



City of Davis
Utilities Commission Minutes
Remote Meeting
Wednesday, December 16, 2020
5:30 P.M.

Commissioners Present: Gerry Braun, Olof Bystrom (left at 6:30), Linda Deos, Lorenzo Kristov, Elaine Roberts-Musser, Johannes Troost (Chair), Matt Williams

Commissioner(s) Absent: Jacques Franco (Alternate)

Council Liaison(s) Present: None

Staff Present: Stan Gryczko, Public Works Utilities & Operations Director
John Alexander, Wastewater Division Manager
Adrienne Heinig, Management Analyst

Also in Attendance: Doug Dove and Abigail Seaman, Bartle Wells Associates

1. Call to Order and Roll Call

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

2. Approval of Agenda

E Roberts-Musser moved to approve the agenda, seconded by O Bystrom. Approved by the following votes:

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

Noes:

Absent: Franco

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

- J Troost introduced the presentation of certificates of appreciation for the three departing Commissioners. The recognitions were read as follows:
 - J Troost read the recognition for O Bystrom
 - L Deos read the recognition for M Williams
 - L Kristov read the recognition for J Franco
- J Troost welcomed the Commission members in attendance with terms beginning in January 2021
- S Gryczko provided updates from the City Council meeting on December 15:
 - The Council approved the UC recommended Stormwater rate adjustments. The Council expressed appreciation for the work of the Commission.

- The Council also approved the UC recommended Solid Waste rate adjustments.
- The Council also approved the consultant selection for the City's SB 1383 implementation plan.
- Lastly, the Council approved the Astound/WAVE contract.
- E Roberts-Musser provided five articles for review:
 - Public Policy Institute of California - *Addressing Water Affordability in Urban California*
 - Public Policy Institute of California - *Droughts Aren't Just About Water Anymore*
 - Accenture - *How the Pandemic Tested Government Resilience*
 - Civil Engineering Source - *New app incentivizes people to 'do the right thing'*
 - Public Policy Institute of California - *Video Building a Water-Resilient California*
- L Kristov one item:
 - Related to Astound/WAVE contract, L. Kristov sent a notice to the City Council, indicating that, in his opinion, the contract was fine and consistent with what the Commission saw in September. However, there were details where contract language didn't seem consistent with what was in the staff report. In the future, it would be good for commissioners to see contract language, as they can look at details and make sure they are clear. If commissioners had been able to look at it, they could have pointed out inconsistencies, which would have added value. Having more eyes reveals things that might have been missed.
- O Bystrom indicated he would be leaving the meeting at 6:30pm

4. Public Comment

There was no public comment.

5. Consent Calendar

A. UC Draft Meeting Minutes – November 18, 2020

B. SB 1383 Introduction and Informational Items for Review (Informational)

C. Monthly Utility Bill Breakdown for Average Single-Family Residence (Informational)

E Roberts-Musser moved, O Bystrom seconded, to approve the Consent Calendar.

Approved by following votes:

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

Noes:

Absent: Franco

6. Regular Items

A. Wastewater Cost of Service Study – Short Utility Introduction

The item was introduced by S Gryczko and A Heinig, outlining the two presentations provided to the Commission by J Alexander, the City's Wastewater Division Manager, and Abigail Seaman of Bartle Wells Associates. J Alexander provided a brief presentation

on the Wastewater Utility, and A Seaman presented an introduction to the Wastewater Financial Plan.

Discussion included the following:

- The request that Capital Improvement Project (CIP) descriptions add an additional column of information that would include the useful life of the capital improvement, which would help people understand when projects will need to be done in the future.
- Additional detail was provided on upcoming wastewater utility projects
- Clarification that the City has a plan for outreach related to the traffic impacts associated with the work planned for 5th Street and the replacement of a sewer lift station.
- Additional information was provided on the tasks for the Environmental Resources Division staff support for the wastewater utility around State regulations.
- A request to understand what the public can do to assist the wastewater utility in preventing sanitary sewer overflows. Staff indicated that watching what is flushed down the toilet, not flushing “flushable” wipes, scrape grease off plates before rinsing them in the sink, and taking fruit stickers off of fruits and vegetables before washing are some of the most helpful activities that the community can do to keep the pipes flowing.
- In response to a question on the number of sanitary sewer overflows, staff indicated that the City has a couple a month, with 95% of them resulting from private laterals (mostly from root intrusion).
- Staff indicated that wastewater staff are developing a preventative maintenance program (treating lines with chemicals to prevent root growth, etc.), and are looking to line the laterals with fiberglass, which would reduce the need for chemical treatment.
- In response to a question about advice to homeowners looking to plant trees, staff indicated that if you’re going to dig anywhere in your yard, you should call 811 for a “USA” Ticket, when City staff can provide markers to show where water and sewer lines are located.

O Bystrom left the meeting at 6:30pm

Further discussion included the following:

- Outline of the three charges for the wastewater utility bill (the base charge, the per unit charge, and the variable charge). The Commission will have an opportunity to discuss the rate structure, customer classes, and will consider some consolidation customer classes or rate charges if possible.
- The review of the rate structure will also include the inclusion of the month of November in the average winter water use calculation, as Novembers in recent years have been dry and warm, resulting in more irrigation use. This topic was discussed later in the item discussion as well.

- A reference to a rate balancing spreadsheet prepared by M Williams, created to illustrate the context of the entire utility bill. M Williams requested that Commissioners with questions on the spreadsheet contact him.
- The request not to combine customer classes within the wastewater rate structure, as the longitudinal look at data can be compromised.
- The clarification that NPDES refers to National Pollutant Discharge Elimination System. In addition, a request to understand how environmental regulations are changing, and what effect those changes might have on the utility. Staff indicated that any changes impacting what's coming out of the Wastewater Treatment Plant, and identified regulatory changes and costs will be provided to the Commission to understand the how and why of cost impacts.
- Brief discussion of the methodology of the calculation of rates, with a suggestion that wastewater rates should be calculated based on number of people per residence.

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

B. New Commissioner Orientation Packet Review

The item was presented by S Gryczko, who indicated that with the new commissioners joining in January, staff reviewed and updated the UC Orientation Packet, which was provided for review to the Commission for feedback and suggested edits.

Discussion included the following:

- Appreciation to staff for developing the packet and providing the orientation.
- Edits required for the description of the purpose of the commission (as the Commission has expanded areas of focus), and requests for clarification on whether composting is a part of the City's diversion rate standard for solid waste, and the standard for per capita water use.
- If the City had ever been completely overwhelmed with flooding by storm event. Staff indicated that the City has not been overwhelmed, but has had issues with localized flooding.
- A request to update the title of the Commission within the Procedural Guidelines, and points of clarification needed within the document (numbers 2, 5 and 7e). Staff indicated that the substantive changes, such as with the Procedural Guidelines and the Workplan, will have to be agendaized and discussed by the Commission. The elements of the packet that can be updated by staff will be completed, with the other updates pending the larger Commission discussions.
- A staff request for Commissioners to send edits and changes that can be incorporated into the final draft.
- Feedback from the Council Subcommittee on improving processes, who appreciated the onboarding document and requested that it be shared with other City commission liaisons.

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

C. Utilities Commission Year End Reflection: How Can We Improve Our Work?

The item was introduced by J Troost, who asked G Braun to begin the discussion on the topic, and share the reasons behind including the item in the agenda. He indicated that with the new members of the Commission and new Chair, it benefits the Commission to have a team meeting (Commission, staff and Council) and take a look at the work the team is accomplishing.

During the discussion of the item, J Troost requested feedback from the Commission under three main topics: The Commission charter, Commission meetings, and City Council. Remarks for each of the topics are listed below under each heading, with general commission discussion to follow.

Three Main Discussion Topics:

○ **Charter**

- *The charter update in 2019 included a revision to the charter to take a 360 degree view of the City's utilities. Would hope that the next year will include more of that, as the Commission has upped the game in rate setting*
- *With the revision of the charter, the Commission had a discussion about bigger concepts than the four services on the City bills. Hoping not to lose the opportunity for the Commission to talk more about climate change, and to think about utilities beyond rate setting. Essential to continue to talk about municipal utilities in the broader sense.*
- *Reiteration of the appreciation for the expanded 360 view of the utilities, and a reminder that climate change and climate impacts front and center in the discussion. Additionally, underscoring the importance of keeping the public informed on what's happening, to make it easy to explain.*

○ **Meetings**

- *The importance of prioritizing the rate studies, as they are the number one focus, and that the discussion needs to include climate change and the other areas of focus beyond the dollars and cents.*
- *The feedback that meetings have been more effective in recent years, thanks to the Chair, and that staff have also worked to improve efficiency of meetings, particularly in the rate study process. The suggestion that the Commission should review the new charter and consider areas that may need to be adjusted.*
- *Appreciated the time taken to get more education where necessary, and that staff has accommodated that need, but having the educational foundation is tremendously valuable and should be continued.*

○ **Council/Staff**

- *While the Commission understands the multiple demands on Councilmembers, there needs to be some resolution to understand how often the Commission can expect the liaison to be present. Standardized expectations or a schedule would be helpful.*
- *Reiterate that the need to have a consistent presence of a Council liaison would be of significant value, could allocate a time in the meeting to cover those items of interest or in need of direct input. As far as the relationship with staff, appreciate how staff will distill things in a succinct way, and it might be worthwhile to ask staff for areas of improvements.*
- *Reiterate the appreciation for the relationship with staff, and in strong support of having Council liaisons present at the meeting. Might consider inviting the alternate to attend meetings when the liaison is not able to attend. Important to respect the Councilmembers, as they are the elected officials and the people want them to represent them.*

One comment was made prior to the beginning of the specific topic discussion during the meeting, and one comment was submitted with the packet items. The comment read during the meeting was provided to staff to be included in the minutes and is attached.

Additional discussion on this item included:

- Frustration when items that should have been reviewed by the Commission were not provided, or when items come as a surprise to the Commission when staff should keep the Commission informed of topics that are in the Commission domain. Staff should pay attention to these things, and include the Commission in these decisions even when a topic might move quickly.
- Appreciation that staff meet with the Chair and Vice Chair for agenda discussions, and the discussions are productive and a good process.
- Where many of the meetings have run long, the time has been related to presentations and commission questions, which have been of value. The commission may determine that additional meetings are warranted, or that two hours per month is not enough.
- Appreciation for the preparation of Commissioners in providing written feedback and comments.

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

D. Nomination of Chair and Vice Chair for 2020.

The item was introduced by J Troost, who asked the Commission who would like to be nominated for Chair, and why they would like to be nominated for the role.

Brief discussion included the following:

- L Deos indicated that she was interested in filling the role of chair, and to continue the tradition of collegiality and respect. She indicated that she has the time and interest to work with staff to bring items forward for discussion. She stated that she does not have the background as someone in the utility service industry, but as an outsider can communicate difficult concepts to the community in a way that can be understandable.
- The importance of cultivating leadership for the Commission, and for the City.

Motion: Nominate Linda Deos for Chair.

Moved by E Roberts-Musser, seconded by J Troost. Approved by the following votes:

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

Noes:

Absent: Bystrom, Franco

Motion: Nominate Gerry Braun for Vice Chair.

Moved by J Troost, seconded by L Deos. Approved by the following votes:

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

Noes:

Absent: Bystrom, Franco

There was no public comment on this item.

E. Review of Subcommittee on Energy.

The item was introduced by J Troost, who, in response to a Commission question indicated that the subcommittee was formed by O Bystrom, L Kristov, and G Braun. He outlined that the challenges associated with the pandemic made it difficult for the subcommittee to be productive.

Brief discussion included the following:

- The members of the subcommittee work professionally in the energy industry, and there are a lot of things happening that make a focus on energy needed and could be beneficial for the City of Davis.
- The subcommittee could be dissolved, and with the new members and new year, it could be reformed if desired.
- It would be good practice at the beginning of the year to review what subcommittees are needed and what updates could be made to the charges.
- The Commission should consider if the focus on utilities should include a broader focus on all essential utilities, even those not offered directly or by contract via the City, and if taking a larger role in advocating for the ratepayers for the utilities not offered by the City would be a Council priority.

- Would like to see greater collaboration between the City and Valley Clean Energy.

Motion: Dissolve (or liquidate) the Subcommittee on Energy.

Moved by L Kristov, seconded by G Braun. Approved by the following votes:

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

Noes:

Absent: Bystrom, Franco

There was no public comment on this item.

7. Commission and Staff Communication

A. Long Range Calendar

The item was introduced by J Troost. S Gryczko indicated that the Long Range calendar had been changed since the distribution of the packet, moving the annual water fund update to July, with a focus on the sewer fund capacity fee update for February. It was suggested that the Commission could update the workplan in March, with the Wastewater cost of service/rate study resuming in March.

Discussion included the following:

- The request that cost of service studies be staggered over a longer period of time in the future. Staff indicated that moving forward they will be spaced out.
- Staff indicated that with the work the commission has done, all four utilities are on a path to fiscal stability (barring unforeseen circumstances), and its clear a lot of work has been done to get the utilities on a sustainable path.
- Congratulations for the new leadership team, and appreciation from the departing Chair and Vice Chair.

8. Adjourn

Motion: To adjourn the Utilities Commission meeting at 7:52pm.

Moved by L Deos, seconded by L Kristov. The motion passed by the following votes:

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

Noes:

Absent: Bystrom, Franco