

**Utility Advisory Committee  
City Council Chambers  
Port Angeles, WA 98362  
November 13, 2018  
3:00 p.m.**

**AGENDA**

- I. Call To Order**
- II. Roll Call**
- III. Approval Of Minutes for October 9, 2018**
- IV. Late Items**
- V. Public Comment** – *The Utility Advisory Committee desires to allow the opportunity for Public Comment. However, the business of the City must proceed in an orderly, timely manner. At its most restrictive, Public Comment shall be limited to a total of 15 minutes. Individuals may speak for three (3) minutes or less, depending on the number of people wishing to speak. If more than 20 people are signed up to speak, each speaker may be allocated two (2) minutes. (Taken from Council Rules of Procedure Section 12).*
- VI. Discussion Items:**
  - A. Community Solar Project
- VII. Information Only Items:**
- VIII. Next Meeting Date:** December 11, 2018
- IX. Adjournment**

**UTILITY ADVISORY COMMITTEE**

City Council Chambers  
Port Angeles, WA 98362

**October 9, 2018**

**3:00p.m**

**I. Call To Order**

Councilmember and Chair Cherie Kidd called the meeting to order at 3:02 pm.

**II. Roll Call**

UAC Assigned

Councilmembers Present: Deputy Mayor Kate Dexter, Councilmember Cherie Kidd and Councilmember Lindsey Schromen-Wawrin

Councilmembers Absent: None

UAC Members Present: Vice Chair William Atkinson

UAC Members Absent: Mattias Järvegren, Rob Feller, Paul Collins and Laura Dodd

Staff Present: Gregg King, Shailesh Shere, Nathan West, Teresa Reed-Jennings, Tess Agesson, Jeff Bender, Lucio Baack, Glen Goodworth, Mary Sue French, Marian Bodart, and Michelle Hale

Others Present:

**III. Approval Of Minutes**

Lindsey Schromen-Wawrin requested a motion for approval of the September 11, 2018 Minutes. Kate Dexter seconded the motion. Motion carried 4-0.

Lindsey made a statement regarding the quorum representation at the meetings.

**IV. Late Items:** Lindsey Schromen-Wawrin expressed interest in the UAC having discussion on the City's designation to Tree Line USA. Chair Cherie Kidd requested to put this topic on a future meeting agenda when more information is available.

**V. Public Comment:** None

**VI. Discussion Items:**

A. Francis Street Pigging Bypass, Project WW-01-17 – Design Briefing

Jeff Bender, Civil Engineer II, provided a design briefing to install a 16-inch bypass pipeline around the pigging port located in Francis Street Park parking lot. Mr. Bender provided a history of the pipe and described how the "pigging" process uses a "pig" to clean sediment that has built up in a pipe to

successfully clean large diameter pipelines. Funds are available in the approved 2018 budget for the Wastewater Utility Capital projects in the amount of \$10,000. An additional \$190,000 is scheduled for 2019 in the approved CFP. Discussion was held.

**Vice Chair Bill Atkinson made a motion to endorse the design strategy for Francis Street Pigging Bypass, Project WW-01-17, and provide a favorable recommendation that City Council award a construction contract in 2018 that fits within the approved project budget. Kate Dexter seconded the motion. Motion carried 4-0**

B. Revised Net Metering and Customer Generation Policy – Design Briefing

Gregg King, Power Resource Manager, briefed committee members on the Revised Net Metering and Customer Generation Policy. Staff estimates the City will reach the state mandated cumulative limit by next year and recommends adopting an alternative net metering policy for future renewable energy system installations prior to reaching the state limit that have a) minimal impact on the City's electric distribution system, b) to ensure all rate payers are treated fairly, and c) aligns with policies of other regional electric utilities. No additional funds required. Shailesh Shere, Acting Director of Public Works, discussed in detail the three points to the revised policy. Discussion followed to include requests for more information.

**Kate Dexter made a motion to endorse the design strategy for a revised net metering and customer generation policy. Vice Chair Bill Atkinson seconded the motion. Motion carried 4-0**

C. 2019 Utility Rates

Glen Goodworth, Senior Accountant/COSA, provided a detailed presentation on the 2019 Utility Rates. As part of the Budget and cost of service analysis (COSA) process, revenue and expenditure analysis was completed to determine the rate requirements for 2019 based on the 2019 budget expenditures and non-rate revenue. In 2019, the recommendation is for a one year rate revision for Water and Wastewater Utilities only. Two public hearings are scheduled on the proposed rates; October 16 and a few weeks later in November. Lengthy Discussion followed.

**Kate Dexter made a motion to forward a favorable recommendation to the City Council to adopt the 2019 utility rates upon completion of the mandatory public hearings, which will be scheduled at a later date. Lindsey Schromen-Wawrin seconded the motion. Motion carried 4-0**

**Information Only Items:**

A. Landfill Sand Ballast Placement, CON-2018-53

Lucio Baack, Civil Engineer I, spoke briefly of the 2018 Landfill Sand Ballast Placement project. The project will place approximately 250 cubic yards of ballast sand over the 351 landfill cell closure turf to prevent uplift and protect the cell. This is part of the Post Closure Plan. Funds are available in the approved 2018 post closure budget in the amount of \$50,000. The project will be advertised for bids in November and after bids are opened, staff will seek approval from City Council for award of a construction contract.

**VII. Next Meeting Date:** November 13, 2018

**VIII. Adjournment:** 4:54 p.m.

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Chair Cherie Kidd

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Michelle Hale, Administrative Specialist II



**Date:** November 13, 2018  
**To:** Utility Advisory Committee  
**From:** Shailesh Shere, *Deputy Director Power Systems*,  
**Subject:** Community Solar Project

**Summary:** With the assistance of the Bonneville Environmental Foundation (BEF), Port Angeles issued a Request for Proposal (RFP) for a 1 MW community solar project. The City received two proposals, which are being evaluated.

**Funding:** No upfront funding required.

**Recommendation:** Staff recommends the UAC forward a favorable recommendation to the City Council to approve City staff to review and evaluate the submitted proposals with the goal of procuring a power purchase contract for a fiscally responsible community solar program.

**Background / Analysis:** Community Solar Projects (CSPs) are centrally located renewable energy systems that provide a renewable energy option for utility customers that cannot afford or do not have a favorable location for a customer-side renewable system of their own.

Port Angeles recently issued a Request for Proposal (RFP) for a one (1) MW community solar project. The RFP calls for an investor to finance, build and operate the community solar project. The tax investor would recoup their investment with federal tax credits and a power purchase agreement with the City. Once the investor has utilized all tax incentives, the City may purchase the project at fair market value (FMV). City participants would purchase renewable energy at a reasonable net green-energy rate, and receive annual state incentives to offset the increased rate.

The City received and is evaluating two proposals. Steps remaining in the evaluation process are refining a financial model, develop and implement a website customer survey, develop a marketing plan, and negotiate a power purchase agreement. The final agreement will be brought to the City Council for approval.

Staff recommends the UAC forward a favorable recommendation to the City Council to approve City staff to review and evaluate the submitted proposals with the goal of developing a contract for a fiscally responsible community solar program.

**Funding Overview:**

The City is in the early stages of refining a comprehensive financial model based on the following:

- An investor would finance and build a 1 MW solar project in Port Angeles at no up-front cost to the City.
- The investor would utilize a combination of federal tax incentives, and a power purchase agreement, to recoup their costs.

- Staff will develop a community solar program that allows Port Angeles residential and business customers to participate without impacting other rate classes.
- The community solar program will be self-sustaining and include all operation, maintenance, and repair costs for the life of the project.
- All negotiations are nonbinding until the City Council approves a contract and the contract is signed.