

BOARD OF PUBLIC UTILITIES

February 2, 2016

The regular meeting of the Board of Public Utilities held on the 2nd day of February, 2016, was called to order at 4:00 p.m. with CHAIRMAN POCOCK presiding and the following COMMISSIONERS present:

COMMISSIONERS WRIGHT, MOFFITT, SHAVER AND CAMPBELL

Also Present: SECRETARY SALLIS, CITY MANAGER DANIELS, AND OTHER KEY STAFF

EX ABSNC COMMISSIONER CAMPBELL MOVED, SECONDED BY COMMISSIONER SCHNEIDER MOFFITT, to grant an excused absence to COMMISSIONER SCHNEIDER. Motion carried by the following vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS WRIGHT,
MOFFITT, SHAVER AND CAMPBELL
NOES: NONE
ABSENT: COMMISSIONER SCHNEIDER

APPROVAL COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER AGENDA WRIGHT, to approve the agenda. Motion carried by the following vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS WRIGHT,
MOFFITT, SHAVER AND CAMPBELL
NOES: NONE
ABSENT: COMMISSIONER SCHNEIDER

APR MINS: COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER CAMPBELL, to approve the minutes of the regular meeting held July 7, 2015; July 7, '15 and the minutes of the special meeting held August 25, 2015. Motion carried by Aug 25, '15 the following vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS MOFFITT,
SHAVER AND CAMPBELL
NOES: NONE
ABSTAIN: COMMISSIONER WRIGHT
ABSENT: COMMISSIONER SCHNEIDER

CORSPNDN: None

PBLC APRN: None

UNF BUSNS: None

NEW BUSN: City Manager Daniels explained that last year, we wrote off \$255,000 in bad debt in the utilities so staff is trying to tighten the collections policy. Kim

RESOL NO Mitchell, business office supervisor, briefly spoke on the current collections
2-2-16 BPU policy and recommended that the policy allow one month delinquency, not three
RE TERMT as is the current policy.

AND/OR
RESTORE CHAIRMAN POCOCK noted that there was an anomaly with the billing cycle
SERVICES versus the collection cycle and asked if that was corrected so that they are the
same. Supervisor Mitchell responded yes. CHAIRMAN POCOCK questioned if
there is a policy on corporate accounts to get a guarantee from a financially
responsible person within the corporation to which Supervisor Mitchell responded
that we've never asked for a personal guarantor. CHAIRMAN POCOCK asked
that this be looked into and possibly incorporated into the policy.

City Manager Daniels spoke on the issue of rental properties and tenants leaving
unpaid utility bills. He will work with the city attorney to see if we can hold the
land owner responsible and subject the property to a lien for any unpaid bills.
COMMISSIONER SHAVER questioned if the landlord would have authority to
cut off service if the tenant is not paying and if the landlord does not have such
authority, they should not be held responsible.

CHAIRMAN POCOCK requested an opinion from the city attorney on getting a
personal guarantee on corporate accounts or requiring a larger deposit on
corporate accounts. City Manager Daniels agreed to look into a personal
guarantee and holding a landlord responsible for their tenant.

COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER
SHAVER, to adopt Resolution No. 2-2-16 BPU amending the policy relating to
termination and/or restoration of electric, water and wastewater services. Motion
carried by the following vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS WRIGHT,
MOFFITT, SHAVER AND CAMPBELL
NOES: NONE
ABSENT: COMMISSIONER SCHNEIDER

PCA FOR City Manager Daniels noted an over-collection of \$131,590 in the power cost
QTR END adjustment (PCA) and recommended a rebate of that amount.

DEC 31, '15

CHAIRMAN POCOCK MOVED, SECONDED BY COMMISSIONER
MOFFITT, that for the months of February, March and April 2016, the over-
hydro rate be temporarily changed to \$0.0657 per kwh. Motion carried by the
following vote:

AYES: CHAIRMAN POCOCK, COMMISSIONERS WRIGHT,
MOFFITT, SHAVER AND CAMPBELL
NOES: NONE
ABSENT: COMMISSIONER SCHNEIDER

REPORTS: CHAIRMAN POCOCK acknowledged the monthly activity report for December 2015.

MGR RPT City Manager Daniels distributed and reviewed information on the Prop 218 hearing regarding water and wastewater rate increases. The first community meeting was held last Saturday and three people attended with many good questions asked.

City Manager Daniels noted that at the last meeting, the Board talked about the unique cost and potential fees for solar. Staff is researching and will bring this back at a future meeting. CHAIRMAN POCOCK asked about unbundling all of the customer billings in electric such that it separates the charges of delivery of power from the grid costs so that all pay on what is used in purchased power and delivery over the grid then the charges would not be unique to solar but solar would be paying their fair share of the grid costs for solar power that is put on and taken off the grid. City Manager Daniels agreed to write up what he understood CHAIRMAN POCOCK’s question(s) to be and will forward for approval before sending to the attorney for a response. COMMISSIONER CAMPBELL felt there might already be an historical precedent set on transmission of electricity as there are already tariffs for energy providers and solar should have to pay the same tariffs. Discussion followed on solar power and the need for those customers to pay their fair share of the grid costs.

BRD RQSTS CHAIRMAN POCOCK requested information on installed solar customers, how many, installed capacity, and rated capacity to produce on an annual basis.

CHAIRMAN POCOCK asked the date of the city’s next general election to which City Manager Daniels responded November 2016. CHAIRMAN POCOCK requested on the April 19 Board agenda an item to discuss a ballot measure regarding changing the franchise fee to a utility users tax (UUT).

ADJOURN: COMMISSIONER MOFFITT MOVED, SECONDED BY COMMISSIONER WRIGHT, to adjourn. Motion carried by the following vote:

- AYES: CHAIRMAN POCOCK, COMMISSIONERS WRIGHT, MOFFITT, SHAVER AND CAMPBELL
- NOES: NONE
- ABSENT: COMMISSIONER SCHNEIDER

CHAIRMAN POCOCK declared the regular meeting of the Board of Public Utilities held on the 2nd day of February, 2016, adjourned at 4:40 p.m.

ATTEST: _____
Chairman Secretary