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SPEAKERS

Speaker 3, Speaker 1, Maglio, Speaker 4, Dolan, Thiel, Attorney, Ellen Beans, Larry Jacobs, Nate PUBWORKS, Katie ADMINVCS, Speaker 6, Speaker 5, Speaker 2, Hillis, Town Manager, Woehleke

H Hillis 00:52

Good to go, all right. The time being, 5:32pm I call this meeting of the Moraga town council for April 8 to order. First, we'll start with a roll call town clerk. Can you please read the role?

S Speaker 1 01:10

Council member woeleo Here, Council Member teal here, Council Member Woeleke Here, Vice Mayor Dolan here, Mayor Hillis here.

H Hillis 01:21

And now we're going to move to the Pledge of Allegiance, and I am going to ask our wonderful town attorney to the flag of the United States of America and to the Republic for which it stands, one nation under indivisible with liberty and justice for all. Thank you. And now, before we get to presentations, I just want to say that we just concluded a closed session meeting with no reportable action. Um, now we're on to presentations, which will start with our proclamation recognizing Arab American Heritage Month. So I'm going to ask this to start over at this end, go back, and then I'll read the last paragraph.

T Thiel 02:18

Okay, a proclamation recognizing April 2026 as Arab American Heritage Month. Whereas for more than a century, Arab Americans have been making valuable contributions to virtually every aspect of American society, including businesses, culture, education, government, law, medicine, military service and technology, and

D Dolan 02:49

whereas, since immigrating to the United States, people of Arab ancestry have shared their cultural their culture and traditions, resilient. Family Values, strong work work ethic, dedication to education, commitment to public service and diversity in faith and creed with neighbors and friends, enriching our society and strengthening our democracy.

H Hillis 03:12

And whereas Arab Americans have also enriched our society by sharing the entrepreneurial American spirit and promoting a free and prosperous nation.

M Maglio 03:21

And whereas the history of Arab Americans in the United States remains neglected, undervalued or misunderstood, and

W Woehleke 03:31

whereas Arab American issues such as civil rights abuses, harmful stereotyping and bullying of Arab Americans must be combated through thoughtful education, awareness and accountability.

T Thiel 03:45

And whereas Arab Americans join all Americans and their desire to see a peaceful and diverse society where every individual is treated equally and with dignity and feel safe, and

D

Dolan 04:00

whereas the town of Moraga is honored to count Arab Americans among our population and is proud to recognize the incredible contributions and heritage of Arab Americans in our community.

H

Hillis 04:11

Now therefore, be it resolved that the town Moraga town council hereby recognizes April 2026 as Arab American Heritage Month in the town of Moraga. Thank you. And now we have another proclamation for Arbor Day. So try to find that one is, and we'll start the opposite side with council member Woeleke,

W

Woehleke 04:34

April 24 2026 as Arbor Day in Moraga, proclaim, proclamation, declaring so. Whereas in 1870 2j, Sterling Morton proposed to the Nebraska board of agriculture, excuse me, that a special day be set aside for the planting of trees.

M

Maglio 04:56

And whereas this holiday called Arbor Day. Was first observed with the planting of more than a million trees in Nebraska,

H

Hillis 05:04

and whereas Arbor Day is now observed throughout the nation and the world, and whereas

D

Dolan 05:11

trees reduce erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life, giving oxygen and provide habitat for wildlife. And whereas



Thiel 05:24

the best time to plant trees in Moraga is in the fall for roughly October through March, because the cooler temperatures and seasonal rains help trees establish roots before the stress of summer heat and drought. And whereas



Woehleke 05:38

this allows newly planted trees to put their energy into root development rather than foliage, resulting in stronger, healthier trees.



Maglio 05:47

And whereas this allows newly planted, oh, excuse me, whereas trees are a renewable resource that provide material for homes, businesses and countless other wood products,



Hillis 05:58

and whereas the town of Moraga is classified as Tree City, USA town.



Dolan 06:04

And whereas trees in the town of Moraga increase property values, enhance the economic vitality of business areas and beautify the community. And whereas



Thiel 06:15

trees, wherever they are planted, are a source of joy and trees contribute to the high quality of life in the Moraga community.

H

Hillis 06:22

Now therefore, be it resolved by the town council of the town of Moraga, we do hereby proclaim April 20, April 24 2026 as Arbor Day in the town of Moraga, and urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands. Thank you. And with that, now we will move to public comment. This time is reserved for those in the public who wish to make a comment on matters not on the agenda. There will be provision offered later on for you to make comments on agendized items. You'll be provided three minutes. Do we have any public comments? Ellen deeds,

E

Ellen Beans 07:01

good evening. As long as you are declaring certain days in April, very important. I would just like to remind you that April 26 of this year, we are going to honor Anna Moon as the 2026 Citizen of the Year. So we have, I'd invite all of you to all of you to join the celebration which will be held at the Moraga Valley Presbyterian Church. And so it will be another day of celebration of in honor of the incredible volunteer spirit that this town has established from the very, very beginning. So thank you, and we look forward to seeing you at the end of the month. Thank you.

H

Hillis 07:57

Any other public comments on items not on the agenda? We have three Charisse,

S

Speaker 2 08:07

Hello, Mayor Hillis, council members. Audience, my name is Sharice count, and I'm field rep for State Assembly Member Rebecca Bauer Kahan, and I wanted to come in person today to invite you to an upcoming event that she's holding locally. It's called from aware to empowered, navigating the online world as women and girls. And I'll send you all the details. So don't worry about it. But it's it's going to be on April 22 from six to 7:30pm at Creekside Commons in Lafayette, and it will be a chance to, oh, it's also co sponsored by the California Legislative Women's Caucus, Lafayette Partners in Education, and Orinda network for education. And it's an empowering evening featuring three extraordinary speakers. There's going to be Sneha Rheem nor who is a Stanford student and founder of the nonprofit encode AI. Some people have referred to her as the Greta Thunberg of AI. Nikki Ayer is a Cal Berkeley student and co chair of design it for us, which is a youth led nonprofit organization. And Carrie Gallagher, a digital wellness expert and educator at connect safely.org so this will be an opportunity for particularly for young women and girls. But everyone is welcome to learn about the assembly members key legislation to protect women and girls from online line exploitation and gain tools to confidently navigate today's Tech landscape and shape a digital future that works for us and not against us. So I wanted to make sure to invite you to that, and then the assembly member is very busy in the legislative session, as you know. Thank you for all your support of her various bills, including the lead with love Act, which protects rate payers from unfairly bearing the costs of bailing out financially distressed investor owned utilities. I. Uh, the data data center energy Accountability Act, which promotes grid reliability by requiring data centers to report their energy usage information. And the E bike Accountability Act, which aims to increase public safety by requiring class two and class three electric bicycles to be registered with the state and just display a license plate, and that helps our law enforcement to be able to enforce the law when people are not riding them safely. So if you have any questions, feel free, as always, to reach out to our office with any questions or concerns about state policy. Thank you.

H

Hillis 10:36

Thank you. Next comment.

S

Speaker 1 10:40

Our next comment is from Steve sonar. My

N

Nate PUBWORKS 10:46

name is Steve sonar. I'm resident of Moraga. Have been for 35 years, and I know that this is more of a question for the council. I know that Orinda, Lafayette and Walnut Creek have banned the gas powered leaf blowers or gas powered equipment for landscaping and stuff, and I'm wondering why Moraga doesn't do the same thing, and what can be done about that. What's the process for initiating something like that? An ordinance like that.

H

Hillis 11:22

We are not allowed to answer questions, I understand, but at the end, we may refer that to staff to give you a little bit more information, or we can provide you our contact information. Okay, great, that'd be fine. Thank you very much. Thank you. Any other comment?

S

Speaker 1 11:36

Our last speaker is Larry Jacobs, I hope

H

Hillis 11:41

it's on a specific item. Oh, okay, okay. Any other general public comment? Seeing none, let's move to adoption of the meeting agenda. Do I have a motion? So moved second second. All in favor. Aye. Measure passes now on to the consent calendar. Do we have any items that my colleagues would like to pull from consent?

W

Woehleke 12:11

Yes, yep, I'd like to pull item 6.3 and also item

H

Hillis 12:26

6.5 6.3 and 6.5 and town attorney, did you have another comment? Got it all right? Can I have a motion for the items that were not pulled.

S

Speaker 3 12:43

So moved.

W

Woehleke 12:44

First public comment, public

H

Hillis 12:47

comment on any of the any of the consent calendar, not including 6.3 or 6.5 hearing none. Do I we have a motion, and is there a second?

M

Maglio 13:00

Second the motion.

H

Hillis 13:02

Thank you. All in favor, aye. And now council member Woeleke, do you want to address item 6.3 Sure.

W

Woehleke 13:11

So 6.3 is a item which is actually being mandated to the town by the state, and it's authorizing the town manager to execute an agreement with silicone connections to perform installation of technology upgrades to the town council chamber and pair room for an amount of money and with contingency. And what this is for, and the total cost is \$95,000 what, what this is going to do is provide electronic, remote, electronic access to our meetings. So not only will there be in in on site, but people will be able to participate, essentially, by zoom, remotely. And this is, there was a specific California bill that requires this. This is our effort to respond to it. But what I really want to note is, I really think this is a great going to be a great improvement, because we operate in these chambers which are space constrained. So this is actually going to be a solution to that constrained space that people if we have instances where we exceed the ability to handle spectators or residents in the chambers, and that happened last year during the discussion on 1600 School Street, and I was mayor at the time, and it was a really bad scene. It was a cold night, and it was really bad scene. Well, we won't have to deal with that again. And I just wanted to note note that

H

Hillis 14:58

thank you any other comments for my call. Eggs on this item. The only one that I want to make is I agree with everything that former mayor Woeleke addressed here, since we do have a member of state legislative staff here, I just want to point out, I'm sure you hear this from many of your communities. We don't like unfunded mandates. This is \$100,000 that when we had a healthy discussion on hiring an economic development consultant, which was \$40,000 less, and that's to change the entire direction of our town. This is to add some cameras, which I'm glad that there's a happy, positive that can be brought out of it. But this is not money we would have spent otherwise. I also, personally am concerned with which I know that that the assembly member is concerned with, as well the prevalence of zoom bombing. That is the reason why pretty much every community except for Orinda, removed public comment on a virtual level. I've been in Orenda and seen it in person too. So I'm just hoping that we won't have a lot of the negatives, that this will only be the positives, which I know is completely unreasonable. And please continue doing what your boss is doing in Sacramento, which is helping us to fight the unfunded liabilities. Thank you. So with that, do I have a motion on that item or public comment?

A

Attorney 16:23

Well, we do need to take public comment on item 6.3 but I'm wondering if we want to handle 6.5 next, and we can do it all at once, so we can sure public comment on both items at once and then take a motion on it.

W

Woehleke 16:33

Okay, 6.5 is, yeah, is reappoint John Panetta and Spencer shilling to the local sales tax oversight committee for a new term of two years, which will expire in March 1 2028 is Spencer here. It looks like neither Spencer or John are here. I really want to take this opportunity, then to publicly express my appreciation for these two gentlemen to stand up and volunteer and serve our community as part of this oversight committee. It's a it's a very important committee. It's part of the commitment that the town made in 2012 as part of measure K to make sure that those measure K funds are appropriately expended for their intended purpose and efficiently spent and not wasted. It's not necessarily the most visible position in the town, but it is critically important. I just want to publicly thank them for such and if they were here, I'd probably bring them up and ask them to provide us their perceptions or their perspectives on it. So with that, I'm, I'm, that's all I have on that.

H

Hillis 18:02

Okay, do I have a motion for public comment on items 6.3 and 6.5 Seeing none? Do I have

W Woehleke 18:11

a motion? I so move approval of six point consent. Item, Consent Agenda Item, 6.3 and 6.5 as proposed.

M Maglio 18:19

Is there a second? I second that motion, those motions that All in favor, aye.

H Hillis 18:24

Motion passes, and now we are on to announcements and reports on activities. Who would like to start? You're looking at me, so I contact Nixon view.

T Thiel 18:36

I have no items to report.

D Dolan 18:38

Okay, Vice Mayor, I have no items to report.

M

Maglio 18:43

I have a couple of items. Okay, that's on. I attended the Recycle Smart legislative committee meeting staff regularly, proactively monitors and advocates for legislation, as the town does. There are several bills in the hopper, so to speak, some with regard to product stewardship, single use, vaping pens, reusable grocery bags, and truth in laboring labeling laws. So that was a productive discussion, and the full board will hear those recommendations as to whether to support or watch the legislation. I also attended the monthly mayor's conference in Concord on Thursday. I'm happy to report to my fellow council members that they have limited comments to two minutes. They have, normally, for the rest of you out there, been quite laborious and unnecessarily so. So I think we're all going to be happy to attend in the future. And there was a speaker who did an interesting presentation. She is the director of the South Bay Coalition to End Human Trafficking. She spoke to us, presented issues for opportunities for constructive local response to abusive abuses associated with the upcoming World Cup games in June. And lastly, I met at St Mary's College with Professor Mirna Santiago, and received an invitation to speak at a as a panelist at a very important program. I think that will be happening at St Mary's. It's a summer one week in residence program. Is a program across the country called new leadership. It is for women who are interested in empowerment and being encouraged to enter politics. And I'm happy to say that I will represent Moraga as a woman in government, and that's it. Council Member Woeleke.

W

Woehleke 21:01

Thank you, Mayor. So since our last meeting, I participated in several items, including the central Contra Costa County Board meeting as one of the Moraga Representatives and the Senate. Central, yeah. Anyway, Recycle Smart meeting, Board of Supervisors meeting to actually talk about Alda Sayer, and they adjourn the meeting in his honor. And what I was really meant to say was I attended the monthly Contra Costa County mayor's meeting also last week, and I want everyone to know that my comments took zero time.

H

Hillis 21:57

I will be very brief and just say that I appreciate the support of my colleagues. Last week, I had some medical things that I was taking care of, and they were ably willing and ready to stand in so thank you so much for your help with that and with that, let's move to town manager updates, unless did I miss somebody? No, I think I had. I went out of order. Town Manager, Okay, sounds good. And now we are on to Department reports. The first item is whether to endorse the Moraga school district ballot measure. Is there any staff presentation, Mr. Mayor, Members

T

Town Manager 22:39

of the Council? I'll deliver that it'll be relatively short. At a recent meeting, the council was asked by MEF, the Moraga Education Foundation, if you would put this on an agenda, weigh in and offer endorsement. And so in response to that request, and representatives from the school board and MEF are here, so staff has done its due diligence. We put together the staff report for you. We are recommending that you consider doing the endorsement. We see that there's value, but the town employees or the council, we can't advocate for or against, but you did ask us to look at it. So just some of the key points. I don't have a PowerPoint, but the staff report, I think, is pretty, pretty clear the district right now, and this is a district with primary and middle school, so kindergarten, or actually preschool, pre K, TK through eighth grade, three elementary schools, one middle school, and they've done multiple bond or not, ballot measures over the years, we delineate them. There's four that are active right now. Two are parcel taxes and two are bonds that are tied to assessed valuation. So in in these four measures that generate revenue, and there's time frames on some of them, they are for primarily capital improvements in technology, not used more for one time expenditures and not used for recurring expenditures, such as salaries and benefits and just recurring bills and that type of thing. So now they're at an inflection point, and they've articulated as to why that in order to be an ongoing viable concern without having to do draconian cuts. They need help on the recurring revenue side. So that's their measure. They they have their analysis seven years. It'll generate approximately 1.7 million, and it's based on, it's a parcel tax, so it's a flat 295, but it will have an escalator, and the term is seven years. And if you're over 50 or 50. If you're over 65 you can get an exemption, but you have to go apply the exemption. So they've already explained all of that. See, it's so moving that that council member. Okay, so depending on the value of your your assessed value, because what they have now are combined parcel tax. Is an ad valorem tax a percent of ad valorem or \$1 amount, \$30 per 100,000 value, depending on when you buy your house, the assessed value you're you could you're probably paying, in total, around \$1,000 a year. It could be it could be more. It could be less. The new home buyers are paying more the in addition to those four, the high school district has two, and that could be 500 I think it's about \$500 on average. So total, we're looking at 1000 to \$1,500 that property owners pay. And with the passage of this, that would add to it, the town is not impacted because our properties are exempt from taxation. So this passes or doesn't pass, there's no impact on us. I will say, though, that indirectly, there is value to having really good performing schools, public and or private in your community. So if the voters, in their wisdom, vote for it, we think there's a positive value. I can't articulate that empirically, but we think there's a positive value. So I believe those are the key points. From our perspective. We tried to be as transparent as possible. It's in there. I have attachments, including reports from the school district and MEF that articulate in greater detail, they were here recently, I think the last meeting, right, and they gave their presentation. So that's your staff report. We think it's a good thing. It's up to you to decide.

H

Hillis 26:32

Thank you. Do any of my colleagues have any questions? Seeing no questions. We'll move to public comment.

S

Speaker 1 26:40

So we do have one. Larry Jacobs,

L

Larry Jacobs 26:54

good evening, mayor and council members. My name is Larry Jacobs. I'm here tonight again as a private citizen, not in my role as a school board member. Last month, last month, I spoke to you about my own experiences in the Moraga schools, as well as those of my children, and how those experiences helped shape who I am today. They played a big role in my commitment to public service, both in education and the broader community. Over the more than 40 years I've lived here, one thing has become very clear, Moraga has a deep and lasting sense of community woven into its identity. People may initially come here for the schools, but they stay here for the community, and they truly do stay here in real estate. Sometimes I joke that people leave Moraga only at 2.1 when their kids graduate from high school and the other, as I say, feet first in a box. Personally, I'm a box person. That kind of community pride comes with responsibility, though, and it means thinking beyond our own families and recognizing our obligations to our neighbors as well as to the future generations. Providing a strong public education is a key part of that responsibility I stay actively involved in the town because I care deeply about Moraga continuing to thrive. I want it to remain a place where families choose to settle, to grow and to put down roots, preserving what makes this town special requires us all to do our parts, and our schools are central to that. So tonight, I'm simply asking for your support. I hope the council will excuse me, will endorse the parcel tax and send a clear message to the community that investing in our schools remains a priority for Moraga. Thank you all for your time.

H

Hillis 28:31

Thank you. Any other comments?

S

Speaker 1 28:34

We have one additional comment, Nancy K

S

Speaker 4 28:40

Hi, Nancy Kinzersky, and I'm here as a Moraga resident, and also I am a member of the Ocalanus Union High School Board. And I just wanted to add a couple of things. One is that, since we, since you know, your last meeting with the presentation, our board voted unanimously to endorse measure. I just, so you know, so that that's there as well, because it's not just one set of schools, it's all of our schools. And so we're all in this together. So we're definitely behind it. And just wanted to add, sometimes people ask, why parcel taxes? Why not go to the legislature. We do both. We go to the legislature, we try hard to get more funding. And in fact, there's work going on right now, on a coalition of districts and to try to convince the legislature to raise the base. You'll see some resolutions coming around. Aquilanes is already a member of the coalition, but we're we work on that side too. That work generally takes quite a long time and creeps along, whereas if we can get the local support, which is what has kept our schools as they are, you know, that's direct, that's immediate, and it stays local. It's not sort of Brent all over the place, but we always get the question when we're coming out and asking for parcel tax money, don't you ever look elsewhere? We do? We look everywhere. But local is, is a is has been for years, an essential part of our schools, and even with that, we don't even get to average funding. So it's one thing that people don't tend to know. They seem to think that, you know, as a community where it's it's relatively well off, so the schools must be well funded. We actually get much less funding than a lot of other schools across the state. So even with all of the local foundation and other funding we're we're under and so I just wanted to make sure we got that in the record that in the record. And then I just wanted to add one tiny little thing too. When Larry spoke, it's not an either or whether you leave after high school or leave feet first. A number of folks leave after high school and come back to raise their families so because they know it's a great place for families. So thank you. Thank you.

H

Hillis 31:03

Any other comments? Seeing none, I'll bring it back to the Council for council comments. Anyone like to go first, first.

D

Dolan 31:16

I'd like to thank the city manager for reminding us of the pain we experience at property tax time,

D

Dolan 31:29

be that, as it may, the information we've received recently and previously about the way the formula works, has convinced me that this is necessary, so I will be supporting supporting our support.

M

Maglio 31:51

I would like to thank you all for your work, both in your official and unofficial capacities, and I have to say that supporting this measure is a prudent investment in the future of not only the students and their families, but in in Moraga, the schools are foundational to the values of Moraga, and it's very important that we work together. Even though we're separate legal entities, the school districts and the and the town. It's important that we work together, support one another for the really the same cause, the economic vitality of Moraga, the education of our students who go out do great things in the world, and some actually come back and help us out. And in fact, I think we just, we just put John Panetta, who is a former Moraga student on, you know, back to work here. So it's a good thing, and I think it's great what you're doing.
Council Member Woeleke,

W

Woehleke 32:51

I echo these comments. I happen to have grown up through age 13 school wise in the LA County School System. Then went to a small town in Connecticut for the rest of my schooling. It was public schooling, but the world of difference small town, a lot like Moraga and I, benefited tremendously by a small town type school system. I think the investment is warranted, worth it. I am concerned that there are so many agencies that are having to do this to address structural deficits, but that's just an observation. That's That's reality that we have to deal with. And so I certainly endorse this, and I think I've already done it personally so

T

Thiel 33:46

well, officially too council member teal, sure. I think oftentimes in this body, we talk about cost, and I always want to find a way to rationalize or justify the cost. And as a renter, and not a homeowner. It's hard for me to speak and endorse something that others are going to have to pay for on my behalf. So I'd just like to use this opportunity to say of the 5698 households in Moraga, of which 81% are owner occupied, and of only 37% include children. Just want to thank the voters who do own homes, and even more so those who do not have children for bearing this burden and for supporting their community and value that we're able to bring to our community, and hopefully that the homes that they own as well too. Thank you.

H

Hillis 34:44

Well, just start out by saying that, as I mentioned at the last meeting, I've already personally endorsed this, this measure, and it's almost not even fair from that perspective, given that I, by next school year, will have three children in Moraga elementary schools. Yeah, so what I can say is we're still in the period where to the point that was raised earlier people decide to stay. We're here because of the schools. We are working too many jobs to try to be able to afford to stay here so that our kids can have this opportunity to comment on council member woeleke's comment. I grew up on the east side of San Jose in public schools there, where our class sizes were 35 students plus with a kid with attention deficit. That didn't make it very easy to learn. And then at my high school, I went to Mount Pleasant High School, and it frequented at the time that I was there, you know, shooting every once in a while, and frequent stabbings every year. So what I can say is we've all come here with our from our experiences, and in Moraga, we found a safe place where we can raise our kids so that they're not distracted by these other things that go on around them, and they can focus on learning. One of my children has special needs, and what I can tell you is the care team and the educational team at Rheem are incredible. They are our partners in parenting and teaching our daughter. And my feeling is whatever we can do to support and I think there's a lot of people out there that feel the same, and I'll cut this short immediately after you guys had your first board meeting where you started discussing some of these cuts, my phone started blowing up. I don't know if my colleagues did, but was, you know, I just became mayor, so people assume it was like, sorry, I'm not the mayor of the school district, but I did try to say that I would be taking in a lot more of the feedback. So people are very concerned. To the point raised by council member teal, I think you said it was 37% actually have kids in school, correct? So that means all y'all that had your kids have already gone through, they're going to go through or you don't have kids, but you're supporting our schools. Thank you. We need you all. We need you to continue your support. I know it feels like a lot, but it's what makes Moraga, Moraga, and with that, I am open for a motion.

W

Woehleke 37:16

I move that we approve the resolution to endorse measure i The Moraga school district as proposed.

H

Hillis 37:31

Is there a second? I will second that motion? All in favor, aye. Opposed. None. We've endorsed. Thank you for coming.

S

Speaker 5 37:45

Now the hard part, get the votes.

H

Hillis 37:53

Thank you. With that, we'll move to item 8b which is regarding a second amendment to professional services agreement with keep clean coalition town manager, do we have anything to

N

Nate PUBWORKS 38:09

Good evening, mayor and council members. I don't have a PowerPoint presentation for this, but just quickly wanted to talk through this. The main reason is this is linked to the public hearing that we have this evening, just as part of the project, these consulting services were needed and are needed to help support the overall energy generation project with the RFP, as well as kind of delivering the aspects that you see today. It's a little bit of housekeeping, but something that's still required. I'm happy to answer any specific questions, but really the takeaway is, this is an amendment. We do not expect further amendments as part of the work and scope and services for this. This is kind of to finish the effort and clean things out. Thank you, colleagues.

H

Hillis 38:49

You have any questions,

T

Thiel 38:52

it's just briefly, if it's time of performance, I run into this a lot in my professional day job. Always want to be able to justify start, what took the time it took, obviously, for good measure and good reason, given the body and the documentation we have for bringing forth the evolution of the RFP process. But if you could just speak to performance, where we're at today,

N

Nate PUBWORKS 39:19

sure, so the time of performance for this contract sunsets. I believe we set it for June of this year. Realistically, some of these services have been supported, and then we expect everything to conclude very shortly here. So it's very truncated time of performance.

H

Hillis 39:42

Okay? Yes, any other questions? Council Member Woeleke, no. Any public comment, seeing none. Let's bring it back for comments. If there are any Seeing none. Do we have a concern from the attorney? Nope, okay. Bye. Hyper focused on that. So anyway, do I have a motion

W

Woehleke 40:05

move that we approve Department report, item 8b as proposed? Is there a second?

T

Thiel 40:11

Happy to second? All

H

Hillis 40:13

in favor? Aye. Opposed? None. The measure passes. We'll now move to public hearing, and starting with Item nine a and seeing the town manager is not here. I'm assuming this is our interim public works director.

N

Nate PUBWORKS 40:33

Give me one second, I will return to the podium. Okay?

H

Hillis 40:36

And somebody's gonna run that for you. I

N

Nate PUBWORKS 41:02

i Brent Nate, Good evening again, mayor and council members without my placard. My name is Nate Levine. I'm your intern, public works director and town engineer, and we're returning again tonight to speak about kind of the final iteration to move forward with the town energy reliability project. We're here tonight to talk about a proposed agreement and budget finalization for next steps. So the quick overview and this just the specifics. We're looking to make a finding under government code, 4217, to basically determine that the project does provide a savings approve and authorize the execution of the excite energy agreement, which we had referenced the last time we're at Council. I'll get more into specifics for that. Approve the project financing and budget actions, which is proposed to be a 20 year 0% internal loan. Our finance director will speak a little bit to that, and ultimately find that this is categorically exempt from Sequa, just quickly in case knows anybody listening at home or in the audience that hadn't seen this before. Project site consists of three locations, one being here, the next being at town hall next door, and the final, being at the Moraga library. As a reminder, we had selected what we were calling option three at the March 11 council meeting. This consisted of those three sites with solar panels being installed at Town Hall, roof and library and the ground mounted array behind it, generation generators at all three sites. Again, these would be emergency generators using a renewable or clean diesel that we're working to that we would

work to procure a source agreement for these would these generators would only function in the event of a power outage, and are sized to last anywhere from three to five days without having to be replenished from A fuel standpoint. The Work also includes parking lot rehabilitation at town hall, and I do want to call attention to this recently, with the recent rain, we discovered that we had a leak or two in our roof at Town Hall, which made me scratch my head a little bit from under the understanding that the roof was relatively new, or at least not towards the end of its life cycle. Unfortunately, it turns out that the roof is past its useful life cycle, and regardless of this, project needs to be replaced. That was a little bit of a unknown, but we have to bring it forward, and that's where we're at. The total project cost now with that roof replacement goes up to 1.7 4 million, with the loan amount increasing to 675 opposed to the approximately 600 we were looking at before. The annual loan payments still cover the or, I apologize, the savings and the Federal Direct Payments still cover the annual loan payments. This also includes operations and maintenance baked in each year at a very conservative 4% escalation industry standards, kind of three. We bakes up something a little bit higher. After all this is said and done over 20 years, we still do expect approximately \$220,000 in savings. This offsets some of the costs from the generators. This offsets the cost from the operation and maintenance, and this uses a very conservative 5% escalation energy rate from MCE, just kind of setting the standard here. Historically, we've been seeing in recent years anywhere from seven to eight per. Percent, we don't know what the future will hold. Things could go up higher. Every percent would increase that number that you see there, and mean that the loan would be repaid sooner and faster. And kind of the summary, you know, why this is beneficial and needed in that sense, specifically for the solar components, is that is what allows us to realize these savings. It gives us that Federal Direct payback. It does allow to offset for operation and maintenance costs, and it provides an overall opportunity for savings kind of what's presented here and again, this just escalates every year to be higher. 30 years, we can talk to this if there are questions. But at 30 years, we're not presenting this. But at 30 years, you would see 1.2 million in savings. Again, I get careful, because the crystal ball gets murky when we go that far out. As a reminder, option three looks like this. Nothing has changed here, other than the roof replacement. We have panels on Town Hall roof. We have some minor tree trimming. We have the new generator at the existing generator site, and then we would have the parking lot improvements

N

Nate PUBWORKS 46:12

for this building right here, council chambers. Not too much going on, just the replacement of the existing generator that is outside in the yard and then at the library, similar story to as presented before the arrays go behind the library. There does need to be some tree trimming, and I have another slide to kind of talk about that, and then the generator goes behind the library. I also do want to mention that at the last time that this came to council, there was a question about potential opportunity for a dog park where these solar arrays are going. And speaking with our parks director, I was able to learn that their consultant, as part of the overall Parks and Rec plan, did look at this site as an opportunity ranked it relatively low on the opportunity sites because there was some cost issues with the slope of the hill. Essentially, when you have a dog park, regardless of how you do the landscaping, you erode that area, and you have a lot of sheet runoff from storm water, and that requires a lot of drainage improvements. So it's not just a matter of creating the dog park. From a space standpoint, those drainage improvements are fairly cost heavy, and therefore this was not ranked at the top of an opportunity site. Just wanted to clear that up. There was also a question about the existing redwood trees at the the site. I do want to actually call to attention that in a previous

iteration of this project, when the solar panels were proposed to be mounted on the roof. The proposal was actually to remove 17 to 23 of the existing redwood trees. Because of shading, the new location does not require that much removal. We are basically having to balance two things. We need to balance the shade that would be cast along the panels. But we also need to balance existing conditions, regardless of the solar project, of the root intrusion that is encroaching on the foundation of the building and the existing utilities, as well as zone zero compliance, which is another requirement we have to balance. As such, the existing trees in the area need to be further evaluated to determine which routes are impacting the building, which trees need to be removed for building kind of safety and longevity, as well as zone zero, and then what areas would be trimmed to kind of, again, help with zone zero, as well as prevent the shading onto the solar arrays. I don't have a final number, but what I would say is it's probably specific to solar, somewhere in the four to seven range for the trees. And then there's additional trees that may need to be removed due to the foundation. Again, we were going, we are going to work with an arborist to help kind of study these two things, and then this project allows us the mechanism to deliver on this. Because, again, regardless, we have to solve the foundation concern as well as zone zero compliance. And just kind of quickly, if you see this little heat map there, it's that's not what it actually is, but it's showing kind of where the shading is. And you can see that the main issue for the redwoods is the the right side of this cluster that you see there, so it's not the entire cluster. There's a more specific limitation, which is, which is a benefit. In my opinion, we now have some more specific timelines. I think before, I was a little vague in the timelines, but now I'm able to fill in those pieces. So if we were to move forward as of now, we would kick off the project in May the there are some, you know, there's procuring of equipment, there's the site design and so forth. So the battery backup generator, or, I'm sorry, the backup generators, would be installed sometime. In February, starting in February 27 I believe that's about a two to three month period for the installation. And then the solar installation would incur occur in June 2027, and the expected turn on for the system would be sometime in November 2027, what I really do want to call attention is that in order for us to receive this federal investment tax credit, we have to have the system go live before December 31 meaning that if there are delays to the schedule, as in, we don't start in, may we are at risk of that tax credit. I know I've been talking with our consultant, excite energy. They're very confident of the schedule you've seen here based on these details. If, again, if something slips on something outside their control, then they can't guarantee it. And with that, I will hand it over to our Administrative Service Director. Applause,

K

Katie ADMINVCS 51:04

Nate, thanks Nate. Katie breuner, Administrative Services Director, so I'm going to talk about our project funding. So as Nate presented our revised project budget with the current scope of work has increased to 1.7 million this project was originally authorized in the fiscal year 26 and 27 capital improvement budget at about \$1.2 million and we are. We've identified a funding gap of \$675,000 just want to walk through how we got there, because 1.7 minus 1.2 does not equal 675 and we have a variety of funding sources through this project, and I really want to call out our peg funds. Those are public education and government access funds. Those are restricted to securing access to public access channels and so things like improving our town council, meeting streamings and preserving access. So we recommend reducing the peg funding that's allocated to this project, because we are no longer putting solar on town chambers, which was part of the original exploration of the scope of work. And because we're reducing the scope at this facility to only the generators, and then we'll have a little some of the backup generators at Town Hall, we feel like the \$140,000 funding is more appropriate related to the scope of work. So that brings us our funding gap of \$675,000 so staff explored three different options to bridge the funding gap. So first we looked at external financing, and when Nate was before you in March, we had some preliminary figures for if we were to go out for external financing. We talked to some different lenders, and even with kind of some more concrete numbers, we're still looking anywhere with our AAA rating from a four and a half to 6% interest rate, origination costs, depending on the lender would be anywhere from 75,000 to \$100,000 which would increase the project cost even more, and overall, that reduces our project savings. Now as Nate, we compared everything over a 20 year period. If we went to a 30 year period, we would still experience those savings. So we could move forward with that as an avenue. Our second option is looking at an internal loan, and we specifically are looking at an internal loan from our Paulo Paulos, Colorado's fund, to the town's general fund, because then the general fund would be able to pay back that loan through the energy utility savings. I'll go through a couple scenarios on my next slide, but Council sets the terms for the internal loan. It's simplified implementation. We can only loan up to the amount that we need, so we have project contingencies. If we don't need those, then that means we need to borrow less. It does reduce our general fund interest earnings. And then also, if we were to in the future, need to go out for bonding or issuance new debt, internal loans typically do not count against that bonding capacity. And then last is we could use general fund reserves or just use the Paulos, Colorado's funds. Again, simplified implementation, we transfer the funds that we need. It would reduce our reserve level below our 50% reserve, or reduce our general fund, or, excuse me, the Paulos, Colorado fund balance again, reduce general fund interest earnings without the ability to pay ourselves back. And then that could potentially impact our future credit rating or bonding rate, because we have less fund balance available. So going deeper into our loan options, we have three scenarios, because trying not to go into analysis paralysis, doing an internal loan at 0% we're looking at a 20 year payback period. 0% loan. We would have an annual payment of about \$26,000 a year, and we would include a prepayment of that federal tax credit when we get it to help pay back the loan sooner. Overall, the general fund interest reduction over 20 year period and amortized would be about \$180,000 leading to an overall net project savings over 20 years of about \$220,000

K

Katie ADMINVCS 56:02

if town council decided they wanted to charge an interest rate, we picked 2% as a kind of nice middle ground between the current market versus a zero interest rate, our annual payment would increase. We would still apply that federal tax credit and our general fund interest reduction would be about \$80,000 over the 20 years. NET project savings over that same timeframe, about \$170,000 and then the external loan at about just over five at 5.65% we would have to also include our origination costs, but our payments, annual payments annual payments on that would be just shy of \$60,000 we would not have any general fund interest reduction, because we wouldn't be borrowing against ourselves over the 20 year period of the loan. We actually wouldn't realize any project savings. But if we extended that project Outlook to beyond that 20 years to a 30 year time period, we would experience savings over that longer period. And so staff is recommending that council authorize a 20 year 0% loan from the Paulos, Colorado's fund, to the general fund not to exceed 670 \$75,000 annual payments will be about \$26,000 beginning in June 2028 to give us enough time to complete the project, including any punch list items after everything's turned on, and then we would apply the extra the federal investment tax credit upon receipt. And so with that, staff is recommending that you adopt a resolution determining that the anticipated cost to the town for the project is less than the projected energy utility costs over the useful life of the project, authorizing the town manager to execute the proposed agreement with excite energy in a authorizing the town engineer to execute change orders within the contingency, authorizing a 0% 20 year loan from the polis, Colorado's fund to the general fund in an amount not to exceed \$675,000 appropriating additional an additional \$545,000 for the CIP project, and Finding the proposed project is categorically exempt from CEQA. And with that, Nate and I are available

H

Hillis 58:25

for questions. Colleagues, anyone want to go first with questions? Council Member

W

Woehleke 58:35

Woeleke, Mayor. So questions, questions, yeah,

W

Woehleke 58:45

contingency, so we both we have financial risks and can also schedule risk. And what can you? How can you educate me on those two risks and why they're reasonable risks to take? For me a very conservative better or non better.

N

Nate PUBWORKS 59:12

So from the schedule, what I can say is assuming that we kick off and in May, which is currently what we're proposing, and have all reason to move forward with the schedule that was baked in from Excite Energy is conservative. On their end that we're showing November is kind of that drop dead, because we don't want to cut it that close to December 31 there may even be opportunities where they can move it a little bit sooner and faster, but they're giving us a pretty strong commitment that that schedule is realistic and that we'd be able to go live in November or prior to the December 31 so as far as, like the built in Slack, it's just, it's a conservative schedule in that sense that the slacks built in, optimistically, we could see something sooner. Yeah, there's, there's no way to to to prom. Sooner. So we're more expecting kind of the specifics that we saw in November. As far as the financials go, I think is your question specifically about what happens with the loss of interest, or if there's cost overruns, how much

W

Woehleke 1:00:12

contingency do you have in the budget?

N

Nate PUBWORKS 1:00:14

Oh, so for it, for our agreement with Excite, with energy. Excite. We don't need any specific contingency in their agreement. However, we have overall CIP contingency. I have approximately, I believe, 150,000 contingency overall between the various components of the overall project. So that accounts for construction of the hard costs, parking lot, the roof, all that fun stuff.

W

Woehleke 1:00:47

So so that, that budget you may come in under if you don't need any of that absolutely.

N

Nate PUBWORKS 1:00:53

And I think realistically, the point I want to make is that in typical Public Works, CIP projects, you know, you really do want to hold that contingency for unexpected events and and whatnot. At least with our agreement, with excited energy, we wouldn't be expecting the need to exercise any of those change orders, unless if something incredibly unexpected happened, the roof being an example. But we've already caught that one, at least at this point.

W

Woehleke 1:01:19

That's a pretty major Yes.

N

Nate PUBWORKS 1:01:22

And, and to the point, I think that's a great point, is we there, we could come under with all those contingencies, right?

W

Woehleke 1:01:32

And sourcing of equipment, generators, to me, are, to significant degree. They're, they're commodities. You solar panels, perhaps not so much, because they're mostly manufactured overseas. Now, do we know whether the panels are already available in the United States, or what the what the supply chain, and that risk is so

N

Nate PUBWORKS 1:02:03

my recollection was that the panels are readily available, that the generators take a little bit of time. But I don't want to misspeak here. So if you're comfortable with this, I would actually we have a gentleman from excite energy that I would love to introduce you again. Absolutely

S

Speaker 5 1:02:22

Good to see you again. My name is John Burdette, Vice President of Development for excite energy. And I'll repeat the question you're asking about the availability of solar panels, aka modules, here in the United States, and inverters you know, and inverters, so we've already placed a hold on the equipment for this project for 30 days. If we get your approval today, they will be secured. If not, then they will not be

W

Woehleke 1:02:54

Did that answer your question? Okay, and the, you know, some solar panels, inverters were very reliably. And have you got experience with these? And some of these guys are, you know, go out of business,

S

Speaker 5 1:03:08

and we do so to answer your question, we only pick and choose tier one, Financeable solar panels, modules and equipment as listed in Forbes, they actually rank the financial credit worthiness of each manufacturer, how long they've been there, what kind of warranties they offer. So we only propose tier one product, which are financeable by industry leading financial institutions, and they carry top notch warranties by companies who can actually financially stand behind

W

Woehleke 1:03:45

those warranties, and the warranty on the panels for because any overtime their efficiency decreases. That's right. Is there a warranty on that? And what might

S

Speaker 5 1:03:55

it be? There is so there's a workmanship warranty, or a manufacturer's warranty that that protects the town against manufacturing defects. But there's also a power warranty as well, and the degradation of that power warranty is about a half a percent per year, and then it usually levels off at about 80% and those warranties go for 25 year power production,

W

Woehleke 1:04:23

25 years and the workmanship. Warranty goes for how long? 10 years. 10 years. Okay, I think, I think I covered. Got that covered, not mine covered.

M

Maglio 1:04:35

You look like you're ready. Question for me. Thank you. Nate. With respect to the roof wrinkle, I'll call it we found. Is it possible that we may need to replace the entire roof, given that it's and we seem to are you saying full replacement, or replacement of that portion where we had

N

Nate PUBWORKS 1:04:57

the leak? So I'm actually evaluating most. Multiple options, but I put in what we we did get a quote back in 2022 I believe, for something similar, that gave us kind of costing so using that escalated a little bit, and that's where that the 75,000 that was listed in staff report is kind of that ceiling. So based on the options I get back, I'll decide exactly what makes sense for us to pursue based on the need for the leak and then the longevity of the building and the project. It's possible we come in less and we even get a full roof. We from a standpoint of kind of the slopes and everything, the roof's actually attractive to be replaced. They'll have to look and again, there's a gentleman out today doing this investigation. Some of the costs will be to the plywood that's underneath need to be replaced, or is it really just the tar paper and the composite shingles? And I'll know more shortly, but I'm very comfortable with the estimate that we've

M

Maglio 1:05:55

provided great and I presume that we'll be able to get right to that and that you will be able to stage that work so we don't have any delays.

N

Nate PUBWORKS 1:06:06

Absolutely, and I think there's even a stronger driving force to replace the roof rather than this project is we want to get it done before the next rainy season.

M

Maglio 1:06:15

Yeah. Okay, thank you. And the other question I have is for Katie. And that question is, can you address the lost opportunity costs on the Paulus Colorado funds?

K

Katie ADMINVCS 1:06:28

Yes. Um, so we currently have about, I'm going to round up to \$2.8 million in the Paulus Colorado's funds. The town has historically used those for one time costs. And we do have a general fund loan for bonds that will be paid off in the next fiscal year. So based on the amount of funding, we had conversations internally, about half, half a million to \$700,000 it's actually not that much of financing for a municipal project. And so one of our first questions internally was, are we would? Is this even attractive for funding? And so we started looking internally at, what are our options, I think, based on our current plans and uses for Paulos, Colorados, we don't have any clear identified uses of a substantial amount in the short term, and so I think this is a reasonable use to help support a project that we will see operational savings on. And I think if we do identify potential one time needs that we might have a desire to tap into Paul's from funds from I think there's a conversation about, we have to preserve those funds for the future development and review of the plans for when that project gets is ready to be implemented. So we don't really want to go and spend those funds right now anyway, and if we did, I think we would have another conversation about timing of the project and what we need there.

M

Maglio 1:08:11

So thank you. And Nate, one more thing, I want to get back to the trees, because we've had a number of communications from

M

Maglio 1:08:21

the community about the tree. Louder, we've had communication from a number of people in the community about the trees, and I just want to say that I appreciate you bringing that up and letting us know that there are relatively few trees that will be impacted. And the number, I think you said, went down from if we were going to put the solar panels on the roof, from 26 to four to seven.

N

Nate PUBWORKS 1:08:51

Yeah, that's correct, but with the caveat specific for the solar the that 20, the 23 number I provided would have been all the needed trees removed because of the arrays, or, I'm sorry, because of the panels on the roof for shading. So it's a fair amount. Now we only need to remove potentially four to seven for the solar, but we still, I don't want to sidestep this. We still need to do the evaluation for whatever is encroaching onto the building foundation in zone. I recognize that's important, which is why I'm I can't give you the specific total number, but I don't expect it to be 23 great. I also would note that we had talked internally, you know, we would be reviewing opportunities to plant other, basically, redwood trees in appropriate locations that don't pose these types of issues related to foundations in kind for whatever is removed at the end, at least finding that opportunity and then perhaps even seeking grant funding for that planting, depending on how many trees, it ends up being

M

Maglio 1:09:55

great to hear. Thank you.

T

Town Manager 1:09:56

Nate, so I interject on that note, so we were in this. Same meeting. Although we don't have to, we don't have a formal policy. We want to make sure there's no net loss in trees. And I know that there are mature trees 3040, years old, maybe older, so it's going to be impossible to go plant, you know, that size tree elsewhere. But we want to be sensitive to the benefit of having these type of trees on the environment, so we will look to plant elsewhere.

M

Maglio 1:10:24

Good timing with our Arbor Day resolution, absolutely, or proclamation,

T

Town Manager 1:10:28

yeah, yeah. But we, staff is aware, and believe me, we we don't want to take trees out, especially beautiful trees, but if it's growing into the building or into the water and wastewater lines, we have to deal with that, so we get it.

H

Hillis 1:10:43

Thank you. Council

T

Thiel 1:10:44

member teal, sure. I just want to thank Lisa and Steve for great questions took most of mine. So if you don't mind, just wanted to ask a couple quick follow ups, crossing out what you guys covered. So thank you, I guess on MCE, as the representative just wanted to share, I know you've got numbers factored in, which is great, energy costs can always fluctuate, especially given current global situations. MC did recently vote to approve a 14% reduction. So that was voted on on the February 19 meeting, whether or not I brought that to the full council and attention and awareness. So it was just in alignment with the technical committees, review and recommendation, and it brings it back in alignment with P genies current rate. So don't want you to change your model. I like the conservative number that you have there, but just letting you know where MCA is at as of current rate adjustments onto roof. Obviously good catch. Just when you do get your proposals and correlating warranties for roof work, just try to match up roof warranty with the PV panel or modular warranty that council member Woeleke brought up arborist report. I assume that's going to be part of the process as we approach the potential and evaluation of tree removals, just as council member Maglio mentioned, just given the public concern, just let's find a way to make that public and visible when that arborist report does come through, if it's just something that's brought up here or comes through in a meeting agenda packet, just would be good to have that as a document of record? Katie, I just had one question. I think we got to it with the we have the amount of general fund and interest at 180k I just had more of a curiosity of what that represented as a percentage of the total. And I think you mentioned this 2.8 so we're looking at, say, 6% Am I using the right numbers?

K

Katie ADMINVCS 1:12:52

So we we assumed our current interest rates about three and a half percent, and just over the life of the loan for coming up with that amount. But in terms of overall percentage of the general fund, or our current interest, overall percent of general

T

Thiel 1:13:09

fund, yes, because I could look at 180,000 I can think, oh, gosh, it's a big number. But in comparison to a percentage of

K

Katie ADMINVCS 1:13:16

the general let me just from context, see how fast I could do math on my calculator, it's less than 2% Thank you. All right, that's it.

H

Hillis 1:13:28

Vice Mayor, I had all my

D

Dolan 1:13:31

questions answered by staff previously, and they were addressed in the presentation. Thank you.

H

Hillis 1:13:37

Let me think easy. I wanted to add a few questions for the four to seven that would need to be removed as that's to make the project work. Do we have any kind of an estimate or a hazard tree report yet on any of the remaining that might need to be removed due to either zone zero or to lifting the foundation yet,

N

Nate PUBWORKS 1:14:02

not currently, that would be something that we would evaluate as part of this process, and it is budgeted as part of this project, and effort to do

H

Hillis 1:14:10

so as a town engineer and interim public works director, would several of these trees be recommended by you, potentially to remove anyhow, absent this project, if the hazard tree report was were to come back finding the trees to be a danger or risk, yes,

N

Nate PUBWORKS 1:14:29

I'll Yes, simply put, and then I would also add on, as mentioned by the town manager, we need to protect our assets. We need to protect our buildings. We need to apply or comply with zone zero. So if that happened, of course we would have we, I would recommend it and move forward with it

H

Hillis 1:14:45

as part of our analysis of which of the trees may be causing conflict with the Library Foundation. Are we also having a foundation assessment done to determine the overall damage I've had. I had a 90 year. Old redwood tree growing 10 feet away from my house, and it lifted the entire front end of it. I'm wondering on the scale of potential damage we have here just be good if we can understand the universe.

N

Nate PUBWORKS 1:15:11

Yep, no understood. The library is actually a slab on grade, which means that the type of damage caused by their roots is harder to actually go in and investigate, but we can find whether there's uplift or there's kind of differential settlement that we believe is coming from the roots, there's a process which we're going to make sure that we move forward with and get the right types of experts looking at the tree roots. And I mean, ultimately, at the end of the day, my goal would be to minimize the amount of removal while still protecting our our needs, essentially, and that's why I just can't give you the number until this effort

H

Hillis 1:15:49

is complete. And I used to do tree removal mitigations for a living. So one of the things that I would ask is that as this project begins to move forward, and as we get that information, given the public concern there has been, if we can have that trash hazard tree report made public that actually shows why we had to remove these and why they might have had to be removed absent this project, because I think that will comment greatly, because it does sound like and correct me, if I'm wrong, You are making a diligent effort to try to retain as many of these as possible, absent the four to seven that would need to be removed for the project.

N

Nate PUBWORKS 1:16:29

Is that correct? That's correct. We'd also, if this, if there wasn't this risk, then we would also be evaluating our opportunities to just trim the trees as well, in a way that doesn't create esthetic concerns as well as keeps trees healthy. However, if a tree is identified that this needs to be removed due to root issues, then the trimming isn't even option. So we're kind of working with these two competing needs, but the ultimate goal is remove as few trees as possible and trim anything that is specific for shading purposes.

H

Hillis 1:16:59

Thank you all. More on this, and then it gets in the comments. Another question on were we able to secure the deal for the alternative diesel for the diesel generators to ensure low carbon emission

N

Nate PUBWORKS 1:17:13

don't have the paperwork sign, but all signs are pointing positive, and once this is all squared away, then it becomes a priority to say we need this agreement in place. I'll be focusing my

H

Hillis 1:17:24

attention on that. Would we have holding tanks here that would hold it for when they need to be refilled because they have to be fired up, like once a

N

Nate PUBWORKS 1:17:30

month, right? Yeah, so there will be on site storage. So then it's a matter of having that diesel in those tanks, so to speak, and then making sure that we have the agreement so that way, we can procure more diesel as we need it, whether it's because there's a maintenance or whether there's an event and we've depleted some of our diesel.

H

Hillis 1:17:49

Got it Well, I would just recommend too, as we wiggle the big toe of actually getting these generators here with this type of fuel in the future, we might also consider transitioning some of our diesel powered vehicles to this alternative diesel. That's how I found out about this fuel in the first place. Is because this is what county connection uses on its most reliable technology, which isn't the electric busses that break down almost every month. In terms of ARPA, I was kind of surprised to see that acronym there again. There's ARPA money that's still here.

K

Katie ADMINVCS 1:18:21

So we have, that's money that's been authorized for this project, that money has been spent,

H

Hillis 1:18:27

and I remember at one point we had to give it back.

K

Katie ADMINVCS 1:18:29

We are, we are closed out and fully spent on our ARPA funds.

H

Hillis 1:18:34

So, so this is another question regarding the degradation of warranty over degradation warranty over 25 years. And the sounds like we have a a what do we call it? We have a guaranteed power production that is basically amortized over the how less functional these things get with their lifespan, anticipating it being 25 years, but they will operate after that. One of the things that I've had, I have an 18 kilowatt system on my property, and the inverters go bad. I'm having the Tesla power walls replaced tomorrow because they went bad. What level of security does the town have? And I'm looking at the provider here that when, because it will happen, I've had something break almost every year. Will you guys keep this thing running after we pay for this? And is that an additional cost, or is that rolled into this?

S

Speaker 5 1:19:38

Thank you. Mary hills, yes, we have all of the O and M at a guaranteed rate with escalation and Nate even added additional contingency to the escalation of the O and M. To be more conservative, we will also purchase a 20 year extended warranty on the inverters, which is the weakest link, weakest link of the solar. System so you will be thoroughly protected through your finance period, and all of the parts and labor are covered.

H

Hillis 1:20:08

And then, while you're here, these things are rated for 25 years, but they've been around now, generally, as efficient technology is where we are now, not quite as for about at least that long. How long should we expect that these things will actually be able to deliver at about the 80% capacity, or somewhere in that neighborhood, after the 25 year end of useful life?

S

Speaker 5 1:20:32

Great question. SMUD, the Sacramento Municipal Utility District was actually a first adopter of solar back in the 70s, and they had a power out near where the nuclear towers are. I can't remember the name of it. Consume this river, I think it is, or consume this they had them going for 40 years. So once they hit that and level off and degradation, they just kept going. The reason why they changed it and upgraded is because the panel efficiency got more more efficient over time. But right now we're reaching the theoretical max of the efficiency that the solar panels can be at, and they're

H

Hillis 1:21:13

and Are these like the 36% or are they in the 20% range? They're about

S

Speaker 5 1:21:16

20% okay, 2020, 21% right? They started off around 11, so over time, they have improved, getting closer to that theoretical max.

H

Hillis 1:21:28

And then next question is for the public works director, and this is my last one. Are you aware that there's still about \$20,000 left from the Moraga Community Foundation donation that was supposed to go towards the Moraga Commons enhancement project. And there's a 20,000 as far as I remember, from a few months ago contingency that was supposed to pay for replanting of trees. And I'm just wondering if the if you aren't aware, if you can talk to Mackenzie about it, I think the West commons, we've heard multiple from this diocese say that would be a great place to start planting right tree right places as PG and E would say that was the utility I worked for. But I would say that, you know, finding places where we're not going to come into conflict, especially when you're talking about things that can live for 2000 years and get to 300 feet tall. Let's just figure out where the right place is to put these things. And it would also be nice if we were able to replace with the same species.

N

Nate PUBWORKS 1:22:25

Thank you for mentioning that. I will definitely speak with the parks director, and that is in line with what our goal would be.

H

Hillis 1:22:33

There we go. Those are all my questions, and now we can open up for public comment, Mr.

A

Attorney 1:22:38

Mayor. Yes, we need to open this as a public hearing. This is a public hearing. We will open

H

Hillis 1:22:43

this as a public hearing.

S

Speaker 5 1:22:46

Please. Mayor Hillis, council members and staff, thank you for your time and consideration again. My name is John Burdette, Vice President of Development with excite energy, I respectfully urge you to approve this solar and backup generator project as proposed this evening. This project is not a sunk cost for the town of Moraga. It's an investment in fiscal responsibility, operational resiliency and emergency preparedness. It helps protect the town against the utilities rising costs. It reduces long term operating expenses and provides critical backup power when the grid is stressed or unavailable. There is also a timing issue here federal Clean Energy incentives that public agencies can access through elective pay, also known as direct pay or the federal investment tax credit remain available now, however, key deadlines begin in July, 2026 where they begin to sunset, specifically for solar, renewable energy. In this case, we're anticipating a grant or an award from the federal government in the amount of up to 40% of the solar arrays cost. Delaying action will jeopardize the town's ability to capture those benefits which are significant. Approving this project means choosing resiliency, cost savings and responsible leadership while these incentives are still available, I respectfully ask for your support. I also wanted to address the roof replacement at town hall. As a renewable energy provider, we absolutely recommend that the section of roofing underneath the solar be replaced so the warranty on the roof is concurrent with the warranty on the solar, and then there'll be no finger pointing if there's a leak, because we will coordinate and install that with whomever the roofing contractor is the town selects. I'd also like to address the MC rate reduction and just remind everybody that the energy generation component of your bill is about a third of the bill. And. PG and E still has you in their monopoly for transmission and distribution charges, which equate to over 66% of your bill. And over the last 40 years, the PG and E has raised their rates at a 10% annual clip. So your projections and savings here are extremely conservative, and I think you're going to get double the savings. Thank you for your time.

H Hillis 1:25:29
Thank you. Any other comments, please

S Speaker 6 1:25:35
on your diesel generators, please restate diesel generators that you're talking about.

H Hillis 1:25:39
If you can, please restate your name.

S Speaker 6 1:25:41
Oh, I'm sorry. Ron Schumacher, on the renewable or the generators that you're going to use in diesel, is there a different type of fuel than what normally Okay, so this was I,

H Hillis 1:25:54
I won't answer, but I can defer to staff at the end of public comment, and he can and Nate Levine, the interim public works director can give a fuller answer,

S Speaker 6 1:26:03
okay, the reason I'm asking is because the fire departments also use general diesel generators. And was wondering, why not natural gas? That's all

N Nate PUBWORKS 1:26:13
we we identified the diesel generators is being more effective for the resiliency natural gas either requires larger, more expensive tanks, or you have to have transmission lines, which unfortunately, can be disrupted in the event of a emergency or disaster. We were able to find through the help of the mayor, a provider that offers what they call more renewable diesel that they're serving Contra Costa, or county connection, basically our transit provider, and they're willing to work with us or help support us in securing an agreement with their provider to get that diesel. Hence, that's that's why we're evaluating that.

S

Speaker 6 1:26:55

Yes, I noticed the fire department, they had a lot of troubles with the fuel, actually growing algae. I ran a fleet for what, did 180 million miles a year. So it's really important that the field doesn't go bad, because it'll grow algae

H

Hillis 1:27:09

in it. Good point. I would refer our public works director to be sure that mofd has the same information. And this is a it's it's made from fish renderings after slaughtering plants, it is almost carbon free in the same diesel engine, yeah,

S

Speaker 6 1:27:29

because they did have some issues with some vehicles that can't run on that fuel in automotive as well.

H

Hillis 1:27:34

Okay, thank you. Thank you. All right, I will now close the public hearing, and I will turn this back to council members for comments, and we'll start at the other end this time with council member teal.

T

Thiel 1:27:48

I'm just glad we're at this point or we can have these discussions and get a clear, comprehensive picture of the work that would soon be in place. I want to thank staff for doing a very comprehensive exercise and understanding costs and presenting the options for consideration, and look forward to advancing our decision here tonight.

H

Hillis 1:28:10

All right, thank you. Sorry. It was my reminder. Give my daughter medicine and we'll move over to council member Woeleke.

W

Woehleke 1:28:19

Thank you, Mayor. A few comments starting off. So this is a an effort that's been underway for a number of years and in a dynamic environment, and unfortunately, the timing is such that what was presented to the town council originally was not adequate to make a decision, and that is reality. And so we missed the Nim two, and we're we're now in Nim three, which is not as attractive. However, I think the configuration we have here is a lot better than what we are originally anticipating, which included four facilities, including at the hacienda, which is going to be very problematic. They're simpler. I think that it would be a real challenge to put solar panels at this facility, which was originally anticipated. I'm comfortable that we're not including batteries, because the batteries actually always decrease the economic value of what was being proposed. So we're headed in that right direction. I wish I could say that the economics look really robust. However, a way to look at this is that we absolutely do need emergency generators. We need emergency power in some. Way shape or form, the conventional way to achieve that are generators. And in fact, these solar panels, investing in these solar panels, appears to me to be a way to pay for those generators so over time. So I'm I'm okay with that, with regard to the redwood trees, yeah, this is a this is always a challenge. In fact, redwood trees should not be planted next to buildings that they're beautiful trees, but they they grow big, long life and roots that go way out, and it is a very common issue, and even when, okay, so maybe these trees are 40 years old, and they're only 60 or 70 feet high, and the trunk is three and a half to four feet diameter, and it's near the building. But you know what? It's just going to keep growing, and that trunks going to keep getting bigger and bigger, and those trips, those those those roots, are going to become more and more invasive. So something's going to have to be done. You know, if we can keep some of the trees, great, but the best place for them is about 20 miles that way, in Reinhardt regional park, or in that kind of environment. My comments, thank you. Thank you

M

Maglio 1:31:36

council member, Molly, I would like to say thank you to our staff for bringing this project home. Finally, I think that we've and you have brought to us a solution that balances sustainability, resilience and fiscal prudence at the same time giving us the required safety that we need. So thank you.

H

Hillis 1:32:07

Thank you. Vice Mayor,

D

Dolan 1:32:10

I would add esthetics to the list of council member, Molly O's. I think that that the original big, big grouping of panels would have been a real hideous deal at town hall. So I'm really happy with the evolution of this project. You know, the savings isn't, maybe what we'd hoped, but we get a lot of goodies with this project. And you know, we need, we need the new parking lot. We need the generators now. We need a new roof, and this helps us get those, and we save a little money. And based on my conversations primarily with Nate, I think there's a good chance that all the assumptions are conservative enough where the savings are actually greater.

H

Hillis 1:33:04

Thank you. And I really just want to point out Rheem public works director Nate Levine, when he came to all of us, I believe about a year ago may have been a little less than that, and talked about how things were looking for the financing. The understanding was that we were, we were out of the solar game entirely, that there'd be no way that it would make sense, and that we were now reverse engineering. What the, what the minimum thing we needed to get accomplished was, which was the generator replacements so that we could have, I would think it's a 72 hour standby, but instead you came back and you found instead, so we would have to have the generators anyway, and now you have found a creative way to use the solar panels to actually make the generators. Cost negative. Is that or cost neutral? Is that? Am I understanding that correct? And I'm not supposed to ask questions. I just want to be sure I'm not want to be sure I'm not putting out misinformation.

N

Nate PUBWORKS 1:34:04

Long term, long term, it will offset and I I will also say that I can't take all the credit. We had some great help from the consultants that we engaged that helped identify these ideas, but, but

H

Hillis 1:34:18

thank you. You're a good man, but when credit's given, definitely take it. I will also point out that also the recipe how receptive staff was to accepting alternative solutions, like the alternative diesel fueling, to try to go back to some of the environmental values that originally came with the kernel of this. Thank you for being receptive to that. I did move to being supportive of this item in our meeting with staff this afternoon, I did have some serious reservations, and I just wanted to state what those reservations are, because I do think that they are good mile markers for things that at some point when there is flexibility in. The staff workload that we are going to need to consider dealing with. One of those things is a tree preservation ordinance. So I am somewhat of an expert in these things, given that I helped to remove over 2 million trees through California as part of a large public utilities program to remove vegetation growing on top of high pressure transmission gas transmission lines. I will tell you that there are high pressure gas transmission lines right next to the library. And if we get to the point of removing all but one, you remove the one also, because if you have one big redwood, it's a lightning rod, you're going to blow up. You won't blow up. There's a potential for a negative outcome. But I would also say, based on my review of two thirds of the state and what they do, the more affluent communities like Lafayette got a lot of mitigation, the less affluent communities like King City, they were able to get some but not nearly as much as what some others were. And what was the differentiation? Not whether or not they were high income or not. It was their tree preservation ordinance and how much work was done into building that. And this is something which is we are. Look, we haven't had to have one, apparently in Moraga, because we haven't really built much, but we're about to. And the example of what happened at the is happening now at the Moraga library, where we just got some public aware that some redwood trees are going to have to be removed. Expect that exponentially every time anything is built, especially if we're able to build anything at Moraga Center, which is forested, I would say at some point, it dramatically behooves this town to have a tree preservation ordinance that's tied to development projects, so that when a development project comes in, they can pay an In lieu fee, or they can replant somewhere else. It's what everyone but us does. So with that said, I'll now move over to the I appreciate the fact that the O and M was worked into this, and I appreciate the fact that we are voluntarily making the obligation to replant these trees. And if, in addition to the house or tree report that will be provided in the public, if we can also make public where the replanting locations are, that I think that would be great. And with that, I end my comments. I think staff for all of their work, I think our consultants for all of their work. It's been years. So thank you, and I'm open for a motion,

W

Woehleke 1:37:44

I move approval of the motion determining the anticipated cost to the town of is less than the projected energy utility cost consumed by the town over the useful life of the town facilities, energy reliability project, authorizing the town manager to finalize and execute an agreement with excite energy, authorizing a loan from the Palos, Colorado's fund to the General Fund, and authorizing increased appropriations for CIP 23 dash 108 town facilities, energy reliability and finding the project exempt from the California Environmental Quality Act. Sequa pursuant to CEQA guidelines sections 15, 301 and 15, 030, does that first sentence need to be modified?

A

Attorney 1:38:46

You just say as set forth in the proposed

W

Woehleke 1:38:48

resolution, well as set forth in the proposed resolution. But I like to read it.

D

Dolan 1:38:53

Yeah, no, it's a good idea to read it. But I'm not

A

Attorney 1:38:55

sure what you're referring to. What hasn't it's 15, 301, yeah.

W

Woehleke 1:38:58

But what I have is that resolution there, and it says to the town of is less,

A

Attorney 1:39:11

oh, if there's miss, missing a word, determining, determining that the anticipated cost to the town of the town facilities, energy reliability, reliability

W

Woehleke 1:39:21

project, is less. Is less. Is less the others and should not be there. So my motion accordingly.

H

Hillis 1:39:29

Thank you. Is there a second?

D Dolan 1:39:31
Second? Is that?

H Hillis 1:39:32
Okay? That's one favor. Oh, do we have to do a roll call because it's public hearing, or

A Attorney 1:39:37
we do not have to do roll call, but it's a good idea. In this case,

H Hillis 1:39:41
town clerk, can you call the roll?

S Speaker 1 1:39:43
Councilmember Woeleke, Yes. Vice Mayor Dolan aye, Councilmember mallio Aye,
Councilmember teal aye, Mayor Hillis aye. Motion passes.

H Hillis 1:39:54
Thank you. And now I think public hearings, I think we're. For that closes out our public hearings. Thank you to our consultant. And now we're at item 10. Council members request for future agenda items. And my colleagues have any requests for further items? Seeing none informational items. I see none here. Now we're at item 12. Town Manager, did you want to provide any follow ups or announcements?

T

Town Manager 1:40:23

Mr. Mayor, Members of the Council, thank you for your support on the agenda items, but the last one there, this is a significant moment, and I would just like to augment and add on the the compliments for staff. So Nate Levine and Katie Bruner, your interim public works director and your Administrative Services Director, what you see with these two folks is the difference between an ordinary employee and an extraordinary employee. So if I can embarrass you both, we thought this project was going to die a natural death. But Nate was so persistent and looking at does it have to be this way? Because he saw and understood the need with respect to the parking lot and the building and the opportunities that are out there, and exceptional consultants who could have just walked away and said, Moraga, you're problematic too hard to deal with. We can make a lot more money elsewhere. Still true? Well, that may be true with the elected officials, not so much with the staff, but it's really it's really significant. And every now and then in your life, public or private, personal or at work, something extraordinary happens, and we're seeing that now, and I just want to call them out and acknowledge their great work, but for exciting energy, friends, thank you for sticking with us. So another now we're going to have to go do it and deliver. And it's interesting how we had the rains and we discovered the leak. And good thing, we caught all that before we came here tonight. So Nate, I think your extra effort here is paying off. Okay, so I just wanted to point that out on that okay. By way of follow up, I did talk to the gentleman who had concerns about leaf blowers and all that, so I explained to them, thank you, how that is. And there is no easy solution, even though cities that pass ordinances and rules are having little to no impact on it. So there's, I know it's not on the agenda, but I'm happy to follow up, and I gave them the path how to go forward. I just want to make sure we don't create a false sense of a solution to a very complicated issue. Okay, so the next meeting is on April 22 and a couple items of note, the food truck regulations update, we will come back to you on that and the flag policy issue. I know it's important issue, and I'm actually working with a student from St Mary's College to help with the research. One of the items that we had talked about was the code enforcement or code and compliance contract to potentially partner with our neighbors in Orinda, and we were looking at bringing that on the 22nd but we're going to push that out a couple months we we had a little bit more homework to do, and I know our friends in Orinda would like to partner with us, because there are tremendous or not tremendous, but there are economies of scale if we do it together, but we're we've had some delays, and we're not ready to with our economic development effort and the kickoff meeting that we're going to have with our consulting firm that you graciously approved cosmonaut companies that's been delayed for a variety of reasons, but that will probably happen in the next couple three weeks, and then we'll strategize how the code compliance fits in with that. So we're making sure we look at the big picture. And I know Sonia or zua, our planning director is tremendously relieved to have an extra couple months to get that in order. So I just wanted to point that out to all five of you. That's it for the town manager, follow up and comments, thank you.

H

Hillis 1:43:58

Thank you. With that, we're adjourned. You.