

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

April 17, 2017

1. ROLL CALL

President McCormick called the meeting to order at 4 p.m. On roll call, the following commissioners were present: Deaton, Giuntini, McCormick and Serventi. City Manager Keimach was absent.

2. ORAL COMMUNICATIONS – NON AGENDA (Public Comment)

There were no non-agenda oral communications.

3. SPECIAL PRESENTATION

Randy Howard, the general manager of the Northern California Power Agency (NCPA), updated the Board on state legislative issues and key topics in the energy industry.

4. CONSENT CALENDAR

There was no consent calendar.

5. COUNCIL COMMUNICATIONS

There were no council communications.

6. AGENDA ITEMS

A. Budget Workshop

General Manager Nico Procos introduced the workshop, noting that staff has identified a need to refresh the strategic plan.

In response to a presentation from staff, Commissioner Serventi asked when AMP employees' current labor contract will expire. Staff responded that the current labor agreements will expire in December 2018, with new agreements starting in January 2019.

Staff told the Board that AMP expects it will see a decrease of approximately \$4 million in debt service in 2026 due to paying off a Northern California Power Agency (NCPA) hydro debt. In response, Commissioner Giuntini said AMP may need to do some contingency planning on that assumption. Commissioner Deaton also said that some of AMP's power plants are aging and may need to be retrofitted or rebuilt in the years ahead. By 2026, AMP may have expenses for retrofits.

On the topic of hiring AMP employees, Commissioner Giuntini asked how AMP recruits staff. In response, staff said there are a number of ways AMP recruits, including through

outreach via the American Public Power Association (APPA) and other professional associations and job boards.

Commissioner Deaton asked if there was a way to shorten the upfront process of hiring in order to get on the City Council's agenda more quickly. As part of the process, management discusses potential revisions of classifications and new classifications with bargaining units, staff said. Then, the proposed hiring changes are prepared for the policy-making bodies. Staff said there may not be a way to shortcut the process.

Commissioner Deaton said there should have been some Site A expenses this year. Staff responded that AMP has left Site A in the budget because the project's future is to be determined.

President McCormick then invited comments from members of the public who submitted speaker slips.

Alameda resident Richard Bangert asked if any of the proceeds from the second Renewable Energy Certificate (REC) sale was being expended in the FY 2018 budget. Staff responded in the negative. Mr. Bangert then went on to advocate for a local generation facility to be built at Mount Trashmore. He also opined that no more additional REC monies should be expended on smart meters.

President McCormick commented that the FY 2018 budget had allocated \$900,000 of REC funds for a locally sited community solar facility.

Bill Garvine, full-time AMP employee, customer and President of the Electric Utility Professionals of Alameda (EUPA) commented that for AMP to continue to offer excellent service now and in the future, it must pay attention to employee professional development within the context of a competitive landscape for hiring in the Bay Area. He also noted AMP's antiquated contract processes, outdated job descriptions and workplace conditions.

Commissioner Giuntini thanked staff for the hours they dedicated to developing the budget.

President McCormick said that AMP should explain to customers the differences between fixed and variable costs. Commissioner Deaton said that she appreciated AMP's efforts to keep the budget increases to a minimum, but suggested a need to keep a close eye on certain areas.

Two topics were briefly discussed - the balancing account and transfer of funds to the city. Explanations of both will be provided in the future.

7. BOARD COMMUNICATIONS

There were no board communications.

8. ORAL REPORTS

There were no oral reports.

9. ADJOURNMENT

The meeting was adjourned at 6 p.m.