



City of Davis
Utilities Commission Minutes
Remote Meeting
Wednesday, June 17, 2020
5:30 P.M.

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

Commissioner(s) Absent: None

Council Liaison(s) Present: Lucas Frerichs

Staff Present: Stan Gryczko, Public Works Utilities & Operations Director
Brian Mickelson, Assistant City Engineer
Adrienne Heinig, Management Analyst
Kerry Loux, Sustainability Coordinator

Also in Attendance: Jerry Bradshaw, SCI Consulting Group
Karen Ashby, Larry Walker Associates
Jim Wilson

1. Call to Order and Roll Call

Chairperson Troost called meeting to order at 5:31pm.

2. Approval of Agenda

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

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

Noes:

Absent: Franco

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

- M Williams discussed two items raised in a communication that was sent to Commission members before the meeting:
 - On the City processing of the initial payment from BrightNight for the land lease option agreement, he asked where the revenue was recorded. Staff indicated that the revenue was recorded to the Wastewater Fund. However the determination of where the funding would be deposited is still being determined by the City Attorney. Staff also indicated that the determination of where the funds would ultimately reside would be shared with the Commission once completed.

- On the delay between the discussed release date and the actual release date of the press release on the BrightNight deal, he asked why the delay was so long. Staff indicated that the release was delayed, and while staff had emailed the Chair and Vice Chair about the delay early on, the message had not been sent to the full Commission. The March meeting was cancelled due to the COVID-19 pandemic, and the April meeting coincided with the release of the press release.
- E Roberts-Musser provided six articles for review:
 - Public Policy Institute of California - *Allocating Floodwaters to Replenish Groundwater Basins*
 - STAT - *Wastewater testing gains traction as a Covid-19 early warning system*
 - OZY - *Love Thy Neighbor: The Bible Belt Is Becoming A Dumping Ground*
 - Public Policy Institute of California - *Commentary: Competing Narratives on Delta Outflow Fuel Water Conflict*
 - Public Policy Institute of California - *What's the Plan to End Groundwater Overdraft in the San Joaquin Valley?*
 - Public Policy Institute of California - *Water Availability for San Joaquin Valley Farms: A Balancing Act*
- L Kristov discussed one item:
 - Stated that he learned in the staff report on the 2020/2021 budget that the WAVE/Astound broadband contract had not been executed (as Astound had pulled out of the deal), and that the provider of broadband services for the City was now open. He asked the Commission if it would be worthwhile to agendaize and discuss the issue, given the need for City facilities to have access, and the lessons learned with COVID-19 on the need for high speed internet and experience with the digital divide.
- G Braun discussed two items:
 - He discussed infrastructure work underway on his street, to deal with water saddle replacements, and stated that the work was well organized, provided good communication, and was very considerate, with limited disruptions to residents.
 - By contrast, he stated that communication services (Comcast) was a stark contrast in customer service. He indicated that it raises need for oversight. Recently the City experienced two major outages by Comcast, outages due to vandalism and trenching, and asked if the City could engage with Comcast, to help or collaborate to prevent further outages. He suggested to broaden the broadband discussion to include city oversight of quality, competence and cost of telecommunications not provided by city.

4. Public Comment

None.

5. Consent Calendar

Prior to the approval of the Consent Calendar, Items 5B was pulled for discussion.

A. UC Draft Meeting Minutes – May 20, 2020

M Williams moved, O Bystrom seconded, to approve the minutes for May 20, 2020 as written. Approved by following votes:

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

Noes:

Absent: Franco

B. Utility Budget Adjustments Due to COVID-19

Pulled by O Bystrom to discuss questions on information included in the report, specifically requesting a review of each of the capital improvement projects moving forward within the Wastewater and Water utilities, during the current budget reductions.

Discussion included the following:

○ *For the Water Utility projects:*

- The water main replacements (currently bid) will continue as they are critical to maintaining water delivery, as are the water saddle replacements.
- The project to provide backup generator power at the City's 4 deep aquifer wells is critical, and in design phase.
- The development of the Supervisory Control and Data Acquisition (SCADA) master plan (a multi-utility-funded effort) is focused on addressing critical areas of cyber security and infrastructure (current situation is not sustainable), and came in under budget after bid.
- The study reviewing feasibility of Aquifer Storage and Recovery (ASR) is still underway as the data is providing information for future planning, and there will be a check-in with Council and the Natural Resources Commission (NRC) before the contract dollars are spent out.

○ *For the Wastewater Utility projects:*

- The majority of the projects included in the staff report have already been completed. This includes the walkway between digesters at the Wastewater Treatment Plant (WWTP), the sludge removal and pond cleanup, and the completion of the public restroom. The sliplining project contract, which has been awarded, is critical to the functionality of the wastewater treatment process.
- In response to a question about the necessity of public restrooms at the WWTP, staff indicated that tours are provided at the plant (although they are currently suspended due to the COVID-19 pandemic), which often involves groups of people, and until recently the only restrooms at the WWTP were the locker

rooms provided for staff. The public restroom also provided a large sink for washing hands.

M Williams moved, O Bystrom seconded, to approve Item 5B from the Consent Calendar.

Approved by following votes:

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

Noes:

Absent: Franco

6. Regular Items

A. Stormwater Cost of Service Study – Financial Plan Introduction

(Commissioner Franco arrived at the meeting during this item)

Jerry Bradshaw of SCI Consulting Group was introduced by S Gryczko to provide a presentation on the development of the financial analysis and preliminary revenue requirements for the City's Stormwater Utility.

Discussion included the following:

- There are currently two fees for stormwater: drainage; water quality. They would be replaced by one fee.
- Reserves for stormwater will consist of: 3 months operating expenses; rate stabilization reserve; emergency reserve.
- Clarification that the revenue generated by the Stormwater fees supports the Stormwater Utility (not the general fund), and the fees charged for Stormwater utility costs are clearly indicated in the bills received by City customers.
- Clarification that the Stormwater fund numbers used by the City for revenue and expenditure tracking and accounting are 541 and 544. They receive revenues of about \$2 million a year.
- Clarification that the El Macero project number (7411) is used to cover costs of maintaining the El Macero stormwater station and channels, but it is not a separate fund within the Stormwater enterprise.
- A deeper dive into the concept of the CPI "banking" process, which could be used by the Stormwater Utility to cap annual rate increases at 3% per year. The idea would be that for years where the CPI is higher than 3%, the City caps the increase at 3% but "banks" the percentage over 3%. (If the CPI is 4.5%, you reserve the 1.5% over 3% for a future year). For the years that CPI is below 3%, the City can look at the "bank" and supplement the percentage with banked percentages if available.
- Discussion of the annual rate-setting process for a utility that has a permanent rate structure, which would include a calculation of the rate each year with a report and resolution for Council to approve.

- Karen Ashby of Larry Walker Associates provided a description of the Trash Amendments for the Stormwater National Pollutant Discharge Elimination System (NPDES) permit. The amendment is a new action which requires all municipalities to comply with the requirement to remove trash from the public right of way. There are a couple of ways to do it (installing devices, conducting education, etc.)
- Clarification on the current process for fines levied for illicit discharges into the storm drain. Staff indicated that current staff within the Public Works Utilities and Operations perform this work (inspections and investigations of illicit discharging). Fines related to illicit discharge are few, the revenue of the fine goes to the Stormwater utility.
- Clarification that the ‘additional needs’ costs detailed by the consultant is included in the calculation of the total cost of the program moving forward (\$2.9 million), it is not \$2.9 million in addition to the baseline. Rates currently bring in about \$2 million in revenue but \$4 million is needed altogether, making the city short by approximately \$2 million a year.
- Clarification that \$100,000 set-aside for annual small upgrades to the system is a best estimate for the cost, as currently the City does not have funding to perform these tasks.
- If the plans and studies estimate within the budget would cover the costs of studies on flooding across the City, particularly at the intersection of Lake Blvd. and Covell Blvd and at the hospital. Staff indicated that the estimate would include those studies.
- In response to a question of how many times the Stormwater Utility requested funds from City Council for projects, staff indicated that stormwater projects are often packaged with larger infrastructure projects moving forward, as combining cost will result in savings.
- The question of whether or not three years of financial data is enough to adequately assess the needs. Staff and the consultant indicated that the stormwater utility costs are mostly smooth.
- In the discussion of pay-as-you-go versus debt funding of projects, the costs are not dramatically different - about \$0.25 per month to the average customer.
- The current model does not include impacts from the COVID-19 recession.
- In response to a commissioner question, staff indicated that the City regularly looks for grants to fund studies or infrastructure improvements, but Davis often doesn’t qualify, as infrastructure improvements often are not eligible for funding, and Davis doesn’t qualify as a disadvantaged community. The City applied for a grant from FEMA to study the flooding at Lake Blvd. and Covell Blvd., but that application was shelved by CalOES.

- In response to a commissioner question, staff indicated that the Attachment No. 2 to the staff report (the capital improvement project listing) included both the planning piece of the project, and the infrastructure component, which is why costs were broken out in the manner presented.
- Clarification that Stormwater fees would not be on the ballot in November. The possibilities of mechanisms for increasing stormwater rates: parcel taxes (requires 67% vote in favor); other special taxes (51% vote in favor); property related fees (51% vote in favor); general obligation bonds (51% vote in favor). Balloting is not tied to any particular election.
- A request from a commissioner to rank each of the capital improvement projects into “nice to have” through “absolutely essential” categories. Staff indicated that the projects can be reviewed and ranked, however, the majority of the infrastructure in the utility is dated and significant improvements are long overdue.
- The request that staff provide the assessment report on the Stormwater Utility infrastructure conducted in 2016 for Commission review.

There was no public comment on this item, and no formal action was taken on this item.

A five-minute break was taken after this item.

B. Electric Vehicle Charging Implementation for “Electrify Yolo’ Project.

The item was introduced by K Loux, who gave the presentation on the staff report. She thanked the Commission for their previous discussion in May, and indicated that the input received by staff from the Commission helped form the recommended approach presented by staff. The presentation on the item included further detail on the project requested by the Commissioner questions submitted after the May meeting, a reminder of the project minimum requirements, an outline of the Request for Proposal (RFP) elements to be included on staff recommendation, and project next steps.

Discussion included the following:

- Provided a definition for “mobile” chargers, as chargers that can be moved from one location to another with a trailer (or remain at a site permanently). The chargers have solar panels, and can move easily to be used for events, demonstrations, etc. Staff indicated that the City’s Fleet manager is interested in flexible, mobile chargers. In addition, staff clarified that mobile chargers are not often fast chargers.
- In response to a commissioner question, staff indicated that mobile chargers should have batteries to charge for use outside of daylight hours.
- A request to know if there is an inventory of existing publicly available charging sites in the City (public and private), or if private companies would share plans to provide infrastructure, as the locations of all chargers available could be useful data. Staff indicated that the City’s chargers are not networked, and currently do not have financial support for use or maintenance. The locations of private chargers are easily

found by using existing databases such as the PlugShare website, or other websites. And while private chargers are in town, the current assessment shows that charging infrastructure is underrepresented. With the current project, the hope is to gather data with new chargers. Additional discussion on the location of chargers included the question of whether or not the collective charging industry is keeping up with demand, if asking Davis Electric Vehicle Association (DEVA) would have a sense of where current chargers are located, and where they would recommend for locations, and if the City's permitting process would help with tracking the locations of chargers. On the last point, staff indicated that the City is part of a streamlined EV charging permitting process available through the state. Existing infrastructure needs allows for faster installs.

- The need to ensure that in the cost analysis of the RFP scope of work, there is the inclusion of the option of third-party owning/leasing (with charging as a service) contracts with vendor, and the request that the consultant to spell out options, with appropriate descriptions of what costs variables are applicable to each type of service. The RFP should also request the consultant provide detail on what 'make ready infrastructure' the city would be required to complete, and get to provide more expressive direction to explore options.

Public Comment:

Jim Wilson – Member of Davis Electric Vehicle Association, stated that he has been in the electric charging business for a long time. Spent a week putting together a booklet with his suggestions, observations and some technical information and asked if the members of the UC had received the booklet and read it. He asked for and was granted four minutes for his public comment. He outlined that the booklet included information on chargers keeping up with sale of EV, best use of funding (from driver standpoint), and suggested locations for chargers. He was interested in his document being posted publicly. The three documents he wanted to address to the Commission included his feedback on the City's EV Charging Plan, specifically on the plan to place level three chargers downtown, but he recommended two new generation chargers. Secondly, he outlined a similar problem with the RFP (on page 3), and problem with comments made on the document. He expressed that he was discouraged it appeared no one had read his document. He finished by stating he had three consultants that he has worked with for a very long time, if there is any assistance that the Commission needs.

Further discussion included the following:

- The request from staff to understand from the Commission that the approach being recommended works, with knowledge and incorporation of the comments received at the meeting. In moving forward with the approach as recommended, future planning and priority issues would be addressed down the line, however with more information available, which could include infrastructure priorities, additional locations, rates, etc. Staff indicated the request for a motion of approval from the UC to move forward on Phase I of the project as expeditiously as possible.

- The question of whether the commission would see future iterations of the project. Staff indicated that the Phase I implementation would not come back to the Commission, but future steps and planning (staff haven't determined the commission priorities yet), but the NRC and the Utilities Commission will see future discussions on the project.
- The observation that the detail related to the shuttle purchase is lacking. The language is amorphous, and should be fleshed out more. In contrast, the strength of the proposal is the clear effort to benefit the downtown. Staff indicated that the information in the RFP can be more fully developed, but the concept of the shuttle had evolved over the course of the application and project award, and that the ultimate requirement for the shuttle is to simply purchase the 8-passenger vehicle.
- Clarification of the different phases of the project and public comment and feedback. Staff indicated that the consideration of public comments, or requests from other community groups to provide feedback, would be included in the second phase of the project.
- The request that future public comments sent to the Commission on an agenda item be flagged for attention.
- That the City would continue to engage with the University ITS on the EV Charging project, and engage with experts on the project.
- Clarification that the charger location indicated for the 'Nugget parking lot' would be the Nugget Market located in South Davis.
- The suggestion that slower chargers downtown would be preferable to encourage users to park for longer periods. Staff indicated that the current phase of the project would be used as a tool to develop data that would inform best practices.
- The suggestion that comments from an individual are valuable, but comments from community groups would be of interest.

Motion: Approve the recommendation to Council to release a Request for Proposals (RFP) for Phase 1 EV charging feasibility and cost analysis, construction documents and other related materials.

Moved by E Roberts-Musser, seconded by L Deos. The motion passed by the following votes:

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

Noes:

Absent:

Abstain: Franco

7. Commission and Staff Communication

A. Long Range Calendar

S Gryczko outlined the Long Range items coming up for meetings in July and August, and indicated that the water cost of service study will be pushed to August. He indicated there is no time constraint (in terms of health of the fund) and wanted to ensure the appropriate time is taken in getting the financial plan prepared for review. Staff also indicated that the sewer connection fee update, tentatively scheduled for August, could be shifted to July to ensure adequate time for the financial plan review for the Water utility.

Discussion also included the following:

- The addition of an item on the potential for municipal broadband information for the city of Davis (from L Kristov). He stated that, as indicated in the budget, the City is still considering alternatives to get service that they thought they would get from WAVE, and that the Commission should recommend that the City Council formally initiate an investigation into broadband in some form. It was also suggested that the Commission focus on the larger issue of resilient community infrastructure, which would include broadband and other areas (for example, microgrids in some sections of town).
- The request to review the current Comcast/broadband service provided to the City, and the merits of a survey on the quality and cost of service. Included the request that staff contact the City Manager's Office to determine how much the recent city-wide survey cost.
- In response to a question on the timing of action related to the broadband issue, staff indicated that they were not aware of any imminent Council action, but that the project would be handled by a different City department.
- The suggestion that the City conduct a survey and sit down with Comcast to have a dialog on how the City can work with Comcast to make things better, especially with the recent outages causing issues for Davis residents. Councilmember Frerichs indicated that the City had not received an answer on the outages when requested.
- Clarification that the City is not able to provide oversight for Comcast, as it is regulated by the California Public Utilities Commission, and is a private corporation operating within the City independent of the City.
- The suggestion that the item suggested by L Kristov be included as the last item on the agenda in July, to ensure adequate time can be spent on the cost of service studies.
- The suggestion to make the work of July reviewing the topics to discuss within the umbrella of broadband and prioritizing Commission focus.
- L Kristov suggested he would provide an outline for the discussion in July.

8. Adjourn

The meeting was adjourned by consensus at 8:45pm.