DRAFT

UTILITIES ADVISORY COMMISSION MEETING
MINUTES OF MAY 2, 2018 SPECIAL MEETING

CALL TO ORDER

Chair Danaher called the meeting of the Utilities Advisory Commission (UAC) to order at 4:00 p.m.

Present: Chair Danaher, Vice Chair Ballantine, Commissioners Forssell, Johnston, Schwartz, Segal
Absent: Commissioner Trumbull

ORAL COMMUNICATIONS

Frankie Farhad urged the UAC to consider the visual impact of future utility design and to ensure sufficient funding was available for underground utilities to remain underground especially in residential neighborhoods. Street work should be done in conjunction with other projects.

Eugene Lee remarked that the lifespan of underground utilities reduced the cost to less than twice the cost of above-ground utilities. He hoped staff could find a solution that maintained its integrity for the next 50 years.

APPROVAL OF THE MINUTES

Commissioner Schwartz moved to approve the minutes from the April 12, 2018 special meeting. Vice Chair Ballantine seconded the motion. The motion carried 6-0 with Chair Danaher, Vice Chair Ballantine, and Commissioners Forssell, Johnston, Schwartz, and Segal voting yes.

AGENDA REVIEW AND REVISIONS

None

REPORTS FROM COMMISSIONER MEETINGS/EVENTS

Commissioner Schwartz attended the Low Income Community Solar Working Group's second webcast, which focused on successful efforts in energy efficiency that might have implications for community solar. Members of the group were interested in using and funding community solar as one aspect of a resiliency effort and using community solar on a daily basis as a means to lower the bills of income-qualified customers. Commissioner Segal and she met with staff for a productive discussion of a community survey.

Commissioner Segal appreciated the opportunity to make changes to the survey.

UTILITIES GENERAL MANAGER REPORT

Dean Batchelor, Chief Operating Officer, delivered the General Manager's Report.

Water Individual supply Guarantee Transfer to East Palo Alto (EPA): On May 7, Council will consider a permanent transfer of 0.5 million gallons per day of Hetch Hetchy Regional Water Supply System Individual Supply Guarantee (ISG) to the City of East Palo. The additional water supply is needed to support EPA long-term water needs and several planned developments in EPA, including a primary school and affordable

housing, as well as to enable EPA's new planned groundwater wells to be used on a limited basis to preserve their operational capacity as emergency backup wells. Palo Alto is in a position to alleviate EPA's long-term water supply deficit because Palo Alto has reduced its potable water consumption and is extremely unlikely to rely on its full 17 million gallon per day ISG in the future.

Municipal Services Center (MSC) Open House: Back by popular demand – the City is hosting an open house at the Municipal Services Center on May 12! As part of Public Service Employee Recognition week, which is May 6-12 this year, the City is hosting a series of activities to celebrate our employees and connection with the community. In addition to an employee appreciation picnic and service awards for staff. We are inviting the public to join us on Saturday, May 12, at the MSC for a behind-the-scenes look at the City services that keep our community running. The MSC will be open to the public from 9:00 am to 1:00 pm with project demonstrations, displays, and fun activities from Utilities, Public Works, Facilities, Police, Fire, and Community Services. We invite the UAC to join us!

Is an Electric Vehicle Right for You? CPAU is partnering with Stanford Medicine's Health Improvement Program (HIP) for the second time to offer an interactive EV workshop. The event will include a panel discussion by 4 long-time EV drivers and experts, ready to answer any and all EV-related questions. A wide variety of EVs will also be available for attendees to explore. When the City cohosted the program last October, we attracted a sold-out crowd of 90 participants and expect another big turn-out for this upcoming free class. *Thursday, May 17, 5:30-730 pm, Mitchell Park Community Center.*

Maintaining Native Gardens and Leak Detection: Learn how maintenance of water-conserving landscapes differs from that of traditional landscapes. This lecture includes maintaining drought-tolerant plants and managing irrigation system issues such as fixing leaks and clogs. *Saturday, May 26, 9:00 am-Noon, Mitchell Park Community Center*

Chair Danaher suggested electric bikes and scooters be available during the workshop.

COMMISSIONER COMMENTS

In response to Chair Danaher's comment regarding a future agenda item for undergrounding utilities, Dean Batchelor, Chief Operating Officer, agreed to bring an item before the UAC.

UNFINISHED BUSINESS

None

NEW BUSINESS

ITEM 1: ACTION: Staff recommendation that the Utilities Advisory Commission recommend the City Council accept the Utilities Smart Grid Assessment and Utilities Technology Implementation Plan including advanced metering infrastructure-based smart grid systems to serve electricity, water, and natural gas utility customers.

Jeff Hoel believed the correct financial calculation showed a loss of $7.3 million over 18 years. The current time-of-use (TOU) rate provides discounts at night when electric vehicle (EV) users are charging their vehicles. He wondered about the EV users' reaction if TOU discounts occurred during the day. Replacing gas and water meters because of dead batteries would be a cost and nuisance over time. He questioned whether staff would learn of dead batteries quickly. He questioned whether the number of data samples would provide sufficient information to persuade anybody to increase conservation. Meters should not encrypt data before sending it.

Chair Danaher announced the current discussion is introductory, and a vote on staff's recommendation will be taken at a subsequent meeting so that Commissioners have more time to study the document. The UAC may wish to draft an informational report of its thoughts to the Council following a recommendation to the Council.

Dean Batchelor, Chief Operating Officer, announced the item will return to the Commission in August for further discussion.

Jonathan Abendschein, Assistant Director of Resource Management, advised that the report represents an initial high-level exploration of the cost and benefits of advanced metering infrastructure (AMI) and a high-level map of the work leading to implementation. The UAC's vote to accept the Smart Grid Assessment and Utilities Technology Implementation Plan (Plan) would indicate staff is planning appropriately. Over time, the Council will need to approve multiple policies, procedures, budgets, and contracts. Throughout the process, the Plan can be refined.

Shiva Swaminathan, Senior Resource Planner, reported the Plan recognizes three major elements of technology projects that staff is going to undertake in the next five years, the Customer Information and Billing System (CIS), the Enterprise Resource Planning System (ERP), and advanced metering infrastructure (AMI). When work on these elements begin in earnest, other projects may have to be delayed or not initiated until these three projects are complete. Staff views the investment costs as equipment and vendor costs, which total approximately $16.5 million. Staff estimated additional staffing-related costs at $1-$2 million. The Capital Improvement Program (CIP) amount of $19 million is comprised of $10 million for electric, $5 million for water, and $3.5 million for gas. Electric meters will be replaced, but radios will be placed on water and gas meters. The water and gas meter radios operate on batteries and, when the battery runs out, the radio will be replaced.

Chair Danaher calculated a cost per residence of approximately $700.

Swaminathan clarified that the typical measurement is cost per meter. Staff plans to install approximately 72,000 meters at a cost of $300 per meter. Staff proposes funding the electric portion of the project through the Electric Special Project Reserve. The water and gas portions of the project could be funded through capitalization or financing over a 20 or 10-year term. The primary financial benefits of the project are reduction in meter reading costs and increased conservation. Staff did not quantify non-financial benefits such as improved reliability and better customer experience. In November, staff presented the net present value (NPV) as negative $7 million over 18 years. Since November, staff has determined there could be greater synergies in staffing and utilization of devices for greater conservation. These changes result in a breakeven NPV. Implementing AMI will require review of policies, procedures, and staffing resources and receipt of community and staff input. Change management and communication is a key part of the project. A transition plan is being discussed and developed for staff as roles change. Selection of technology will be relatively easy as the technology is mature. Staff has identified approximately 35 risks, the top five of which are sufficient resources, staff engagement and communication, definition of vendor contracts, integration of software, and Council approval of policies and protocols. With respect to the impact of the project on utility bills and rates, the project is a winner across the full utility and for each utility. The overall impact on bills for residential customers is neutral. In the worst-case scenario, there could be a 0.35-0.7% impact on bills if costs are incurred but benefits do not materialize as projected. Next steps include further discussion and acceptance of the Plan in August. Some of the capital investments have been included in the fiscal year 2018-2019 CIP budget. If the UAC accepts the Plan in August, staff will present it to the Council in September.

In response to Commissioner Johnston's request for additional details of staff's calculation of the NPV, Swaminathan explained that staff made assumptions initially without considering any sensitivities and calculated a value. Staff then changed the assumptions and calculated the NPV. Commissioner Johnston did not find an assessment of the likelihood of not achieving each of the savings used in calculating NPV. Swaminathan indicated staff does not have a probability for achieving each savings. Staff knows with relative certainty the capital costs, but staff has a large uncertainty around the ongoing operations and maintenance cost and the value that can be harvested from the systems. The benefits projections and assumptions contribute to NPV. Commissioner Johnston inquired about experiences from other cities that staff could utilize to minimize the risk that the systems would not communicate well with one another. Abendschein

related that one of the key ways to control the risk is to hire an excellent implementer who has experience with utilities similar to City of Palo Alto Utility (CPAU). Staff is investigating different avenues to make that work. Swaminathan added that the project included a $1 million contract with expert project managers who have done this type of project multiple times with utilities similar to CPAU. The project managers will be familiar with CPAU's CIS and ERP.

In reply to Commissioner Segal's question regarding the contractor being responsible for just AMI integration or CIS and ERP integration, Swaminathan clarified that integration of CIS and AMI is part of the AMI project budget. Commissioner Segal presumed CIS implementation has to anticipate integration with AMI. Swaminathan stated the consultant handling the CIS and ERP projects has subcontractors, and one of the subcontractors will understand AMI integration. There would be no direct integration between AMI and ERP, only between AMI and CIS.

Vice Chair Ballantine remarked that if the infrastructure supporting telemetry did not have backup systems all the way through, then the entire telemetry network could be lost in the event of a large earthquake or other significant catastrophe. In this scenario, staff would not be able to see all the meters to identify the locations of problems. If all the nodes go to data collection boxes per neighborhood and have no backup power, they will go out the moment the utility goes out. That would be a disappointing result for the whole project. Swaminathan reported the collectors have backup batteries. Vice Chair Ballantine responded that the numbers for recovering from an earthquake are significantly longer than battery life. Abendschein explained that one purpose of the battery is to pass on the last gasp of information from all of the meters so that staff has at least a snapshot of what the system looked like when the earthquake hit. Part of the disaster recovery process is getting the collectors running and getting real-time telemetry up. Vice Chair Ballantine commented that if the main hub receiving the data did not stay up to get that blast of data, then all data would be lost. Often the entire electrical infrastructure goes down even though the damaging event is localized. If receiving assets also lose power or do not have sufficient battery life to ride through that, then the data would not get to the main computer asset, which might have backup power. The longer the collectors last the more they can help staff restore the utility. Abendschein clarified that the collectors are designed to deal with exactly that problem. The battery is intended to get all that information to the main system. Batchelor added that staff should explore the length of battery life. Swaminathan advised that the battery life is days.

Commissioner Forssell commented that NPV does not have to be positive in all cases. There might be nonquantifiable benefits that the CPAU wants to purchase, such as system reliability. In terms of system reliability, CPAU is already extremely reliable at more than 99%. She inquired about improvements in reliability that an AMI system could provide. Vice Chair Ballantine remarked that Korea and Japan view the reliability of U.S. electrical utilities as extremely poor. Swaminathan reported electric reliability is comprised of length of time to detect and correct the outage and proactively avoiding outages. An AMI system could provide an outage notice sooner and locate the source faster, thereby reducing the length of an outage. With AMI, staff could monitor the loads on transformers during specific time periods and proactively upgrade or replace transformers to avoid outages. Abendschein added that the economic value of reducing an outage by 15 minutes or 30 minutes is much greater for commercial customers than for residential customers, and the majority of the utility's customers are commercial. Swaminathan advised that staff attempted to monetize reliability for both commercial and residential customers using industry statistics. The value is tens of thousands of dollars a year. Commissioner Forssell assumed that type of value was included in the NPV calculation. Swaminathan indicated the values were wild guestimates and small. However, preventing an outage and reducing the length of an outage contributed to customer experience. Commissioner Forssell requested examples of customer experience benefits other than TOU rates for EV users. Swaminathan offered potential benefits of resolving billing inquiries quickly, reducing the length of a power outage, notifying customers of an outage sooner, sending a right price signal to customers, and improving demand response.

Chair Danaher referred to Mr. Hoel's query regarding saving money by using Fiber to the Premises and inquired whether RF connections were a significant part of the $19 million project. Swaminathan replied no. Chair Danaher noted smart meters had been used for about 25 years; therefore, a great deal of contractor experience is available. He asked if NPV numbers were informed by the experiences of other utilities and if the NPV calculation included an escalation of labor costs. Swaminathan advised that the NPV was informed by other utilities' experiences and included a labor cost increase of 3% and a benefits increase of 1%.

Commissioner Schwartz remarked that there are many examples of AMI projects and of value added to utilities. CPAU could avoid some of the painful lessons of other utilities. Technologies and applications are becoming available that CPAU could utilize right away. Implementing CIS first will allow CPAU to offer more options and services as soon as meters are installed. She recommended the UAC discuss with the consultant the kinds of functions that should be installed so that CIS will accommodate those functions from the beginning. Across the country, outage detection has become an incredibly popular customer experience benefit. Leak detection is even better for customer experience. Each customer having an endpoint device that can communicate will allow CPAU to offer different programs to different customers. The UAC should discuss the kinds of consumer and business-facing programs that allow variability among customers. CPAU policy should allow customers to opt out of AMI. At a recent workshop, she learned of an account reconciliation app. Consumers who utilize the app increase their conservation. The value of AMI should not be determined by cost per meter but by systemwide benefits.

ACTION: No action

ITEM 2. ACTION: Staff recommendation that the Utilities Advisory Commission recommend that the City Council adopt the Proposed Operating and Capital Budgets for the Utilities Department for Fiscal Year 2019
Dean Batchelor, Chief Operating Officer, thanked Commissioners Segal, Forssell, and Johnston for their review of the proposed budget.

Dave Yuan, Strategic Business Manager, reported City of Palo Alto Utilities (CPAU) accomplishments during the fiscal year include adoption of the Utilities Strategic Plan, beginning construction of the Upgrade Downtown project, and receipt of awards in the areas of environmental sustainability, local solar, energy savings, and reduction of carbon footprint. Initiatives for the upcoming fiscal year include improve employee retention and recruitment; strengthen coordination, collaboration, and communication with the City and with the community; implement the technology roadmap; and initiate a proactive infrastructure replacement program. Significant requests contained in the budget include $1 million for overhead construction contractors, $1 million for the cross bore program, reclassification of a Business Analyst to Senior Business Analyst, and projects for Caltrain facility relocation and seismic water system upgrades. The average residential utility bill will increase about $11 or 4%. Staff proposed rate increases of 6% for Electric, 4% for Gas, 11% for Wastewater, 3% for Water, and 2.9% for Storm Drain. In comparison to neighboring cities, Palo Alto's average residential bill is 38% less for electricity, 14% less for gas, 33% less for wastewater, and 18% more for water. The proposed CPAU budget totals approximately $301 million, comprised mainly of commodity, Capital Improvement Program (CIP), salaries and benefits, and General Fund transfer. In the outer years, spending is forecast to increase quite a bit because of one-time projects and the increase in construction costs.

In response to Chair Danaher's inquiry regarding particular programs staff debated including or omitting, Yuan advised that staff debated CIP projects. The list of CIP projects is based on priority and available resources.

Yuan continued with presentation of the budget for the Electric Fund. Accomplishments include undergrounding of District 47, installation of new fiber optic cables for storm monitoring, and completion of interconnection agreements to install solar panels at the Bryant and Webster garages. Upcoming initiatives include establish and implement a Distributed Energy Resources (DER) plan; determine a Second Transmission source; and replace aging electric facilities at three substations.

Vice Chair Ballantine shared information regarding a newly developed capability to sense the RF emissions at the onset of an event that would become a catastrophic ground fault. He questioned whether internal metrics could include the number of outages or the distribution of outages to justify installing telemetry. Yuan advised that staff tracked the number and duration of outages to assist with prioritizing CIP projects.

In reply to Commissioner Schwartz's question regarding purchase of transformers and other items with long lead times, Yuan responded that the CIP budget included purchase of transformers and switches.

Yuan further discussed the cost drivers for the Electric Fund. Commodity makes up 50% of the budget for the Electric Fund.

Chair Danaher remarked that staff has little ability to control expenditures other than delaying CIP projects, based on the chart.

Yuan presented significant changes between the FY 2018 and FY 2019 budgets. Commodity decreased $2 million or 2% because staff is planning to make fewer market purchases. The CIP is expected to decrease by $3.3 million because of deferral of the Veterans Hospital and Caltrain facility relocation projects. The increase in the overhead contract resulted from the lack of senior staff for the project.

In reply to Chair Danaher's query regarding the overhead contract, Yuan reported the contract amount is $1.5 million per year for three years. Chair Danaher remarked that the contract increase was a more expensive solution than improving salaries for key staff. Batchelor indicated staff has to work with Service Employees International Union (SEIU), and contract negotiations will open at the end of 2018.

Yuan continued with Electric CIP projects and the five-year CIP budget. The five-year CIP budget reflects revenue and reimbursement transfers from other funds.

In answer to Commissioner Schwartz's comment regarding learning residents' priorities in relation to undergrounding utilities, Batchelor explained that staff has to work with AT&T to gain its support and to determine areas of the City where utilities could be undergrounded. Otherwise, the City would be responsible for the total cost of undergrounding. After determining an area, staff issues a survey to customers in the area to learn of customers' interest in undergrounding given the costs to customers. If surveys reflect low interest, then Staff holds a community meeting to learn of concerns. Commissioner Schwartz assumed the cost of undergrounding is socialized to the entire customer base. Yuan added that customers could petition the City to underground utilities, in which case the customers pay the majority of costs.

Yuan further discussed the forecast for the Electric Operations Reserve. The recent rate increases should raise the reserve balance to fall within the guidelines.

In reply to Commissioner Johnston's question about use of reserve funds to balance the budget, Yuan clarified that funds would be transferred from reserves at the beginning of the fiscal year to cover the deficit. At the end of the fiscal year, unspent funds would be returned to reserves.

Yuan next presented the Fiber Fund. Staff has initiated the fiber rebuild project with a new connection in the Palo Alto Internet Exchange. Fiber optic services have been installed to monitor Public Works pump stations and creek levels. Staff should issue a Request for Proposals (RFP) to develop a Fiber to the Node (FTTN) network business case soon. Yuan indicated he would provide a copy of the RFP to Commissioners. Another project for FY 2019 is installation of Wi-Fi at Cubberley, Lucie Stern, and the golf course. Staff will continue to upgrade the existing dark fiber network. Salaries and benefits and CIP represent 30% and 39% respectively of the Fiber Fund budget. Fiber Reserves total approximately $28 million. Gas Utility accomplishments include initiation of construction of Gas Main Replacement (GMR) 22, and upcoming initiatives include Phase II of the cross bore program, a Gas cost of service study, and replacement of ABS/Tenite services. Commodity is

the primary driver of the Gas budget. Many costs are fixed or nondiscretionary. The largest year-over-year expense change is the cross bore project with a 70% increase. Commodity is decreasing by $800,000, and CIP is decreasing slightly.

Chair Danaher inquired about the cost of the gas neutral policy, to which Jonathan Abendschein, Assistant Director of Resource Management, reported the bill impact is 4¢ per therm or an increase of less than 0.5%.

In reply to Commissioner Schwartz's inquiry about the potential effect of PG&E's request to increase the transfer price of gas, Abendschein advised that the rate cases are pending. One of the proposed increases could increase bills by 10%. Commissioner Schwartz assumed staff is working to lower the proposed increase. Abendschein explained that staff worked with groups holding interests similar to CPAU's to push back on the total costs included in the transmission plan and to ensure costs are not shifted from other users to CPAU. Much of the increase concerns gas storage. These types of costs are borne by the entire state.

Yuan continued with a presentation of Gas CIP projects. The cost of GMR projects has increased from $3.5 million to almost $6.5 million. One-time projects include smart grid at a cost of $3.5 million over four years and Upgrade Downtown at a cost of $9 million. Much of the GMR 22 project will be reappropriated to FY 2019. Gas Operations Reserves exceed the guideline amount because CIP spending has not yet materialized. Wastewater accomplishment and initiatives include a complete sewer system rehabilitation (SSR) with SSR 28 to occur in 2019, a cost of service study for wastewater, and evaluation of a new sanitary sewer overflow tracking system.

In response to Commissioner Segal's query regarding integration of the overflow tracking system with CIS, Yuan indicated there should be some integration of the two. Batchelor added that staff would like to integrate the overflow tracking system with Geospatial Information Systems (GIS) to locate and track spills. Commissioner Segal suggested staff track needs so that they can be included in plans for system upgrades. Yuan reported RFPs for software contain all integration points.

Yuan next presented Wastewater projection changes. A sewer main replacement project was not part of the prior budget. Treatment charges are increasing due to the CIP project at the Regional Water Quality Control Plant. CIP projects are customer connections, system improvements, and main replacements. The Wastewater Reserve balance is currently above the guideline. As CIP projects begin, the balance will decrease. Water accomplishments include initiation of construction of Water Main Replacement 26, rehabilitation of the Montebello Reservoir, and assessment of water system configuration and emergency water supply. Batchelor added that one concern is rehabilitation of reservoirs for $2.5-$3 million each or construction of new ones for $2.5 million each. Staff is considering relocation of the reservoirs or perhaps constructing an underground super tank.

In response to Commissioner Schwartz's question about informing the Council of the UAC's discussion of maintenance projects, Batchelor suggested the UAC could recommend actions to the Finance Committee when it considers maintenance projects. Yuan reported the Finance Committee referred the proposed water rate increase back to staff for alternatives and subsequently recommended to Council a draw on reserve funds. The Finance Committee is aware that this draw could result in higher rate increases in the future.

Yuan further presented the upcoming Water initiatives of a cost of service study, geological study and assessment of reservoirs, evaluation of a recycled water project, and repair of a transmission main. The primary cost drivers for the Water Fund are commodity at 40% and CIP at 26%. Project expense changes are affected by an $8.9 million increase in CIP and a $1.5 million increase in commodity. The seismic upgrade project is the main difference in the five-year CIP plan. Because of increased water consumption, the reserve balance is at the high end of the guideline range. Staff continues to review projects, performance metrics, expenditures, and staff positions in an effort to contain costs.

Commissioner Johnston noted a discrepancy in the amounts for prior year Electric CIP projects shown on page 14 of the packet and in Attachment B. Yuan indicated he would provide an explanation at a later time. In reply to Commissioner Johnston's query regarding cost recovery for customer connections, Batchelor reported the City receives a benefit from building the infrastructure in that the infrastructure upgrade can be sold to surrounding structures. The customer pays for the service into the building.

In answer to Commissioner Forssell's query regarding the decrease in the workers' compensation amount and in other revenue under Electric Operating Budget, Yuan advised that the Human Resources Department calculates the workers' compensation amount based on prior year claims. The decrease in other revenue could result from the reduced VA Hospital upgrade project. Staff budgeted $2.5 million for the project, but it had been reduced to $700,000. Abendschein added that the decrease in other revenue is mostly likely caused by an increase in hydroelectric power or a large one-time customer connection fee. In response to Commissioner Forssell's question regarding the Pension Trust Fund contribution in the budget reconciliation, Abendschein explained that the amount represents a change rather than a transfer of funds. Staff may have budgeted a certain amount, and the amount was lower than expected.

Commissioner Johnston requested staff add a column for current year forecasted expenses, if different from the adopted budget, so that Commissioners could make comparisons.

In reply to Commissioner Segal's question about the outlook for pension and retiree medical costs as more staff retire, Yuan indicated the number of vacant positions resulted in lower amounts for those expenses. The City as a whole is placing additional funds into a Pension Trust Fund.

Vice Chair Ballantine inquired about Batchelor's satisfaction with the rate at which smart grid technology is being included in upgrade projects. Batchelor responded that his level of satisfaction is only medium, and perhaps Commissioners could lobby for additional funding for such projects. The $19 million smart grid project does not include implementation of smart grid technology in the field.

ACTION: Commissioner Schwartz moved to recommend the City Council adopt the proposed Operating and Capital Budgets for the Utilities Department for fiscal year 2019. Commissioner Johnston seconded the motion. The motion carried 6-0 with Chair Danaher, Vice Chair Ballantine, and Commissioners Forssell, Johnston, Schwartz, and Segal voting yes.

ITEM 3. ACTION: Selection of Potential Topic(s) for Discussion at Future UAC Meeting
Chair Danaher requested presentations regarding water storage and undergrounding utilities.

Vice Chair Ballantine suggested the undergrounding report include implementation of smart grid components in the field.

Commissioner Johnston recalled his request for an item regarding the Cool Block program.

In response to Chair Danaher's question regarding a report on the Fiber to the Premise (FTTP) Request for Proposals (RFP), Dean Batchelor, Chief Operating Officer, advised that the RFP could be released in the next few weeks, and a report may be ready as early as August. Chair Danaher wanted to ensure the RFP covered all reductions to installation and equipment costs. In reply to Batchelor's suggestion to provide an FTTP update in October, Chair Danaher indicated staff should place it on the list of items to be scheduled.

Commissioner Schwartz requested the August meeting be rescheduled to the week of either July 16 or August 13.

Commissioners Forssell and Johnston and Chair Danaher advised that they would not be present for the June 6 meeting.

Chair Danaher requested staff poll Commissioners for a meeting date on Wednesday and Thursday in late June and each Wednesday and Thursday in July and August.

The next meeting is scheduled for June 6, 2018.

Meeting adjourned at 6:30 p.m.

Respectfully Submitted,
Marites Ward
City of Palo Alto Utilities