

**CITY OF ANAHEIM
PUBLIC UTILITIES BOARD**

MINUTES

AUGUST 24, 2022

The agenda having been posted on Thursday, August 18, 2022, the Regular Meeting of the Public Utilities Board (Board) was called to order by Chairperson J. Seymour at 5:00 p.m. on Wednesday, August 24, 2022, in the Gordon Hoyt Conference Center, 2nd floor, Anaheim West Tower, 201 S. Anaheim Blvd., Anaheim, California.

Board Members Present: Chairperson J. Seymour, Vice-Chairperson V. Baroldi, A. Abdulrahman, N. Campos Kurtz, M. Lee, A. Pham

Board Members Absent: R. Bhalla

City Staff Present: B. Beelner, P. Starr, A. Kott, M. Avelino-Walker, M. Moore, J. Lehman, J. Lonneker, C. Parker, M. Seifen, T. Castaneda, B. Mendoza

Guest(s) Present: Yosselin De La Cruz, Cintya Felix, Iyana Higgins

AGENDA ITEM

ACTION TAKEN

1. PUBLIC COMMENTS.

There being no electronic or oral public comments, Chairperson J. Seymour closed the public comments portion of the meeting.

2. PRESENTATION: CALIFORNIA STATE UNIVERSITY, FULLERTON (CSUF) INTERNSHIP PROGRAM.

M. Avelino-Walker, General Services Manager, introduced the interns who participated in Anaheim Public Utilities (APU) 2022 Internship Program. This program provides both high-school and California State University, Fullerton (CSUF) students an opportunity to engage in hands-on career preparation and community interaction. As part of the presentation, M. Avelino-Walker invited three interns to speak and share their internship experience. The three interns were Y. De La Cruz (California State University, Fullerton), C. Felix (Chapman University), and I. Haggins (California State University, Fullerton). The presentation concluded with a short video highlighting the residential WaterSmart Landscape 2022 winners, created by intern I. Haggins. The Board congratulated the students on the completion of their internship.

3. APPROVAL OF THE MINUTES OF THE PUBLIC UTILITIES BOARD MEETING OF JULY 27, 2022. *

A. Abdulraham moved the approval of the Minutes of the Public Utilities Board Regular Meeting of July 27, 2022. Vice-Chairperson V. Baroldi seconded the motion.

MOTION CARRIED: 6-0.
ABSTAINED: 0.
ABSENT: 1. [R. Bhalla].

4. RECOMMENDATION THAT CITY COUNCIL, BY MOTION, APPROVE THE CITY OF ANAHEIM’S RESPONSE TO THE ORANGE COUNTY GRAND JURY REPORT ENTITLED “WATER IN ORANGE COUNTY NEEDS ‘ONE VOICE’” AND AUTHORIZE AND DIRECT THE PUBLIC UTILITIES GENERAL MANAGER TO SIGN AND PROVIDE THE RESPONSE TO THE PRESIDING JUDGE OF THE ORANGE COUNTY COURT AND THE ORANGE COUNTY GRAND JURY. *

N. Campos Kurtz moved the approval of the City of Anaheim’s Response to the Orange County Grand Jury Report. M. Lee seconded the motion.

MOTION CARRIED: 6-0.
ABSTAINED: 0.
ABSENT: 1. [R. Bhalla].

M. Moore, Assistant General Manager – Water Services, provided an overview of the proposed response to the OC Grand Jury Report titled “Water in Orange County Needs ‘One Voice’”.

One of the items in the report was an evaluation of combining the Municipal Water District of Orange County (MWDOC) with the Orange County Water District (OCWD). APU prepared a response to the findings and recommendations contained in the Report and, if approved, it will be presented to City Council in September.

The Board asked what may have prompted the OC Grand Jury to prepare a report on this particular issue. M. Moore responded that the reasons for initiating the Report were not provided, but the Report does mention a need for better water agency efficiency and representation throughout California. M. Moore indicated that in their responses to the Report, OCWD favored consolidation while MWDOC did not.

The Board asked if the findings in the OC Grand Jury Report were general or if they concerned the City of Anaheim (Anaheim) specifically. M. Moore indicated that the Report related to all of Orange County and specifically the combination of the OCWD and MWDOC. OCWD and MWDOC have formed *ad hoc* committees to determine whether they will further consider the OC Grand Jury proposal.

The Board complimented M. Moore and his team for preparing APU's response and representing the interests of Anaheim. M. Moore thanked A. Kott, Assistant City Attorney, and D. Payne, Deputy City Attorney, for their assistance in preparing the response.

N. Campos Kurtz moved the approval of Department Orders (DO) 105 and 410. A. Pham seconded the motion.

MOTION CARRIED: 6-0.

ABSTAINED: 0.

ABSENT: 1. [R. Bhalla].

5. APPROVAL OF DEPARTMENT ORDERS (DO) 105 - PROCESSING CITY COUNCIL AND PUBLIC UTILITIES BOARD AGENDA ITEMS AND DO 410 - PROCEDURE FOR PUBLIC NOTIFICATION OF CONSTRUCTION OF CONSTRUCTION PROJECTS.

M. Avelino-Walker, General Services Manager, summarized the update to Department Order (DO) 105 which was initially approved by the Board in 2016. The updated DO provides procedural clarification and new timelines relative to the City Clerk's staff report submittal process. Further, M. Avelino-Walker shared that the updates to DO 105 were timely, considering the number of new APU staff that participate in the process and the updated DO 105 will be a resource tool for them to utilize.

J. Lonneker, Assistant General Manager – Electric Services, provided the Board with a summary of the proposed DO 410- Procedures for Public Notification of Construction. The procedures include template notifications to be sent to residents and businesses for large, medium, and small construction projects that involve excavation in the area. DO 410 was created to maintain consistency when messaging residents and businesses with pertinent information.

6. UPDATE ON ELECTRIC SYSTEM ITEMS.

J. Lonneker, Assistant General Manager – Electric Services, shared with the Board the updated APU webpage "Digging Safely", which provides contact instructions before excavating on public and private property. The website also provides a legend on the color codes used to identify the various types of utility infrastructure. The webpage can be found at the following link:
<https://www.anaheim.net/6263/Digging-Safely>.

J. Lonneker shared with the Board the results of the Mile High Lineman Rodeo held on August 20, 2022 in Denver, Colorado. R. Berry, Apprentice Line Mechanic, and D. Diaz, Apprentice Line Mechanic, won 1st and 2nd places in three of the events. There were 25 teams represented, with 77 apprentices competing in 5 different events.

7. UPDATE ON WATER SYSTEM ITEMS.

M. Moore, Assistant General Manager – Water Services, provided an update on the Water Supply dashboard. The local Groundwater Basin and the MWD storage are in good condition. However, the Colorado River and Lake Mead water supply continues to fall, which will soon cause California and the seven other states that have taken water from the Colorado River for the past 100 years to reevaluate how they manage water consumption. The Federal Government has already indicated that these states need to come up with ways to save and reduce water consumption.

M. Moore provided a reminder that approximately 80% of the population of the Western United States is currently in severe or extreme drought conditions. If these trends continue and Colorado River access becomes limited, California will have stricter water restrictions.

The Board asked if the recent number of monsoons has affected drought conditions in California. M. Moore responded that the high number of monsoon rains did stall water decline and raise the water level in Lake Mead, but the water supply will continue to diminish despite these recent rains.

M. Moore shared construction photos of the progress of the two Groundwater Treatment Plant sites. MWD is doing a pipeline shutdown on September 6, 2022, and APU is helping MWD by using water from Walnut Canyon Reservoir during the shutdown.

An open house was held on August 20, 2022 at Willow Park to share information with the community on the upcoming construction of a Groundwater Treatment Plant in that area. Positive feedback was received from the community on this project.

APU has increased its social media messaging and created a new video message to spread the word about water conservation. The video includes children from APU employees.

Board Member N. Campos-Kurtz raised a concern from the community regarding the irrigation times at Boysen Park. M. Moore reminded the Board that the best way to raise a concern about water conservation is to submit a request through the Anaheim Anytime app or website. The request goes straight to the APU conservation team who can address these issues.

8. UPDATE ON FINANCE & ENERGY RESOURCES ITEMS.

B. Beelner, Acting Public Utilities General Manager, discussed the monthly Finance dashboard with the Board. The year-to-date electric revenue through July 2022 was 5.8% above budget (\$2.0M) due to higher than expected wholesale revenue. Electric costs for

FY 22/23 has fallen below budget by 3.1% (\$1.0M) causing a net positive budget variance of \$3.0M. B. Beelner then mentioned that year-to-date water revenue was 12.2% (\$1.1M) below budget due to conservation undertaken by APU's customers. Water operating costs also fell below budget by 12.9% (\$0.9M) causing a net negative budget variance of \$0.2M.

B. Beelner presented the Power Supply dashboard and discussed the higher than typical amount of wholesale revenue. This variance was due to the fact that the Intermountain Power Project (IPP) operated at full capacity for the month of July. IPP's operating level coupled with higher than normal energy prices meant additional wholesale revenue generated for APU.

The Board asked B. Beelner about fuel price levels and APU's natural gas hedging strategy. B. Beelner discussed how fuel supply and prices to IPP have stabilized and then discussed APU's strategy to own physical natural gas wells along with purchasing natural gas through long, medium, and short term contracts to mitigate fuel price volatility.

9. UPDATE ON ADMINISTRATION & RISK SERVICES ITEMS.

J. Lehman, Assistant General Manager - Administration and Risk Services, provided the Board with several updates. The first was regarding the Internal Compliance Plan and provided an update in regards to the Canyon Power Plant. She indicated that the South Coast Air Quality Management District may potentially issue a notice of violation due to a minor exceedance of carbon monoxide emissions that occurred during maintenance activities. J. Lehman shared that all other programs were in compliance, and that no violations were received during this period.

J. Lehman then invited the Board's attention to the Administration and Risk Services Dashboard and highlighted three bills of interest and then reviewed the safety metrics.

10. ITEMS BY SECRETARY.

B. Beelner, Acting Public Utilities General Manager, provided updates to the Board on local events attended by APU staff. He shared photographs from the National Night Out event hosted by the Anaheim Police Department, held at Ponderosa Park. Approximately 130 dusk to dawn lights were distributed to attendees, along with information about energy efficiency programs.

B. Beelner also shared photographs from the Solar Car Kits Assembly event attended by community members from Lincoln Elementary School.

B. Beelner discussed the Flashlight Walk at Edison Park attended by APU employees. Safety issues were discussed with residents, as well as new light fixtures and other community concerns. Updates regarding lighting improvements and the dusk to dawn program were provided to community members.

B. Beelner shared agenda items planned for next month:

- Legislative Working Group Meeting
- Neighborhood and Residential Lighting Presentation
- FY22 Utilities Success Indicators
- Approval of the Annual Department Order 310 Change Order Report
- Approval of the New Utility Pole Lease Rates for FY 22/23 through FY 31/32
- Acceptance of the Second Distribution of Bill Reduction Funds Administered through the State of California for COVID-19 Pandemic Relief for the Benefit of Electric Utility Customers to Reduce Arrearages, and Discussion of Past Due Balances.

11. ITEMS BY BOARD MEMBERS.

Board Member M. Lee commended M. Moore on the open house event at Willow Park and noted employee satisfaction among those employees he spoke to. M. Lee also commended M. Avelino-Walker on the CSUF Intern Program and the speeches heard from the interns this evening.

12. ADJOURNMENT: (NEXT REGULAR MEETING ON SEPTEMBER 28, 2022 AT 5:00 P.M.)

N. Campos Kurtz moved to adjourn the Regular Meeting in the Gordon Hoyt Conference Center at 6:10 p.m. to the Board's Regular Meeting date of September 28, 2022 at 5:00 p.m. M. Lee seconded the motion.
MOTION CARRIED: 6-0.
ABSTAINED: 0.
ABSENT: 1. [R. Bhalla].

Respectfully submitted,



Brian Beelner
Acting Public Utilities General Manager

- * Indicates item(s) that will be forwarded to City Council for action upon recommendation by the Board.
- ** Indicates item(s) that will be forwarded to City Clerk and City Council for informational purposes.