



UTILITIES ADVISORY COMMISSION MEETING MINUTES OF FEBRUARY 8, 2022 SPECIAL MEETING

CALL TO ORDER

Chair Forssell called the meeting of the Utilities Advisory Commission (UAC) to order at 5:02 p.m.

Present: Chair Forssell, Vice Chair Segal, Commissioners Bowie, Johnston, Metz, Scharff and Smith
(arrived at 5:07 p.m.)

Absent:

AGENDA REVIEW AND REVISIONS

None.

ORAL COMMUNICATIONS

Lindsay Joye mentioned that the Zoom link on the agenda did not work. Tabatha Boatwright, Utilities Administrative Assistant announced that the error has been corrected.

APPROVAL OF THE MINUTES

None.

UNFINISHED BUSINESS

None.

UTILITIES DIRECTOR REPORT

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

Scheduled Power Outages: 700 customers were affected by a scheduled power outage. Utility staff was able to repair a broken cable and restore power in an hour and 15 minutes. There was a scheduled power out for 22 to 24 customers on Walnut Street and staff was able to restore power quickly after repairs were completed.

NEW BUSINESS

ITEM 1: DISCUSSION: Discussion and Update on Palo Alto Fiber Communications and Community Engagement

Dean Batchelor, Director of Utilities, introduced Meghan Horrigan-Taylor and Amanda de Jesus who presented the item to the UAC.

Meghan Horrigan-Taylor, Chief Communications Manager, reported that between October 2021 and April 2022, staff has been raising community awareness for the Fiber project. Between January 2022 and May 2022, staff planned to continue to build community excitement through project milestones, impacts and methods to inform and gain feedback. In May through June of 2022, staff will be presenting and seeking direction from the City Council and the UAC.

Amanda de Jesus, Communications Manager, shared that the community education plan included direct correspondence, websites and social media posts. These efforts were to ensure that the community was aware of the conversations that were taking place around the Fiber project. Included in the fiber hub was an interactive map that allowed folks to understand the project, provide their feedback on the project, interact with staff, and other community engagement items. To date, the Fiber Hub had been viewed by over 4,000 and 210 residents and businesses have pinned their support on the interactive map. Regarding the fiber blog, 880 people had viewed it. The FIBERLink eBlast has been subscribed to by 552 community members and social media posts continued to reach thousands community members.

Ms. Horrigan-Taylor mentioned that staff has seen a steady increase in email correspondences between staff and community members about the project.

de Jesus explained that the Fiber Ambassador Toolkit shared tools and resources about ways to host neighborhood meet-ups to discuss fiber and build neighborhood networks. Regarding frequently asked questions (FAQ), the FAQs were located on the Fiber Hub and staff responded directly to all questions.

Horrigan-Taylor requested that the UAC provide any feedback on the FAQs that may be helpful for the public.

de Jesus continued the presentation and shared that upcoming events included the Fiber Community Information Session on February 24, 2022, the Fiber Neighbor Meetup Week of February 28, 2022, through March 4, 2022, and a market research survey that will be launched in mid-March 2022.

Horrigan-Taylor concluded that staff has been receiving good feedback from the community about the Fiber Project and the effort underway.

Commissioner Smith joined the meeting.

Commissioner Smith shared that he has worked with staff and provided them feedback on the Fiber Ambassador Toolkit. One of the five major points that was passed in the UAC motion was education and engagement with the public. He expressed strong concern about the ambassador program and stated that relying on ambassadors who are not sponsored by the City reduced the credibility of the ambassador program as well as reduced the opportunity to deliver congruent messages Citywide. He expressed that the Fiber Project is a joint effort between the City and the community. He found it unfair that the City has now pushed the project onto the community to move the project forward through the ambassador program. He encouraged the City to take a more ownership and leadership role in coordinating and organizing the ambassadors. Having a more structured ambassador program was the better approach and holding monthly managed meetings would be best. Batchelor acknowledged that the City is not at the level of community outreach that Commissioner Smith had hoped for. The history of the project included 20-years of outreach to the community regarding fiber and then the City not moving forward with any implementation. The project now has the City's full support and that dedication has proven to the community that the project is moving forward. He stated that staff will be presenting the community engagement process to Council to allow them weigh in on it. Then staff can take their input and address any concerns about the ambassador program. Commissioner Smith appreciated staff's response and appreciated the considerations. He mentioned that at some point the City will have to ask the community to help fund the project. That most likely will occur when Magellan has completed the design which was roughly 12-months away. He strongly encouraged staff to begin funding discussions with Council and the City Manager now. Batchelor agreed but explained that staff wants to provide the most accurate full build-out assumption to Council.

In answer to Horrigan-Taylor's query regarding when will the next discussion with Council and the UAC be, Batchelor answered in May 2022. Horrigan-Taylor explained that engagement with the community began in October 2021 and will continue through May of 2022. After staff hears feedback from Council and the UAC, then staff will develop additional conversations with the community around the next steps.

In answer to Vice Chair Segal's inquiry regarding milestones for community engagement, Horrigan-Taylor shared that one goal was to build excitement and build successful awareness. Folks who have stamped their home on the interactive map have indicated to staff that they are interested in having fiber at their home or business. Vice Chair Segal clarified that she wanted to see more quantitative milestones to measure the success so far. Horrigan-Taylor clarified that the market survey will provide a more quantitative outlook. Vice Chair Segal stated that having actual number goals that can be measured would be helpful.

Commissioner Johnston appreciated staff's work but agreed that the City has a long way to go to reach substantial community outreach by May 2022. In answer to his inquiry regarding the community meeting on February 24, 2022, Horrigan-Taylor confirmed that 75 community members have signed up for the meeting. Staff has been promoting the meeting through the website calendar, social media calendars, a business letter, advertisement through the utility bill inserts and online portal, direct emails to utility customers and other outreach efforts. In answer to Commissioner Johnston's query regarding written article promotions, Horrigan-Taylor answered there have been no written articles drafted about the workshop. Commissioner Johnston agreed that to have the project be successful, the City has to have more support from the community than just the folks who are already interested. Two key questions he believed were important were how having its own fiber system will change Palo Alto residents lives and how much it will cost customers. He mentioned that he has not been able to find an answer to either of those questions on any of the community outreach sites. In reply to his question regarding how UAC Commissioners can help promote the February 24, 2022 meeting, Horrigan-Taylor requested that the UAC provide the event flyer to their network as well as host focus groups. In response to Commissioner Johnston's request regarding the content of the February 24, 2022 meeting, Horrigan-Taylor shared that staff and Magellan will host a presentation, answer FAQ, and allow for the community to ask questions.

Commissioner Metz agreed that marketing for the project has been moving forward. Regarding inbound market research, he suggested that staff explore the key market risks that are associated with the project such as the take rate and pricing. In reply to his questions regarding key market risks, Batchelor confirmed that staff will be discussing with Council take rates, the overall business plan, and the cost of the project. Horrigan-Taylor concurred that there are market and cost questions in the market survey. Commissioner Metz wanted to understand what folks will be paying for the service and what type of revenue the City will receive.

Commissioner Bowie shared that he enjoyed the geographic dashboard. Regarding the cost comparison in the market survey, he shared that one of the benefits of local control was the internet policy that the City can enact. In answer to his query regarding if that aspect was being portrayed to the community, de Jesus stated that the market survey focuses on the consumer market and does not ask technical questions. Horrigan-Taylor noted that those questions could be included in a survey that can be conducted later in the process. Commissioner Bowie noted that the community may be interested in those components and how data is handled by an internet service provider (ISP). Batchelor agreed that the City will have greater capacity than competitors.

Vice Chair Segal echoed Commissioner Johnston's concern that some of the information on the website was not focused on the right audience. She noted that the Fiber Hub was not private.

In answer to Chair Forssell's question regarding the Fiber Hub map, de Jesus confirmed that the Fiber Hub asks folks what their current service is. Chair Forssell appreciated that the goal of the market survey and the Fiber Hub is to gather a single data set with geographic service provider cost as well as the speed of the service. She echoed Commissioner Bowie's comments regarding other properties of municipal fiber and she announced that she would be happy to host a focus group discussion. In answer to her query regarding what the approved \$2.5 million paid for, Dave Yuan, Strategic Business Manager, explained that \$500,000 was for the fiber backbone and then \$2 million for fiber-to-the-home (FTTH). The network will be supporting Automated Metering Infrastructure (AMI) as well but the backbone was to support the City's facilities mainly.

Chair Forssell summarized that the City had \$2 million invested in a project that the City may or may not do and that decision will be made in May/June 2022.

Council Member Cormack recalled that Council requested a business case to come back and staff nodded that was correct. She worried that more people did not understand fiber compared to the number of folks who did understand it. Horrigan-Taylor confirmed that the first document folks come across is a benefits page and those are also outlined in the FAQ section. The fiber hub was to connect the community around the project and then technical aspects of the project were listed on the project page. Council Member Cormack encouraged staff to have a tagline and Horrigan-Taylor pointed out that there are a lot of visual graphics on how fiber works. Council Member Cormack acknowledged the amount of community engagement staff was doing for the fiber project and supported that level of deep engagement for the Sustainability Climate Action Plan (S/CAP). In reply to her query regarding the libraries and emergency service volunteers hosting workshops, Horrigan-Taylor mentioned that staff had not thought about hosting at the libraries but will explore it further. Batchelor noted that staff has not reached out to the emergency service volunteers.

Commissioner Bowie left the meeting at 6:10 p.m.

ACTION: None

COMMISSIONER COMMENTS and REPORTS from MEETINGS/EVENTS

None.

FUTURE TOPICS FOR UPCOMING MEETINGS: March 02, 2022

Commissioner Smith appreciated the special session that allowed the UAC to focus on one topic. In answer to his question regarding regular updates for community engagement for fiber, Dave Yuan, Strategic Business Manager, confirmed that Magellan will come back to the UAC at their April 2022 and the subcommittee will receive an update on the business model as well.

Chair Forssell wanted an informational report on the number of pins, the number of views and how many folks are reading the blog for the fiber project. Meghan Morrigan-Taylor, Chief Communications Manager, confirmed that staff can provide those details to the UAC in their Packets.

Commissioner Metz welcomed monthly updates before the April 2022 UAC meeting.

Commissioner Smith shared that he was shocked to hear at the last meeting that the City's infrastructure may not be able to support the S/CAP goals of electrification. Commissioner Scharff interjected that the Commission should not discuss topics that were heard at the last meeting. Commissioner Smith agreed but stated that the UAC should agendize a discussion regarding modernization of the City's infrastructure.

Chair Forssell supported Commissioner Smith's suggested topic regarding infrastructure.

NEXT SCHEDULED MEETING: March 2, 2022

Commissioner Metz moved to adjourn. Commissioner Johnston seconded the motion. The motion carried 6-0 with Chair Forssell, Vice Chair Segal, and Commissioners Johnston, Metz, Scharff, and Smith voting yes.

Commissioner Bowie absent

Meeting adjourned at 6:21 p.m.