



NOTICE OF MEETING

CITY OF CAMARILLO UTILITIES COMMITTEE

Monday, November 30, 2020 – 9:00 a.m.

In accordance with the California Governor's Executive Orders declaring a State of Emergency and the County of Ventura Health Officer's Local Health Emergency Declaration as a result of the threat of the Covid-19 virus, the City of Camarillo Utilities Committee meeting will be held via video conference.

This meeting is being held via Zoom webinar and all attendees are muted by default. To join via computer, click the Public Access Attendee Link on the meeting date and time:

<https://us02web.zoom.us/j/85371928304> Passcode: 195012

If you do not have speakers or a microphone on your computer, you can dial in for audio. Call (669) 900-9128 and enter meeting ID 853 7192 8304 Passcode: 195012

If you would like to speak during Item C, Public Comments, please:

1. **PUBLIC COMMENTS VIA EMAIL** – You may submit your comment, limited to 300 words or less, via email, no later than 4:00 p.m. on November 27, 2020, to Cyndi Nicholl at cnicholl@cityofcamarillo.org. Your email will be copied and distributed to the Committee prior to the start of the meeting.
2. **ONLINE DURING THE MEETING:** Raise your hand to make a verbal comment limited to three minutes, or use the Q&A panel to submit a written comment; OR
3. **BY PHONE DURING THE MEETING:** press *9 to raise your hand, *6 to send a request to be unmuted before making any verbal comments.

ADA COMPLIANCE STATEMENT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office at (805) 388-5316. Notification 48 hours prior to the meeting will enable the City to make reasonable accommodations to ensure your access to this meeting. (28 CFR 3.102.35.104 ADA Title II)

Written materials related to these agenda items are available for public inspection in the Office of the City Clerk at 601 Carmen Drive, Camarillo during regular business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m.

Packet Distribution:

Susan Santangelo, Vice Mayor
Charlotte Craven, Councilmember
Greg Ramirez, City Manager
Carmen Nichols, Assistant City Manager
Dave Klotzle, Director of Public Works
Lucie McGovern, Deputy Director PW/Environmental
Mark Uribe, Director of Finance

Michelle D'Anna Community Relations Officer
Jeffrie Madland, City Clerk
Counter Copy

Tony Trembley, Mayor
Kevin Kildee, Councilmember
Shawn Mulchay, Councilmember

AGENDA

CITY OF CAMARILLO - UTILITIES COMMITTEE

Monday, November 30, 2020 at 9:00 a.m.

- A. Call to Order
- B. Approval of Minutes of the September 16, 2020 Meeting
- C. Public Comments
- D. Action Items
 - 1. Clean Power Alliance: Default Rate Tier
 - 2. Combined Water and Sewer Rate Study
- E. Information Items - None
- F. Committee Comments
- G. Set Next Meeting Date
- H. Adjournment

CITY OF CAMARILLO
UTILITIES COMMITTEE

MINUTES

Wednesday, September 16, 2020 at 8:30 a.m.

Call to Order: Meeting was called to order at 8:30 a.m.

Committee Members Present: Vice Mayor Santangelo and Councilmember Craven.

Staff Present: City Manager Greg Ramirez, Assistant City Manager Carmen Nichols, Director of Public Works Dave Klotzle, Deputy Director/Environmental Engineer Lucie McGovern, Senior Management Analyst Roger Pichardo, Assistant Director of Finance Mark Uribe, Principal Civil Engineer Ken Matsuoka, Senior Civil Engineer Andrew Grubb.

Others in Attendance: Kane Thuyen (for Don Davis) Burke, William & Sorensen, Bob O'Hagan, Craig Lewis, Frank Wasko, and Wendy Boyle of Clean Coalition.

Approval of Minutes from August 20, 2019: Approved as presented.

Public Comments: None.

Information Item:

Information Item 1: Solar and Battery Standby Power Assessment Study

Dave Klotzle introduced the item and provided information in preparation for the City Council meeting on October 28, 2020 and then turned the meeting over to Andrew Grubb.

Andrew provided a Power Point presentation of the Solar and Battery Standby Power Assessment Study of Five Sites.

Power Point Presentation

A solar and battery standby power assessment study was performed by the Clean Coalition for City Hall, Corporation Yard, City Library, Police Station, and the Wastewater Treatment Plant.

The goal was to study the feasibility of using solar and battery storage in lieu of diesel generators. To design a system to handle the base building load as well as additional emergency needs to supply power for 5 days (120 hours) of outage.

Questions and comments from Susan Santangelo and Charlotte Craven (staff responses in "blue"):

Question: Is the study limited to strictly solar and battery? Is the cost of diesel generators included in the presentation?

Answer: Emergency generator power is an element to be included in the overall cost.

Question: Are unplanned outages considered as well as planned outages?

Answer: Our goal is to have 5 days – 120 hours of backup power to be prepared for these unknown outages. When solar and battery power are exhausted you can refuel the diesel generator for additional power.

City Hall

Staff recommends Hybrid - install solar, battery and a diesel generator because of the positive net present value (NPV) of \$200,000.

Question: Is the City Hall structure able to support the additional weight of rooftop solar?

Answer: This would be reviewed during the final design. There is plenty of space for carports which could be used as an alternative to roof mounted solar.

Corporation Yard

Staff recommends installing a diesel generator only to compliment the existing solar because there isn't enough power demand to require consistent power over a prolonged period of time. Diesel would be able to meet the necessary power demand when needed.

City Library

Staff recommends installing solar and battery. The library would be shut down during a power outage.

Question: Why would you shut down the library during a power outage? The library is used for a cooling center. Further discussion is needed regarding shut down of the library.

Answer: The solar/battery will provide power during daytime hours if there is enough solar production. During the heat wave last week, the police station was used as a cooling center. Camarillo Community Center is also available as a cooling center. Ventura County Community Foundation is a possible cooling center (to be confirmed).

Question: Will the library have a diesel generator installed?

Answer: No, a diesel generator is not included at this point.

Police Station

Staff recommends installing solar and battery. Utilizing the existing diesel generator.

Wastewater Treatment Plant

Staff recommends installing solar and battery. Utilizing the existing diesel generator.

Feasibility Study Summary

Request: The Legend (page 17) is confusing - replace the wording "Existing/Not Recommended" with "Existing/Keep".

Comment: Battery only options are not feasible – too large and too expensive

Additional Questions and Comments

Question: Are there grants available?

Answer: SGIP was used in the NPV calculations. Other grants may be available such as the new FEMA Building Resilient Infrastructure and Communities (BRIC) grant.

Request: Explain purchasing options when presenting to the City Council
Power Purchase Agreement Model - Third party purchases, owns and installs equipment. They receive any tax credits. City would purchase power from that company.

Comment: Both Craven and Santangelo are in agreement with the power supply for five days (120 hours) duration due to outages.

The committee recommends moving forward with the requested information for City Council consideration, to include the installation of diesel generators to be installed now at City Hall and the Corporation Yard as the first step before the design of solar and battery.

The next Utilities Committee meeting is scheduled for Wednesday, November 4, 2020.

The meeting adjourned at 9:23 a.m.



City of Camarillo

AGENDA REPORT

Date: November 30, 2020
To: Utilities Committee
From: Greg Ramirez, City Manager 
Submitted by: Roger Pichardo, Senior Management Analyst
Subject: **Clean Power Alliance: Default Rate Tier**

SUMMARY

Discussion regarding consideration of change to the current Clean Power Alliance (CPA) default rate product for Camarillo residents and businesses.

DISCUSSION

Background

Community choice energy (CCE) programs allow government agencies to buy and generate clean electricity for their residents and businesses by creating a partnership between the municipality and the existing utility provider. The Clean Power Alliance of Southern California is a nonprofit entity and a CCE program, formed through a Joint Powers Authority (JPA). The JPA is made up of 32 public agencies across Los Angeles and Ventura counties, working together to bring affordable, clean energy to our communities. CPA was established in 2017 to provide cost competitive electric services, reduce electric sector greenhouse gas (GHG) emissions, stimulate renewable energy development, implement distributed energy resources, promote energy efficiency and demand reduction programs, and sustain long-term rate stability for residents and businesses through local control. To start up, CPA was granted a \$10 million loan from Los Angeles County, which has been fully paid off as of September 2020, making CPA now operating debt-free.

CPA purchases and sells clean power to customers, while Southern California Edison (SCE) is responsible for delivery, billing, and resolving any electricity service issues. Public entities who are part of the CPA have the option to purchase up to 100% renewable/clean electricity - such as solar, wind, bioenergy, geothermal, and hydroelectric - at competitive rates, which helps communities achieve their climate action goals and reduce GHG emissions.

On September 16, 2018, CPA became the default electricity provider for residential customers in the City of Camarillo; and on May 1, 2019, CPA became the default

electricity provider for non-residential customers. The CPA default rate product elected by the City provides 36% renewable energy content at a 1-2% discount relative to SCE base rates. Every customer was automatically enrolled in CPA based on the default rate product elected by the City, unless the customer affirmatively opted to a different rate product or opted-out of the CPA service.

At the February 12, 2020 City Council meeting, Vice Mayor Santangelo requested an agenda item to consider changing the City’s current default rate product. Councilmember Craven supported the request. As the COVID-19 pandemic was in its initial stages and future impacts were unknown, and change in executive management was forthcoming, Vice Mayor Santangelo later advised staff to table the request until a new executive team was in place.

At the November 18, 2020 City Council meeting, Vice Mayor Santangelo requested staff to proceed with the request to prepare an agenda item for the City Council to consider options to change the City’s current energy default rate product in time to meet the December 31, 2020 deadline established by CPA.

Default Rate Tier Comparison

Under the current Lean Power rate option (36% renewable energy content), residential and business accounts receive an estimated cost savings of 1-2% compared to SCE base rates. Under the Clean Power rate option (50% renewable energy content), CPA estimates that most residential and business customers would see a nominal cost increase of 1-2% from their Lean Power rates, bringing them to cost parity with SCE base rates.

The table shown below demonstrates the average monthly bill impacts that both residential and commercial customers could anticipate under the three default rate products (Lean, Clean, and Green) scenarios provided by CPA.

Residential – Lean Power 36% Renewable Energy Content	Residential – Clean Power 50% Renewable Energy Content	Residential – Green Power 100% Renewable Energy Content
1-2% Decrease	0-1% Savings	7-9% Premium
\$121.88 Avg. monthly bill	\$122.90 Avg. monthly bill	\$131.60 Avg. monthly bill

Commercial – Lean Rate 36% Renewable Energy Content	Commercial – Clean Rate 50% Renewable Energy Content	Commercial – Green Rate 100% Renewable Energy Content
1-2%% Decrease	0-1% Savings	7-9% Premium
\$196.04 Avg. monthly bill	\$197.89 Avg. monthly bill	\$213.68 Avg. monthly bill

While currently enrolled at the Lean rate product, the City’s costs savings, for its accounts served by CPA accounts, is approximately 1%. A recent review of the City’s electricity accounts, as presented by CPA, shows that the City’s annual electricity costs for its accounts served by CPA is approximately \$182,400.

Should the City Council consider opting up to the Clean default rate product (50% renewable energy content), CPA staff estimates the City would see a nominal cost increase of approximately 0.8% (\$1,400), bringing the City’s total annual electricity cost to approximately \$183,800.

Should the City Council consider opting up to the Green default rate product (100% Green renewable energy content), CPA estimates a 6.6% cost increase to the City’s electricity bill, which would bring the City’s annual electricity cost, for its accounts served by CPA, to approximately \$196,000.

CPA staff advised that if the City Council elects to opt into the Green (100% renewable energy content) rate tier, per CPA Board Policy, income-qualified customers will receive 100% renewable energy with no price increase compared to SCE base rates. This subsidy for income-qualified customers is not available in the Lean (36% renewable energy content) or the Clean (50% renewable energy content) rate tier options.

Should the City Council elect to change the City’s default rate product, City staff will notify CPA to implement the change on or before December 31, 2020, and the City’s elected default rate product would take effect October 1, 2021. As part of this process, CPA will follow CPA Board Policy, which is to notify residential and commercial customers of the City’s change and the customers options to opt down or opt out of CPA. CPA will work with City staff to develop and disseminate two customer notices subject to the City’s default rate product change.

As illustrated in the rate comparison table above, changing the default rate product from Lean to Clean or Green will trigger a cost increase for certain customers, depending on their electricity usage, but the cost benefit is that customers will receive cleaner energy, thereby reducing their environmental impact and carbon footprint. Customers who elected to opt up or opt out during the first transition from SCE to CPA, will not need to

change their rate option or opt out once again, as their original election would remain in place.

BUDGET IMPACT

None. There is no budget impact as a result of this action.

SUGGESTED ACTION

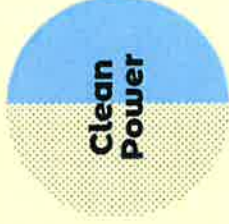
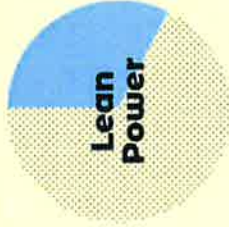
Staff is requesting the Utilities Committee direct staff to recommend the following options to the City Council for deliberation and action.

- 1) Take No Action; or
- 2) Direct City staff to notify CPA to change the City's current energy default rate product Lean (36%) to Clean (50%), effective October 1, 2021, and direct staff to work with CPA staff on the notification process; or
- 3) Direct City staff to notify CPA to change the City's current energy default rate product Lean (36%) to Green (100%), effective October 1, 2021, and direct staff to work with CPA staff on the notification process.

ATTACHMENTS

CPA Member Agency Default Selections

CPA Member Agency Default Selections



36% Renewable Energy

1. Arcadia
2. Calabasas
3. Camarillo
4. Hawthorne
5. Paramount
6. Simi Valley
7. Temple City
8. Westlake Village

50% Renewable Energy

1. Alhambra
2. Beverly Hills
3. Carson
4. Claremont
5. Downey
6. Hawaiian Gardens
7. Los Angeles County Unincorporated
8. Moorpark
9. Redondo Beach
10. Whittier

100% Renewable Energy

1. Agoura Hills (effective Oct. 2021)
2. Culver City
3. Malibu
4. Manhattan Beach (effective Oct. 2021)
5. Ojai
6. Oxnard
7. Rolling Hills Estates
8. Santa Monica
9. Sierra Madre
10. South Pasadena
11. Thousand Oaks
12. Ventura
13. Ventura County Unincorporated
14. West Hollywood



City of Camarillo

Camarillo Sanitary District

AGENDA REPORT

Date: November 30, 2020
To: Utilities Committee
From: Greg Ramirez, City Manager/District Manager
Submitted by: Mark Uribe, Interim Director of Finance *cu*
Subject: **Results of Combined Water and Sewer Rate Study Update**

SUMMARY

Discuss the results of the combined water and sewer rate study update supporting rates to be effective January 1, 2021.

DISCUSSION

Raftelis Financial Consultants (RFC) conducted a comprehensive combined water and sewer rate study in 2019 to determine recommended rates for a two-year period. The process included mailing notices of proposed rate increases to all utility billing customers and property owners of the utility service locations, pursuant to Proposition 218. On December 11, 2019, the Camarillo Sanitary District Board adopted Ordinance No. 93 setting sewer rate charges for 2020 and 2021. Water rates were unchanged. The approved sewer rate charges for 2021 become effective January 1. These rates were designed to achieve a 2% increase in overall sewer operating revenue.

It is prudent to update the combined water and sewer rate study with current information to review the appropriateness of the adopted rate adjustments scheduled to go into effect January 1, 2021. Staff and RFC will present the results of the updated study.

Staff is not recommending any change to the rates adopted on December 11, 2019, to become effective January 1, 2021. With the 2021 sewer rate increase, an average residential utility bill for water and sewer services combined would be approximately \$106, which is the second lowest when compared to nine other nearby agencies.

Staff is requesting feedback in preparation for the December 9, 2020 City Council and Camarillo Sanitary District Board meetings.

BUDGET IMPACT

None. There is no budget impact as a result of this action.

SUGGESTED ACTION

Staff is requesting feedback and direction as deemed appropriate in preparation to present the water and sewer rate study update to City Council and the Camarillo Sanitary District Board of Directors on December 9, 2020.

ATTACHMENTS

None.