

# Austin Energy Utility Oversight Committee Meeting Transcript

## – 09/25/2019

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>> Tovo: Good afternoon. Thanks for being here for the Austin energy meeting. We're just waiting for six members to come down here.

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>> Tovo: Thank you so much for your patience. It is 1:37 and I'm Kathie tovo, councilmember Kathie tovo, chair of the Austin energy utility oversight. I will call our meeting to order. Let's start by approving the minutes, if there's a motion. Councilmember Ellis moves approval. Councilmember Casar moves -- seconds it. All in favor? That's unanimous on the dais. We have several members off the dais. Councilmembers alter and kitchen are off the dais today traveling for city business, and that vote was unanimous on the dais with councilmembers harper-madison, councilmember Renteria, mayor Adler off the dais. Okay, that brings us to citizens communications and we have three people signed up. Mr. Robbins, you are first. You'll be followed by Danny futante and then girl better starky will be our last speaker. >> May I go at the end? >> Tovo: As long as our

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other speakers are ready, sure. Mr. Futante, and then Gilbert starky, you will be next. Welcome. You have three minutes. You start whenever you are ready and then you will have three minutes from wherever you begin. >> Thank you forgiving knee the opportunity to speak. My name is Danny futante,

chair of the 350 Austin coal plant committee. The fayette coal plant produces coal ash. It should be closed. Every study about coal ash shows it's a poisonous chemical sludge. When left outside, it leaches into the ground water. The poisonous water spreading sludge, every single day has poisoned much of fayette county and the poison is being spread.

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Lcra is taking its own coal ash plus the city of Austin's coal ash and disposing of it in the following ways. One, it is put in mounds on the 6,000 acres it owns. This leaches poison into the water table. Number 2, any coal ash left when it rains gets into the streams and the Colorado river poisoning cities like Brenham. Number 3, lcra is taking Austin's coal ash and trying to truck it to county dumps across central Texas where it leaches into other water tables. Caldwell county is presently fighting contractors dumping poisonous coal ash into their county dump. The city of Austin has a responsibility of not just protecting the citizens of Austin but to be proactive in ensuring that the counties are not poisoned by Austin's coal ash. I want to make that clear. One-third of all of the coal Ashby longs to the city of Austin - belongs to the

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city of Austin. This coal ash causes cancer, lead poisoning and multiple other illnesses. 350 Austin is asking you to immediately start putting the coal ash in noncorrosive water-tight containers. Each day we produce this poison, we have a responsibility to put the coal ash in taste containers. If lcra opposes us collecting the poison, we should be allowed to demand at least one-third of all the coal ash be put in water-tight containers. It is too late to say that this is not going on. Any attempt to hide our responsibility shows willful blindness, which is a legal term, and adds another level of us intentionally hiding Austin's involvement in the poisoning of Texas communities. I have also had some information that I've handed to each of you. This is just a serious a

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crisis as Flint, Michigan. And when they were poisoning kids in Flint, Michigan, everybody knew about it in Michigan. And most people didn't speak up to it. This city council is an excellent city council, it's pro-environment, and for some reason it is frozen in taking serious action. You can demand the containers be used to collect the poisonous -- [buzzer sounding] >> Thank you. Was that the buzzer? >> Tovo: That was the buzzer. >> Thank you very much. >> Tovo: Mr. Starky, three minutes, and then followed by Paul Robbins, our last speaker of the day. >> Good afternoon and thank you for this opportunity to address you today. I'm gill starky with 350 Austin. For the public record, I

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wish to clarify misleading statistics that are habitually quoted in the press and which were included in last month's resolution declaring a climate emergency. Those erroneous statements are we have until 2030 and until 2050 to reach net zero emissions. These dates came from the ipccsr1.5 report of October 8, 2018, but an analysis of that report conducted by a team of climate scientists and published in the journal nature on December 5, 2018, stated they were likely to breach one and a half degrees celsius by 2030, not by 2040 as the icc claimed because the ipcc did not include in its analysis and calculations the effects of such critical items as, one, the fact that greenhouse gas emissions continue to increase. Two, they did not consider

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the impact of at least 15 climate feedback loops with their associated tipping points that take them beyond the point of human control. And three, the influence of major long-trm climate cycles. Depending on how these factors play out, these scientists conclude that we may breach one and a half degrees celsius by 2025. Their work confirmed findings from a 2017 study that we will probably breach one and a half degrees sells why by around 2026 and no later than 2031. It is critical to remember that the ipcc report assumed that a 50% probability of success was an acceptable level of risk. That's like allowing your children or grandchildren to play Russian roulette with three bullets in the

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cylinder. As the ipcc said, large scale, immediate and unprecedented efforts to mitigate greenhouse gas emission are required. The easy part has been done. Public statements have been made. But now the real test begins. Doing the hard and challenging work that's required to stave off disaster. Time is of the essence. And thank you. >> Tovo: Thank you, Mr. Starky. Mr. Robbins. >> Council, I attended the children's climate strike at the capitol last Friday. The idealism was inspiring, but I kept wondering if I was going to be the adult having to explain to the kid that the tooth fairy doesn't

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exist. The technology for zero carbon goal does not completely exist yet. It seems to me that if Austin truly wants to be a climate leader, it needs to get directly involved in technology development of energy storage and dispatchable, renewable energy. I would like to think that battery storage will work, but

most evidence that I have seen to date makes it appear to be a niche market. I think concentrating solar power and compressed air energy storage are better options. These are not on council's radar, and Austin energy is not excited about these technologies, at least with concentrating solar power the first plants will not be cost effective. To mitigate the economic cost, we will need to be one of a group of partners, but

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here's the thing. Austin should be the anchor partner. We should be the one to go to the other utilities in Texas and propose this partnership. If we had ten partners, the first plant would not cost us very much. Another thing, I would like to offer my unpaid services. I know something about this subject, and I would be glad to give a 20-minute presentation about it at one of your committee meetings. Thank you. >> Tovo: Thank you very much, Mr. Robbins. So that concludes citizens communications for today. Next up is our general manager's report. And colleague, we're scheduled to end probably around 2:00 so we can have our special called meeting if we still have business to take up, we'll have to take

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it up after that which we may need to do since we started late. >> I'm Jackie Sargent, general manager of Austin energy. Following my general manager's report today, deputy general manager and chief operating officer Charles Dickerson will provide you with an update on our workforce planning effort at the Decker Creek station. To start off with, I want to touch on a few items that are going to be coming before council for action. On October 3rd, we'll ask you to approve two items providing authorization for turbine maintenance at our generating plants. A nine-year, \$40 million contract with power systems manufacturing and another item for six-year contracts with Seaman's Energy and Mechanical Dynamics and analysis for 30 million. These contracts will only be used if necessary to provide Austin energy with parts and maintenance for the turbines and associated generators to help ensure reliability and equipment safety at Sand Hill Energy Center and the

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Decker Creek power station. However, these contracts will not affect the planned retirement of either steam unit number 1 at Decker after the summer peak of 2020 and steam unit number 2 at Decker after the summer of 2021. The other item I want to highlight is a \$564,000 construction contract with Piatra for the renovation of our facility at Kramer Lane. This will renovate Nagger's existing facility at 2526 Kramer Lane to accommodate the utility's relay operations currently housed at the 6909 Ryan Drive location. And this is in preparation for the planned redevelopment of that site. At this time this is the

only moving -- this is the only operations that is moving from Ryan drive site, and we continue to work with the office of real estate services to identify the other sites needed for warehouse space and the

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remaining reclamation operations that we have currently deployed at that site. All of these items were all recommended by the electric utility commission at its September meeting. In addition, at the October 17th council meeting, you will consider a \$518,000 construction contract with Munis contracting for repairs to the district cooling plant number 2 exterior and surrounding sidewalk. District cooling plant number 2 construction included a large tile mosaic titled big chiller blues commissioned through the art in public places program. Due to failure of the nonstructural concrete materials on a portion of the facility's exterior, we need to make repairs to restore the I would abouting. This project consists of removing the tile from the affected section of the exterior wall, repairing the existing concrete wall, replacing the tiles and then also doing sidewalk work at the base of the wall. The electric utility commission will see this at

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their October 24th meeting. Next I want to take a moment and mention the resource generation planning effort that's in process. The electric utility commission established a resource planning working group that met for the first time on September 12th. The working group members are listed on the slide before you. I've also included the working group's time line providing you with an idea of the ambitious schedule that the group is undertaking. Finally, the web page link at the bottom of the page is where the resource plant update materials will be located, and staff has also posted and will continue to post the studies called for in the 2017 resource plan and they will be updated and added to this page. Eric, our vice president of energy operations and resource planning, will be coming back to this committee once the working group has formed a recommendation. I would like to recognize a couple of recent awards

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earned by the utility and an example of Austin energy rising to the call to help fellow public power utilities. In late August, Austin energy was selected as the winner of the newly created utility award as part of the 2019 drive electric awards. The award presented by plug in America acknowledged the school program, plug in everywhere and out reach programs including Stevie, the t-rex. Nagger was also recognized at the conference in San Diego. The award recognized the role of Austin energy's solar initiatives, community solar and green choice programs that they play in promoting and expanding the use of clean, renewable energy. I'll wrap up by highlighting the Austin energy employees that made the long drive to assist Jacksonville electric authority or jea with repair and restoration efforts if

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hurricane Dorian caused damage to their area. Listed on the slide are the 27 Austin energy employees including line workers and support personnel who made the trip. Crews left early on labor day mornings and arrived in Jacksonville before the storm where they were ready to help if needed. This kind of help is a shared effort. Crews from various states also were prepared in case of severe weather hit the region. Austin energy received the request for mutual aid directly from ae a and Austin energy coordinated our efforts. Thankfully hurricane Dorian took a different track causing significantly less damage than expected in Florida. With unmet needs, Austin energy crews made it safely back home on September 6th please join me in giving a shout out to our great team. [Applause] And today that's all I have. I'm happy to answer any questions you might have.

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>> Tovo: We have one, councilmember pool. >> Pool: Thanks for the report, Ms. Sargent. I think you were talking about vacating the site, was it Ryan drive or were you talking about Kramer lane? >> Ryan drive. >> Pool: Okay. >> 6909 Ryan drive. We're retrofitting facilities at Kramer lane -- >> Pool: In order to take -- >> Our replay operations over to Kramer lane and that's only one of the operations we have so we're working on exiting that site. >> Pool: When you say working on exiting that site, you mean the other Austin energy related operations that would still be at Ryan drive after the operations that are able to move to Kramer are done? >> Right, we're working where the office of real estate services and helping us because we need warehouse space and we need space for the reclamation operations we have ongoing at that site. >> Pool: I haven't had another update in a few months because of changes to economic development staff with regard to what was

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going on at Ryan drive, and that all, of course, is triggered by the moves that you guys are working on with real estate. So it would probably be a good thing for me to get that set up. I'll have my staff connect to see where all we are at because an rfp is going to be issued for Ryan drive and we -- so it would be good to get a better time line, a better appreciation of the time line that you are looking at. >> We would like to exit the site. It's been very challenging to find a location or facilities we can move into. So we continue to work with them and hopefully we'll be successful. >> Pool: Yeah, it makes me think that that's the kind of proactive planning that staff should look at anyway because as fast as our city is growing, we should be looking at the relocation of these kinds of enterprises that the city has that may be in the part of the city that would be better used for some, you know,

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broader -- broader purpose. So we'll work on that and I'll have my staff connect with real estate and EdD and possibly also you all to see where we're at this point. We are very anxious to have you find another location for those operations. >> We are as well. >> Pool: Thank you. >> Tovo: Anything else? Thank you very much. >> I will invite deputy general manager and chief operating officer Charles Dickerson to give you the decker workforce update. >> Tovo: Great. Thank you. >> Good afternoon, madame chair and members of the commission and others. I do not have a slide so this is a verbal update on where we are with respect to decker. As of the end of August, roughly 70% of the employees that could possibly be impacted have attended our workshop and assessment workshop.

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We've conducted the first training workshop on the 9th of September and we had -- I'm sorry, 30th of August, we had 12 employees attend and that was purpose to train people on how to apply for city jobs. We think that would be simple, but since people haven't done that in quite some time, things have changed. Next and final update, we have a number of workshops scheduled for the 30th of September, I believe, and we have nine team members signed up for that workshop and that's purpose how to train people to conduct interviews. Some people may be applying for jobs that require and they haven't interviewed in a while. So we continue to make progress. >> Tovo: I have a couple questions about that unless my colleagues do. So thank you for the update and thank you for including these every month. I think they are very useful. So the training that you've got scheduled on the 30th is a follow-up for the people who participated last month or can anyone attend

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it? >> No, anyone can attend it. So when we did the assessments, what we had the training team do is look for themes. Each person could have a different need so we're trying to group training in a way we'll be able to have the most people get the biggest benefit out of it. The more salient issue was the vast majority of people said I'm not really equipped to apply for a city job, I haven't done it in 10 or 15 years. That was the first one. Now that we have people understanding how to apply for city jobs, obviously the next step would be now that you apply you are going through an interview process. A lot of people say they don't have interview skills. They are open to any members of the decker facility. >> Tovo: And will those -- will those training sessions repeat? Will there be other opportunities for people who may have missed the August one to participate in how to apply? >> So the plan is to try to have followups, but what we want to do first is where we see all the needs are first, we can get everybody through the first round, and then go

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back through and give people an opportunity people think, well, we need to have a refresher. >> Tovo: Great. Are these workshops, do employees get release times from jobs to participate in them? >> Yes, both of the workshops are held at the plant and the plan in place even when we close the first unit down, we're going to hold all those people on so even more time to train and people needed to run the plant. >> Tovo: They are participating on the on their own time but work time. >> On company time. >> Tovo: Thank you very much. I appreciate others? Okay. Thanks again. >> Thank you. >> Tovo: So anybody want to suggest items for next month's meeting? Okay. That was our last item of business so we stand adjourned at 1:59 P.M.

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