



# DRAFT

## UTILITIES ADVISORY COMMISSION MEETING MINUTES OF MARCH 3, 2021 - SPECIAL MEETING

### CALL TO ORDER

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

Present: Chair Forssell, Vice Chair Segal, Commissioners Danaher, Jackson, Johnston, and Smith  
Absent: Commissioner Scharff

### AGENDA REVIEW AND REVISIONS

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None.

### ORAL COMMUNICATIONS

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None.

### APPROVAL OF THE MINUTES

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Vice Chair Segal mentioned that on Page 6, the first paragraph of Item 2 in the 3<sup>rd</sup> sentence, the year 2023 should be changed to year 2030. Also, on Page 3, the last paragraph in the 10<sup>th</sup> sentence, the word differ should be deferred.

Commissioner Johnston moved to approve the minutes of the February 3, 2021 meeting as corrected. Commissioner Jackson seconded the motion. The motion carried 6-0 with Chair Forssell, Vice Chair Segal, and Commissioners Danaher, Jackson, Johnston, and Smith voting yes. Commissioner Scharff absent.

### UNFINISHED BUSINESS

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None.

### UTILITIES DIRECTOR REPORT

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Dean Batchelor, Utilities Director, delivered the Director's Report.

#### **The Switch is On**

The City of Palo Alto Utilities is a member of the Building Decarbonization Coalition and helping fund a new Bay Area wide campaign about home electrification. The Switch Is On campaign offers extensive information and resources to help residents who want to convert appliances and home energy use from natural gas to electricity. Palo Alto residents can take advantage of rebates from CPAU for upgrading appliances, such as heat pump water heaters. Visit [cityofpaloalto.org/electrification](http://cityofpaloalto.org/electrification) for an overview about electrification and [switchison.org](http://switchison.org) to check out the resources available to residents in all communities.

#### **Transformer Upgrade Rebate Program for Multifamily and Non-Profit Properties**

Installing electric vehicle (EV) charging infrastructure may require upgrading electric service capacity. Therefore CPAU is offering a Transformer Upgrade Rebate to help cover the cost of Utility Service Capacity

Fees for eligible customers. This program is available to owners or property managers of schools, non-profit organizations, public entities, and multifamily properties. If a customer applies for an EV charger permit and receives notice that the EV charger installation will trigger electric service capacity fees over and above the electric connection fees, they may apply for rebates of up to \$100,000. Rebates are subject to availability. For more details, email [utilityprograms@cityofpaloalto.org](mailto:utilityprograms@cityofpaloalto.org) or call 650-329-2241.

### **Valley Water Conservation Program Updates**

Palo Alto partners with Valley Water for water reuse and conservation. Since Santa Clara County has lifted the Regional Stay at Home Order, Valley Water is modifying some of its water conservation programs. Conservation programs that have a field component, such as landscape surveys, will resume with COVID-19 field safety protocols in place. Palo Alto residents and businesses can take advantage of these programs available countywide. As a reminder, in Palo Alto, rebates for activities such as replacing high-water using landscape – lawns and pools – are doubled since CPAU cost-shares with Valley Water. For the latest information about each of Valley Water’s conservation programs, visit their website at [watersavings.org](http://watersavings.org)

### **Events**

CPAU is hosting a workshop on March 23 titled Landscape Design 101: How to Get Started. This event is a partnership with the Bay Area Water Supply and Conservation Agency (BAWSCA) and Valley Water. Join us at 7 pm on March 23 to learn how you can create a beautiful, sustainable, low water use garden and take advantage of rebates for upgrading your landscape and irrigation system. Details and registration link are posted at [cityofpaloalto.org/workshops](http://cityofpaloalto.org/workshops) On February 9, Utilities staff joined a local journalist and sustainability advocate for an educational workshop about converting Eichler homes to all-electric utility consumption. CPAU’s Home Efficiency Genie participated to show how the Genie can assess homes for electrification readiness. Approximately 40 people attended to learn how to improve efficiency and electrify these popular historic homes which can be quite inefficient.

### **Website Update**

The beta launch of the City’s new website was completed last week. The launch was communicated through multiple City channels. Our social media posts received 34,647 impressions and our Coronavirus Report received 46,430 opens during that time period. Ultimately, [beta.cityofpaloalto.org](http://beta.cityofpaloalto.org) received 8,214 pageviews. City staff received 90 responses to the online survey. Overall, most of the feedback was positive and the design is what impressed most survey respondents. As for next steps, department- specific feedback will be provided to each department and actionable items will be addressed. The website launch is planned for end of March. Several actionable items in response to the survey feedback are being prioritized. Specific areas of note are: improving search functionality through a new OC feature and through content adjustments; finessing the website design to reduce white space in some areas; addressing confusing navigation areas by department; enhancing/aligning all sustainability specific pages to one landing page to improve user experience and search; and, further developing City project pages.

### **CPAU - Vaccine**

In answer to Commissioner Johnston’s inquiry regarding water supply and cutbacks, Batchelor reported that staff did not anticipate there being any cutbacks in the summer months.

### **NEW BUSINESS**

**ITEM 1: ACTION: Staff Recommendation That the Utilities Advisory Commission Recommend the City Council Approve 10 Year Energy Efficiency Goals for 2022-2031**

Dean Batchelor, Utilities Director, introduced Micah Babbitt who presented the item to the UAC.

Micah Babbitt, Resource Planner, disclosed that historically the Gas Efficiency Goals normally accompanied the Electric Efficient Goals but staff felt that the Sustainability and Climate Action Plan (S/CAP) was the best avenue to finalize those goals. The City is required to update the 10-year Energy Efficiency Goals every 4-

years per state law, energy efficiency programs are funded by the state-mandated Public Benefit Surcharge, the programs are required to be cost-effective, and the goals need to be adopted by March 15, 2021. They are then submitted to the California Energy Commission (CEC). Historically, the City has met or exceeded its prior goals for energy reduction. The model used to draft potential goals is developed by a consultant. The model assesses technical, economic, and market potential. It accounted for the past energy efficiency achievements, projected electric supply cost, retail rates, and energy efficient costs to calculate energy efficiency cost-effectiveness. An economic recovery period has been built into the model to address COVID-19 impacts. Non-residential customers amounted to 80 percent of electric use and that group is the largest driver in terms of potential energy savings. Another area that was expected to achieve energy savings was the Home Energy Report that will be sent out to residential customers as well as in the year 2026, staff expects energy savings from the Conservation Voltage Reduction Program. Starting in the year 2022, the goal was to reduce energy by .50 percent, for year 2024 a goal was set at .55 percent, and then for year 2026 the goal was .75 percent. Regarding cumulative saving potentials, the largest driver was long-lived non-residential energy efficiency measures. Average customer bills are expected to decrease over the life of the energy efficiency measures. Retail rates are estimated to increase by up to 3.5 percent by year 2031 but increased load growth through electrical vehicle (EV) charging could mitigate those retail rate impacts.

In reply to Commissioner Johnston's request for elaboration on conservation voltage reduction, Babbitt explained that the main idea is to reduce the voltage at various feeders across the distribution system.

In answer to Commissioner Smith's inquiries regarding cumulative saving potential, Babbitt disclosed that the percentage was not sensitivity but a hard calculation based on what energy efficiency measures the City installed in prior years and how long they lasted. In terms of incremental steps taken for years 2023, 2024, and 2025, new energy efficiency measures were coming online every year which added to the cumulative total. Commissioner Smith expressed concern regarding the underlying assumption that life will return to a pre-COVID commercial office environments and he did not believe that will be the case.

In response to Commissioner Danaher's prediction that replacing gas appliances with the electric appliance is not included in energy efficiency, Babbitt reported that the goals focused on electrical devices being replaced with more efficient electrical devices. Commissioner Danaher disclosed that looking at electric efficiency and gas efficiency individually did not allow the City to choose the best approach on a cost basis. He wanted to see a model that explored all carbon savings together on a cost basis and then present that to the UAC and City Council. Jonathan Abendschein, Assistant Director of Utilities, shared that efficiency measures by nature save money and they are almost universally the lowest cost measures to implement before electrification.

In reply to Vice Chair Segal's inquiry about what the Residential Home Energy Reports is, Abendschein stated that the concept is to provide residents information regarding their consumption and tips on how to reduce consumption. The program mimicked the OPower reports but included more customer groups. In answer to Vice Chair Segal's question if the program will be expanded to commercial customers, Abendschein announced that staff is exploring options for commercial customers.

Commissioner Jackson agreed with Commissioner Danaher's comment that as folks electrify, electric usage will increase and that it is important to understand what is the best way to spend money to achieve the most successful outcome. He supported the Home Energy Report Program and foresaw it to be a very informative program.

In answer to Chair Forssell's inquiries if the state specified an amount that needs to be spent from Public Surcharges and if the parameters of the plan are at the City's discretion, Babbitt disclosed the state does not mandate a specific amount of spending. He concurred that the parameters of the plan is up to the City to implement. In reply to Chair Forssell's assumption that the cost of the saved energy is greater than the cost of the program for cost-effectiveness, Babbitt shared that staff looks at cost-effectiveness in how much does it cost the City to save the energy versus how much does it cost to go buy energy. In the electric

portfolio, Staff makes sure that any energy efficiency that the City is creating is lower cost than buying new supply. Chair Forssell believed that there was nothing in the goals that created a disincentive for customers to electrify.

**ACTION:** Vice Chair Segal moved Staff Recommendation That the Utilities Advisory Commission Recommend the City Council approve the proposed annual and cumulative Electric Efficiency Goals for the period 2022 to 2031 as shown in the table below. Seconded by Commissioner Johnston. Motion carries 6-0 with Chair Forssell, Vice Chair Segal and Commissioner Danaher, Jackson, Johnston, and Smith voting yes. Commissioner Scharff absent.

**ITEM 2: ACTION:** Staff Recommendation That the Utilities Advisory Commission Recommend the City Council Adopt a Resolution Approving the Fiscal Year 2022 Gas Utility Financial Plan, Including Proposed Transfers and an Amendment to the Gas Utility Reserve Management Practices, and Increasing Gas Rates by Amending Rate Schedules G-1 (Residential Gas Service), G-2 (Residential Master-Metered and Commercial Gas Service), G-3 (Large Commercial Gas Service), and G-10 (Compressed Natural Gas Service)  
Eric Keniston, Senior Resource Planner, announced that staff recommends a 3 percent gas increase for Fiscal Year (FY) 2022. A zero percent and a 2 percent proposal were available but both proposals resulted in cost reductions. The proposals assumed a sales decline of 6 to 8 percent for FY 2022 but if sales decreased by 10 percent, a \$1 million expense reduction may be needed. The 3 percent increase assumed that there would be no future rate increase above 5 percent for the next 3-years. About one-third of gas rates are supply related with two-thirds related to distribution and the distribution rate is what Staff uses to determine rate proposals. Staff assumed that supply-related charges will increase by 4 percent per year on average with capital and distribution increases being at 2 to 3 percent per year. Gas supply cost drivers included the volatility in gas market prices, Pacific Gas and Electric (PG&E) transmission rates increases, increase cap and trade costs as well as the Carbon Neutral Gas Plan. Gas distribution cost drivers included health, retirement, and overhead costs, an increase in underground construction costs, and the crossbore project. Staff predicted that the Gas Utility will have a medium recovery for FY 2021-2022. With the 3 percent increase proposal, the Gas Operating Reserve is predicted to stay in the guideline ranges. The City continued to be below PG&E when comparing residential rates, small commercial customers continued to be lower but larger commercial customers bills were 15 percent higher than PG&E. Staff was also recommending an \$8.4 million transfer from the Rate Stabilization Reserve to the Operations Reserve in FY 2022, a \$4.454 million transfer from the Operations Reserve to the Cap and Trade Reserve in FY 2021 and an amendment to the Gas Utility Reserves Management Practices.

In response to Commissioner Johnston's assumptions that the cost reductions for the alternative rate increases is to defer Capital Improvement Projects (CIP), Keniston confirmed that is correct. In reply to Commissioner Johnston's inquiry if the UAC should be considering a 4 to 4.5 percent increase in customer's bills based on the projections, Keniston explained that staff cannot accurately predict gas commodity prices because they change daily. Commissioner Johnston understood that staff could not project supply cost but he wanted to be realistic in that a customer will see an increase greater than 3 percent on their bill. Jonathan Abendschein, Assistant Director of Utilities, agreed and disclosed that staff will explain that in greater detail in future reports and presentations.

In answer to Chair Forssell's inquiry regarding what will the Cap and Trade Reserve be spent on, Abendschein shared that staff has ideas but the implementation plan for the S/CAP needed to take place first. In response to Chair Forssell's question of how many customers and what type of customers are on the compressed natural gas rate schedule, and why the distribution rate is low, Keniston disclosed that there is only one filling station in the City. Public Works operates the facility and those pumps are mainly used by school buses and the City's fleet. In terms of a lower distribution rate, there is very little to no distribution infrastructure which keeps the rates low. In answer to Chair Forssell's query of if the City is setting itself up for future lawsuits by keeping the transfers to the General Fund in the budget, Abendschein stated that the budget has been reviewed by the City Attorney's Office and they felt comfortable with the budget as it stood.

Councilmember Filseth suspected that the litigation that the City was facing will be resolved and he foresaw no issues of the transfer to the General Fund causing further litigation. In answer to Councilmember Filseth's assumption that what the City pays PG&E for distribution was actually in commodity cost, Keniston confirmed that is correct.

Commissioner Danaher acknowledged that the City was very constrained last year in terms of increases and he understood that the City has to budget for the community's needs.

**ACTION:** Commissioner Danaher moved Staff Recommendation That the Utilities Advisory Commission Recommend the City Council adopt a resolution (Attachment A):

- a. Approving the fiscal year (FY) 2022 Gas Utility Financial Plan (Attachment B); and
- b. Transferring up to \$3.9 million from the Rate Stabilization Reserve (RSR) to the Operations Reserve at the end of FY 2021; and
- c. Transferring \$4.542 million from the Rate Stabilization Reserve to the Cap-and-Trade Program Reserve at the end of FY 2021; and
- d. Amending the Gas Utility Reserve Management Practices relating to the Cap-and-Trade Program Reserve (as set forth in the Financial Plan) (Attachment C); and
- e. Increasing gas rates by amending Rate Schedules G-1 (Residential Gas Service), G-2 (Residential Master-Metered and Commercial Gas Service), G-3 (Large Commercial Gas Service), and G-10 (Compressed Natural Gas Service) (Attachment D).

Seconded by Commissioner Johnston. Motion carries 6-0 with Chair Forssell, Vice Chair Segal, and Commissioner Danaher, Jackson, Johnston, and Smith voting yes. Commissioner Scharff absent

The UAC recessed at 5:17 p.m. and returned at 5:25 p.m.

**ITEM 3: ACTION:** Staff Recommendation That the Utilities Advisory Commission Recommend the City Council Adopt a Resolution Approving the Fiscal Year 2022 Electric Financial Plan and Reserve Transfers, and Amending Utility Rate Schedules E-EEC-1 (Export Electricity Compensation), E-NSE-1 (Net Surplus Electricity Compensation), E-2-G (Residential Master-Metered and Small Non Residential Green Power Electric Service), E-4-G (Medium Non Residential Green Power Electric Service), and E-7-G (Large Non-Residential Electric Service)

Eric Keniston, Senior Resources Planner, announced that staff recommended a zero percent rate increase to the Electric Utility for FY 2022. Staff did recommend increasing the Palo Alto Green Charges from 2/10<sup>th</sup> of a penny to 6/10<sup>th</sup> of a penny, as well as increasing the paid upgrades for the Net Energy Metering Program. The remaining Electrical Special Project Reserve loan repayment has been phased out to paying \$1 million per year instead of an upfront payment of \$5 million. The Electric Utility cost is approximately 60 percent supply with 40 percent distribution costs. The supply cost has been increasing by 2 percent per year, distribution costs are increasing by 3 percent per year and transmission costs are increasing by 10 percent per year. Supply cost drivers included transmission costs increasing dramatically and renewable projects coming online, but overhead costs have decreased. The City's residential electric bills continued to be lower than PG&E by 37 percent. With the proposed 3 percent, subsequent years would see a 5 percent increase. Operating Reserves were projected to drop to minimum levels in FY 2023 but would come back up to the target level by FY 2026. The Distribution Reserve is projected to be near the minimum guild lines but staff did not believe that to be a problem.

Vice Chair Segal commented that staffing is one of the barriers to completing a CIP project early and pushing projects out to later years caused the cost to increase. In answer to her question if an analysis has been done to see if it is cheaper for higher consultants to finish projects, Dave Yuan, Utilities Strategic Business Manager, shared that engineering has been exploring hiring a consulting company. Dean Batchelor, Director of Utilities, added that the department is recruiting another contractor to supplement

the City's current contractor. Vice Chair Segal wanted to see a separate line item regarding communication about electrification to the Communication Plan.

In response to Chair Forssell's inquiry regarding Palo Alto's Green Rate schedule and if the rate covers the hydro portion or if the utility purchases Renewable Energy Certificates (REC) for their entire energy usage, and why not have RECs be a pass-through rate, Keniston shared that he would investigate the answer regarding the Green Rate and bring it back to the Commission. In terms of a pass-through charge for RECs, Keniston shared that there are not many customers on that particular rate schedule.

In reply to Councilmember Filseth's query of why Santa Clara County is less expensive regarding customer bills than the City, Keniston acknowledged that they have a different generation portfolio mix than the City. Jonathan Abendschein, Assistant Utilities Director, added that Santa Clara County has a very small residential load compared to their large industrial load. Councilmember Filseth noted that Santa Clara County is close to reaching carbon neutral status.

**ACTION:** Commissioner Vice Chair Segal moved Staff Recommendation That the Utilities Advisory Commission Recommend the City Council adopt a Resolution (Attachment A):

1. Approving the Fiscal Year (FY) 2022 Electric Financial Plan (Attachment B);
2. Approving a transfer of up to \$5 million from the CIP Reserve to the Distribution Operations Reserve at the end of FY 2021;
3. Approving a transfer of up to \$1 million from the Supply Operations Reserve to the ESP reserve at the end of FY 2021;
4. Approving an allocation of up to \$1.189 million from the Cap and Trade Program Reserve at the end of FY 2021 to be spent on local decarbonization programs;
5. Updating the Export Electricity Compensation (E-EEC-1) rate to reflect current projections of avoided cost, effective July 1, 2021;
6. Updating the Net Surplus Electricity Compensation (E-NSE-1) rate to reflect current projections of avoided cost, effective July 1, 2021; and
7. Updating the Palo Alto Green program pass-through premium charge on the Residential Master-Metered and Small Non-Residential Green Power Electric Service (E-2-G), the Medium Non-Residential Green Power Electric Service (E-4-G), and the Large Non-Residential Green Power Electric Service (E-7-G) rate schedules to reflect current costs, effective July 1, 2021.

Seconded by Commissioner Danaher. Motion carries 6-0 with Chair Forssell, Vice Chair Segal, and Commissioners Danaher, Jackson, Johnston, and Smith voting yes. Commissioner Scharff absent.

**ITEM 4: ACTION:** Staff Recommendation That the Utilities Advisory Commission Recommend the City Council Adopt a Resolution Approving the Fiscal Year 2022 Water Utility Financial Plan, With no Water Rate Increase for Fiscal Year 2022

Lisa Bilir, Resource Planner, confirmed that staff recommends a zero rate increase for the Water Utility for FY 2022 and 5 percent rate increases in each subsequent year from FY 2023 through FY 2026. The key driver for rate increases in subsequent years is due to wholesale rate increases from the San Francisco Public Utilities Commission. The FY 2020 year-end Operations Reserve was at the maximum guideline level with additional funds considered unassigned. Last year, City Council approved a plan to make more active use of the CIP Reserve and staff is recommending a transfer of up to \$8 million into the CIP Reserve for funding the CIP Budget as well as requesting to transfer up to \$5 million to the CIP Reserve for one-time seismic reservoir replacement costs. The Operations Reserve and CIP Reserves are projected to be within guideline ranges for the duration of the 5 year forecast period.

In reply to Chair Forssell's question of what rate schedule the City's golf course is on, Jonathan Abendschein, Assistant Director of Utilities, confirmed it is largely on the Irrigation Rate Schedule.

In answer to Commissioner Johnston's inquiry why the commodity rate for irrigation is higher, Bilir disclosed that the amount of peak use across different time periods is used to calculate the rates as part of the cost of service study.

Councilmember Filseth noticed that the operation cost is growing between 5 and 6 percent annually and Consumer Price Index (CPI) is roughly 2 percent or less per year. If that continued, he announced that the City has to budget for that as well as understand what the drivers are for that increase; this is quite a bit higher than the City projects in the Long Range Financial Forecast. Abendschein understood that the operation increase is averaged over several years. It included both inflation increases as well as a large one-time increase related to leasing generators to place at pump stations. Bilir clarified that operation costs were increasing by 3 percent but the wholesale cost was increasing by 5 to 6 percent. Councilmember Filseth requested that staff check that information before it comes to the Finance Committee. In response to Councilmember Filseth's query that the City of Hayward is on San Francisco Public Utilities Commission (SFPUC) water, Bilir confirmed that is correct. Councilmember Filseth pointed out that the City of Hayward is lower than Palo Alto by 20 percent in terms of residential water rates. Bilir disclosed that the non-residential usage has been increased by 10 percent for the City of Hayward and Palo Alto's non-residential usage has declined. Also, Palo Alto has a very prudent and consistent investment in CIP and the City of Hayward does not have that type of investment.

In answer to Commissioner Danaher's inquiry regarding the last drought and surcharges, Bilir confirmed there were surcharges during the drought. Commissioner Danaher suggested that the City invest more in emergency water reserves to protect the urban landscape. Dean Batchelor, Utilities Director, noted that when the surcharge was implemented, Council had to approve that before it could be enacted. Also, engineering has been exploring the possibility of building another reservoir located within the City.

Bilir corrected her statement and pointed out that the Palo Alto Golf Course primarily uses recycled water. In answer to Chair Forssell's question if there is a separate rate schedule for recycled water, Abendschein confirmed it is free but announced that staff plans to form a utility and a rate schedule for recycled water in the next couple of years.

In response to Councilmember Filseth's inquiry if the lake at Foothills Park is connected to the City's water system, Bilir confirmed that the lake is filled with Hetch Hetchy water from the City. In reply to Chair Forssell's query if the lake functions as a reservoir, Batchelor answered that it is just for aesthetics and wildlife.

Abendschein added that in terms of additional water supplies, he mentioned that SFPUC is also exploring additional water supplies to be able to maintain the level of service goal to have no greater than 20% cutbacks in a drought. The City is investigating ways to surpass that goal.

**ACTION:** Commissioner Smith moved Staff Recommendation That the Utilities Advisory Commission Recommend the City Council Adopt a resolution (Attachment A) approving:  
a. The Fiscal Year (FY) 2022 Water Utility Financial Plan (Attachment B); and  
b. A transfer of up to \$13.24 million from the Operations Reserve to the CIP Reserve in FY 2022.

Seconded by Commissioner Johnston. Motion carries 6-0 with Chair Forssell, Vice Chair Segal, and Commissioner Danaher, Jackson, Johnston, and Smith voting yes. Commissioner Scharff absent.

#### **COMMISSIONER COMMENTS and REPORTS from MEETINGS/EVENTS**

Commissioner Danaher shared that there is more acceleration in vehicle-to-grid technologies. In terms of distributed storage and resilience for the City, he predicted that electric vehicle (EV) penetration will become a factor. He announced that there is a surge in investments in hydrogen technology to reduce the

cost of hydrogen. Many of the technologies will be used for industrial applications but there is discussion on how natural gas can be replaced with hydrogen in municipal systems. In answer to Dean Batchelor, Director of Utilities, question of what the operating pressures is for hydrogen, Commissioner Danaher clarified that the issue is being addressed and there may not be a need for high pressured pipes.

Commissioner Smith reported that in terms of the Renewable Energy Certificates (REC) Exchange Program, he was surprised to see Bucket Three rates 28 percent higher than anticipated. He wanted to know if those trends were forecasted to be continued in the future. Chair Forssell advised agendizing that discussion for the next meeting.

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**FUTURE TOPICS FOR UPCOMING MEETINGS: April 07, 2021**

Vice Chair Segal requested an update on sea-level rise as well as a discussion on recycled water.

In answer to Commissioner Jackson's if the (DSC) permit process agenda item will be presented in April, Dean Batchelor, Utilities Director, confirmed it will be in April.

Commissioner Danaher suggested that the UAC receive an update on electric vehicle (EV) chargers in the last month of each quarter.

Commissioner Smith suggested that the UAC start their meetings at 7:00 pm to allow the public to attend the meetings. Commissioner Danaher agreed with that suggestion. Vice Chair Segal shared that her schedule is flexible and can accommodate a 4:00 pm start time. Commissioner Jackson stated that the earlier time is better for him. Commissioner Johnston disclosed that he can do either time. Chair Forssell stated that she is flexible as well but suggested that the item be agendized for further discussion.

Chair Forssell wanted an update from Magellan. Batchelor announced that in April 2021 there will be a fiber update from Magellan. In that discussion, staff will seek action from the UAC on moving forward with Phase Two and Phase Four of the plan. Chair Forssell commented that another topic was cybersecurity and what processes the City has in place to protect against intruders. She suggested that come to the UAC as a discussion item. Commissioner Jackson and Commissioner Smith agreed. Councilmember Filseth noted that the City Auditor consulting firm the City contracted with will be investigating cybersecurity for Information Technology (IT). He advised the UAC to receive a presentation from the City Auditors.

**NEXT SCHEDULED MEETING: April 07, 2021**

Commissioner Danaher moved to adjourn. Commissioner Jackson seconded the motion. The motion carried 6-0 with Chair Forssell, Vice Chair Segal, and Commissioners Danaher, Jackson, Johnston, and Smith voting yes. Commissioner Scharff absent. Meeting adjourned at 6:27 p.m.

Respectfully Submitted  
Tabatha Boatwright  
City of Palo Alto Utilities