wastewater Treatment Plant (*tentative*)

- Update on water supplies, water supply impacts and water conservation efforts
- Charter review for Subcommittee to Review Self-Generation Opportunities for Collaborative Development by the City of Davis and Valley Clean Energy (VCE)
- Best practices for utility contracting

8. Adjourn

The meeting was adjourned by consensus at 8:25 p.m.