

**MINUTES OF THE
JOINT MEETING OF THE RULES AND OPEN GOVERNMENT COMMITTEE AND
COMMITTEE OF THE WHOLE**

SAN JOSE, CALIFORNIA

WEDNESDAY, OCTOBER 23, 2019

The Joint Meeting of the Rules and Open Government Committee and Committee of the Whole of the City of San José convened in Regular Session at 2:00 p.m. in Council Chambers.

PRESENT: Mayor Sam Liccardo, Chair; Vice Mayor Chappie Jones, Vice Chair; Councilmember Dev Davis; Councilmember Sylvia Arenas and Councilmember Johnny Khamis, Members.

ABSENT: All present.

STAFF: City Attorney Richard Doyle; City Clerk Toni J. Taber; Gloria Schmanek, Office of the City Manager; Agenda Services Manager, and Deputy City Clerk, Ruth Krantz.

A. City Council (City Clerk)

1. Review October 29, 2019 Final Agenda

- a) Add new items to Final Agenda**
- b) Assign “Time Certain” to Agenda Items (if needed)**
- c) Review of Notice Waiver Requests for Agenda Items or Documents (if needed)**

Action: Upon motion by Vice Mayor Chappie Jones, seconded by Councilmember Sylvia Arenas, and carried unanimously, the Committee accepted the October 29, 2019 Final Agenda, including additions of Items 2.x Retroactive Approval of Evergreen Community Center Halloween Spooktacular; Evergreen Community Center Diwali Celebration and Items 2.x Request for Excused Absence for Councilmember Arenas, and Approval of Boards and Commissions Appointments. (5-0.)

2. Review November 5, 2019 Draft Agenda (City Clerk) (Cont'.d)

- a) Add new items to Final Agenda
- b) Assign "Time Certain" to Agenda Items (if needed)
- c) Review of Notice Waiver Requests for Agenda Items or Documents (if needed)

Public Comments: Louise Auerhahn, Gabriel Hernandez, Robert Aguirre and Jean Dresden expressed concerns on a perceived lack of outreach to the public, park fees, concerns of gentrification/displacement and an issue of transparency.

Action: Upon motion by Vice Mayor Chappie Jones, seconded by Councilmember Dev Davis, and carried unanimously, the Committee accepted the November 5, 2019 Draft Agenda, including moving Item 4.7, Downtown Residential High-Rise Incentive and Affordable Housing Impact Fee Downtown High-Rise Exemption Program" to the Consent Calendar.

B. Review of Upcoming Meeting Agenda(s)

A special meeting, to be held November 6, 2019, will be designated at next week's Rules and Open Government meeting. The special meeting, addressing issues regarding Coyote Valley, will be held directly following the November 6, 2019 Rules Meeting.

C. Legislative Update

- 1. State
- 2. Federal

There were none presented.

D. Meeting Schedules

None provided.

E. The Public Record

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated October 23, 2019, transmitting the Public Record for the Week of October 7 – October 17, 2019.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Vice Mayor Chappie Jones, and carried unanimously, the Committee noted and filed the public record. (5-0.)

F. Boards, Commissions and Committees

There were none presented.

G. Rules Committee Reviews, Recommendations and Approvals

- 1. Consent Calendar

None provided.

2. **Public Safety Power Shutoffs: Making San Jose Grid-Resilient. (Mayor)**

Documents Filed: (1) Replacement memorandum from Mayor Sam Liccardo, dated October 22, 2019, providing recommendations. (2) Early Consideration Response Form from Mayor Sam Liccardo regarding Public Safety Power Shutoffs.

Public Comments: Prashant Marathay addressed his concern regarding future power shutoffs and inquired how the public may get involved.

Mayor Sam Liccardo outlined each item in his replacement memorandum on this subject dated October 22, 2019, and discussion followed.

Motion: Councilmember Sylvia Arenas moved approval of actions as outlined in the Mayor's October 22, 2019 memorandum, and Councilmember Dev Davis seconded the motion.

Councilmember Johnny Khamis offered an amendment that Item 3.b.i. include working with CERT teams. Councilmembers Arenas and Davis accepted the amendment to the motion.

Action: On a call for the question, the motion carried unanimously, the memorandum from Mayor Sam Liccardo, dated October 22, 2019, was accepted with Early Consideration Response analysis as noted:

- 1. After-Action Report:** Return to Council with a verbal after-action report outlining the measures taken by City staff and partners to prepare residents for the Public Safety Power Shutoff (PSPS), and what lessons might be drawn from our experience. Further:
 - a. Identify the public cost of the City's response to the PSPS.
 - b. Identify those resources - from PG&E, the state of California, or other sources - that could compensate San Jose taxpayers for that expenditure, including the \$75 million PSPS preparedness funding from last year's State budget.
 - c. If any private cost data becomes available, provide an estimate of losses incurred by San Jose residents and businesses as a result of the PSPS, and any means for families to recover for those losses.
 - d. Identify the recorded wind speeds, humidity, and temperature at the time that power on distribution lines was shut off in relevant neighborhoods in Alum Rock, Evergreen, and Almaden, and how those measurements compared to thresholds announced by PG&E in California Public Utilities Commission (CPUC) filings for PSPS events.
 - e. Showcase the unique tools and methods that City staff developed in preparation for a PSPS event, particularly the crowd-sourcing app that provided highly accurate real-time information about outages, and the map-based data-sharing tool that identified such elements as potential and actual outage areas, medically vulnerable residents, and critical facilities for responders and other agencies.

Action: "Green Light" already in progress.

2. Table-Top Exercise: Invite PG&E and other key local emergency response decision makers to participate in an expedited table-top exercise to identify and implement concrete improvements in communication in preparation for the next PSPS.

Action: “Green Light” upon completion of After-Action Report.

3. Microgrids and Related Investments in Resilience:

a. Return to Council to identify the steps required for the strategic development of microgrids in key locations throughout our city, with particular emphasis on critical infrastructure and areas requiring high levels of redevelopment and infrastructure investment.

b. Explore the role that San Jose Clean Energy and City partners can play a role in helping residents “get off the grid” during a blackout by installing infrastructure necessary to create hybrid off-grid solar systems with backup utility power, by assessing the feasibility of:

i. Developing “resiliency islands” within residential neighborhoods that can provide support to neighbors during PSPS events;

Action: To return to Council on November 19, 2019. Item 3.b.i. include working with CERT teams.

ii. Supporting efforts of low- and modest-income residents to purchase solar panels and storage with the benefit of generous subsidies created by the California’s Self-Generation Incentive Program;

iii. Building partnerships that could engage residents in group purchases of off-grid inverters, solar charge controllers, and battery storage at a bulk discount; and/or

iv. Providing information to homeowners willing to commit to opening their homes to neighbors in the event of a power shut-down.

Action: “Green Light”.

4. Customer-Owned Utility: Inform the Council regarding the benefits and risks of mutualization, i.e., creating a customer-owned utility. Seek Council authority to engage in agreements with other jurisdictions for joint advocacy before the California legislature, CPUC, and Bankruptcy Court.

Action: To return to Council on November 19, 2019.

5. Voter Support for Bonds: In Fall polling for potential ballot measures, include questions that will enable the Council and Staff to evaluate voter support for:

a. Acquisition of all electrical distribution infrastructure currently owned by PG&E necessary to municipalize the local electrical utility;

Action: “Green Light”. Staff to return with polling ideas to give public policy options.

5. Voter Support for Bonds: (Cont'd.)

b. Bond financing to develop renewable energy storage and generation facilities - such as microgrids - that can insulate critical city facilities or participating neighborhoods to improve energy resilience, reliability, and costs.

Action: “Yellow Light”.

6. Full Municipalization: If polling reveals substantial support for acquisition of PG&E infrastructure, then:

- a. Return to Council with a draft scope and cost estimate for a feasibility study;
- b. Provide Council with any preliminary findings from Staff’s ongoing exploration of municipalization regarding issues such as: the cost of infrastructure acquisition, any estimates of capital repair and replacement, the legal obstacles to municipal purchase of the assets, taxpayer liability for infrastructure failures, and anticipated operational issues; and
- c. Communicate with the leadership of the local IBEW to assure them that in the event of municipalization, the City of San Jose will not undercut established commitments on pay, benefits, or representation.

Action: To return to Council on November 19, 2019.

7. Legislative Advocacy: Advocate with the CPUC and state legislature to:

- a. Authorize appropriately trained City and County staff to supplement PG&E inspection teams during a PSPS event—such as by taking geo-tagged photos of distribution lines—to accelerate the restoration of power to affected residents.

Action: “Red Light”.

With understanding that the City will meet with PG&E to better understand their evaluation inspection process, with any City involvement to not negatively impact the City and its resources.

- b. Require PG&E to clearly disclose the specific conditions (wind speed, temperature, humidity, etc.) that triggered any specific PSPS at the time of the deenergization decision.
- c. Require PG&E to share all data they hold regarding areas potentially affected by a PSPS with relevant public agencies, including cities, to enable those agencies to “scrub” the data to better protect vulnerable populations and critical facilities.
- d. Ensure medical baseline data is shared with the Cities and Counties of affected PSPS areas.
- e. Expand the funding for the Self-Generation Incentive Program or other programs that offer financial incentives to install distributed resources, including solar and storage.
- f. Provide state funding and eliminate barriers to the establishment and feasible operation of microgrids, restricting discriminatory fees imposed by utilities, and streamlining the regulatory approval processes.

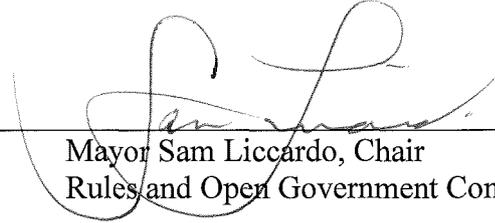
Action: To return to Council on November 19, 2019.

H. Open Forum

None.

I. Adjournment

Mayor Sam Liccardo adjourned the Committee meeting at 2:47 p.m.



Mayor Sam Liccardo, Chair
Rules and Open Government Committee

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