



Silicon Valley Clean Energy Authority

Board of Directors Meeting

Wednesday, February 14, 2018

7:00 pm

Cupertino Community Hall

10350 Torre Avenue

Cupertino, CA

MEETING MINUTES

Call to Order

Chair Rennie called the meeting to order at 7:02 p.m.

Roll Call

Present:

Chair Rob Rennie, Town of Los Gatos
Director Courtenay C. Corrigan, Town of Los Altos Hills (arrived at 7:08 p.m.)
Director Steve Tate, City of Morgan Hill
Director Nancy Smith, City of Sunnyvale
Director Margaret Abe-Koga, City of Mountain View (arrived at 7:05 p.m.)
Director Howard Miller, City of Saratoga
Director Rod Sinks, City of Cupertino
Director Liz Gibbons, City of Campbell
Director Jeannie Bruins, City of Los Altos
Director Burton Craig, City of Monte Sereno
Director Marsha Grilli, City of Milpitas (arrived at 7:05 p.m.)

Absent:

Vice Chair Daniel Harney, City of Gilroy
Director Dave Cortese, County of Santa Clara

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

Director Sinks requested to pull Items 1b and 1e.

Chair Rennie opened public comment for those wishing to pull an item from the consent calendar.

No speakers.

Chair Rennie closed public comment for those wishing to pull an item from the consent calendar.

MOTION: Director Miller moved and Director Gibbons seconded the motion to approve the Consent Calendar with the exception of Items 1b and 1e.

The motion carried unanimously with Vice Chair Harney, Director Abe-Koga, Director Corrigan, Director Cortese, and Director Grilli absent.

- 1a) Approve Minutes of the January 10, 2018 Board of Directors Meeting**
- 1c) Approve 2018 Update to Annual Energy Use and Voting Shares as Required by SVCE Joint Powers Agreement**
- 1d) Customer Program Advisory Group Report**
- 1f) December 2017 Treasurer Report**
- 1g) Approve Amendment to Power Supply FY 2017-18 Budget**
- 1h) Approve Amended Accounting Policy to Remove Sarbanes-Oxley Act**

1b) Adopt Resolution Commending Director Griffith or His Dedicated Service to SVCE

MOTION: Director Sinks moved and Director Smith seconded the motion to adopt Resolution 2018-03, commending Director Griffith for his dedicated service on the SVCE Board of Directors for 2016 and 2017, with a change to the second *Whereas* line to indicate Director Griffith played a pivotal role as a Councilmember in the City of Sunnyvale in promoting community clean energy in Santa Clara County and forming SVCEA with his City as a member.

Chair Rennie opened public comment.
No speakers.
Chair Rennie closed public comment.

The motion carried unanimously with Vice Chair Harney and Directors Corrigan and Cortese absent.

1e) Authorize CEO to Approve Agreement with Freelance Media Buying for Media Strategy, Media Planning and Media Buying

Community Outreach Manager Pamela Leonard and Director of Marketing and Public Affairs Alan Suleiman responded to Board questions regarding details of the agreement. Manager of Account Services Don Bray provided additional information on community outreach efforts for commercial customers.

Board members requested clarification on the hourly rate of the vendor, specifics of what the contract covers, outreach strategy with a focus on Milpitas, and circulation information for local papers where advertising would be purchased prior to approving the proposed agreement. The Board requested Staff bring the agreement back after revisiting the requests.

MOTION: Director Sinks moved and Director Miller seconded the motion to defer approval of the contract to March 2018.

Chair Rennie opened public comment.
No speakers.
Chair Rennie closed public comment.

The motion carried with Director Smith dissenting, and Vice Chair Harney and Director Cortese absent.

Regular Calendar

2) Financial Audit Report (Discussion)

Interim CEO Don Eckert introduced Brett Bradford of Pimenti & Brinker, LLP who presented a PowerPoint presentation on the results of the Financial Audit Report. Bradford and Interim CEO Eckert responded to Board questions.

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

Director Miller noted direction to Staff to begin preparation for a Comprehensive Annual Financial Report (CAFR) for the future; Interim CEO Eckert provided a target date of three years.

MOTION: Director Miller moved and Director Bruins seconded the motion to accept the year-end Financial Statements and the Independent Auditor's Report for the period ended September 30, 2017, and 2016, and June 30, 2016.

The motion carried unanimously with Vice Chair Harney and Director Cortese absent.

3) Elect Chair and Vice Chair

Chair Rennie announced there were two letters of interest submitted for the position of Chair from Director Corrigan and Director Bruins, and opened nominations from the floor for Chair.

Director Miller nominated Chair Rennie to serve as Chair for 2018; following discussion, Chair Rennie accepted the nomination.

Director Bruins provided brief comments regarding her interest in serving as Chair.

Director Corrigan provided brief comments regarding her interest in serving as Chair.

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

VOTE FOR THE POSITION OF CHAIR (1st Vote):

Director Corrigan: Rennie

Director Tate: Bruins

Director Smith: Corrigan

Director Abe-Koga: Corrigan

Director Miller: Rennie

Director Sinks: Corrigan

Chair Rennie: Corrigan

Director Gibbons: Bruins

Director Bruins: Bruins

Director Craig: Corrigan

Director Grilli: Bruins

General Counsel Greg Stepanicich reported four votes for Bruins, five votes for Corrigan, and two votes for Rennie.

As there were not at least seven votes for one nominee, Chair Rennie announced the Board would proceed with a second vote for the position of Chair with Directors Bruins and Corrigan as candidates.

VOTE FOR THE POSITION OF CHAIR (2nd Vote):

Director Corrigan: Corrigan
Director Tate: Bruins
Director Smith: Corrigan
Director Abe-Koga: Corrigan
Director Miller: Bruins
Director Sinks: Corrigan
Chair Rennie: Corrigan
Director Gibbons: Bruins
Director Bruins: Corrigan
Director Craig: Corrigan
Director Grilli: Corrigan

With eight votes for Corrigan and three votes for Bruins, Chair Rennie announced Director Corrigan had been selected as Chair.

Chair Rennie announced there were two letters of interest submitted for the position of Vice Chair from Director Abe-Koga and Director Miller, and opened nominations from the floor for Vice Chair; no additional nominations were made.

Director Abe-Koga provided brief comments regarding her interest in serving as Vice Chair.

Director Miller provided brief comments regarding his interest in serving as Vice Chair.

VOTE FOR THE POSITION OF VICE CHAIR:

Director Corrigan: Abe-Koga
Director Tate: Abe-Koga
Director Smith: Abe-Koga
Director Abe-Koga: Abe-Koga
Director Miller: Abe-Koga
Director Sinks: Miller
Chair Rennie: Miller
Director Gibbons: Abe-Koga
Director Bruins: Miller
Director Craig: Miller
Director Grilli: Abe-Koga

Board Clerk Andrea Pizano reported seven votes for Abe-Koga and four votes for Miller; Chair Rennie congratulated Director Abe-Koga on her appointment of Vice Chair.

Following selection of the Chair and Vice Chair, newly appointed Chair Corrigan took Director Rennie's seat and presided over the remainder of the meeting.

4) Establish an Audit Committee and Finance Committee

Interim CEO Eckert introduced the item and responded to Board questions. The Board discussed separating the Audit and Finance Committee, composition of each group, and the process for appointing a city staff person to serve on a committee.

Chair Corrigan opened public comment.
No speakers.
Chair Corrigan closed public comment.

MOTION: Director Bruins moved and Director Gibbons seconded the motion to establish a separate Audit Committee and a separate Finance and Administration Committee; adopt finance policies FP1A and FP1B with a modification of FP1B retitled to 'Finance and Administration' committee; indicate in both policies under section three, *Committee Membership*, eligible members include Board members, Alternate Board members or city staff person; include there will be no alternates in the committee function, and no one City can occupy more than one seat.

The motion carried unanimously with Vice Chair Harney and Director Cortese absent.

5) Appoint Board Committee Members

Chair Corrigan introduced the item; Board members discussed individual interests in serving on each committee.

Board Clerk Andrea Pizano summarized Board interests in the following committees:

Executive Committee

Chair Corrigan
Vice Chair Abe-Koga
Director Gibbons
Director Sinks
Director Smith

Audit Committee

Chair Corrigan
Director Bruins
Director Grilli

Finance and Administration Committee

Director Craig
Director Gibbons
Director Miller
Director Rennie
Placeholder for a County representative

Legislative Ad Hoc Committee

Vice Chair Abe-Koga
Director Rennie
Director Sinks
Director Smith
Director Tate

MOTION: Director Miller moved and Director Rennie seconded the motion to approve committee appointments as summarized by Staff.

The motion carried unanimously with Directors Cortese and Harney absent.

6) Appoint Board Treasurer/Auditor and Board Secretary

Interim CEO Eckert introduced the item.

MOTION: Director Bruins moved and Director Miller seconded the motion to appoint Don Eckert, SVCE Director of Admin and Finance, as the Board Treasurer/ Auditor and Andrea Pizano, Board Clerk/Executive Assistant, as the Board Secretary.

The motion carried unanimously with Directors Cortese and Harney absent.

The Board was in consensus to move the annual appointments of Board Treasurer/Auditor and Board Secretary to the consent calendar going forward.

Chair Corrigan opened public comment.

No speakers.

Chair Corrigan closed public comment.

7) Executive Committee Report (Discussion)

Director Rennie reported the Executive Meeting scheduled for January 23 had been cancelled and the next regularly scheduled meeting would be Tuesday, February 27, at 11:30 a.m.

Chair Corrigan opened public comment.

No speakers.

Chair Corrigan closed public comment.

8) CEO Report (Discussion)

Interim CEO Eckert provided a report which included updates on a short-term power supply request for offers (RFO) issued on January 30, the long-term joint RFO with Monterey Bay Community Power, billing services with PG&E, a status update on the non-release of PG&E rates and the plan for SVCE rates, and reports on the Customer Program Advisory Group and CalCCA Board meetings. Community Outreach Manager Leonard and SVCE Climate Corp Fellow Victoria Yu presented a "How to Read your Bill" video and responded to Board questions.

Manager of Regulatory and Legislative Affairs Hilary Staver provided a regulatory and legislative update and responded to Board questions. Directors requested Staff look into a closed session regarding legislative strategies; General Counsel Stepanich noted he would work with Staff to determine if the discussion topic would fall within requirements for a closed session.

Chair Corrigan opened public comment.

No speakers.

Chair Corrigan closed public comment.

9) Audit and Finance Committee Report (Discussion)

Interim CEO Eckert noted the main topics of discussion from the Audit and Finance Committee had been covered in previous agenda items, and the newly formed Finance and Administration Committee would meet in early March to discuss investments, mid-year budget, and select a Chair and Vice Chair.

10) Legislative Ad Hoc Committee Report (Discussion)

Director Sinks, Chair of the Legislative Ad Hoc Committee, reported the Legislative Ad Hoc Committee met, recognized legislative challenges, and felt it would be appropriate to meet in closed session.

11) Commercial Peak Day Pricing Transition Program (Discussion)

Manager of Account Services Don Bray introduced the item and Account Representative John Supp; Account Representative Supp presented a PowerPoint presentation and responded to Board questions. Manager of Account Services Bray provided additional information regarding demand response data.

12) SVCE 2018 Rates (Discussion)

Interim CEO Eckert reported PG&E rates had not yet been released and therefore there would be no discussion.

13) Launching Milpitas June 2018 (Discussion)

Interim CEO Eckert presented the item and responded to Board questions.

Board members requested an informational overview of Milpitas enrollment from Staff via email.

Board Member Announcements and Direction on Future Agenda Items

Chair Corrigan summarized Board requests for future agenda items to include a discussion on allocating additional legal funds for CalCCA, and a possible closed session item, if appropriate, on recent legislative action. Chair Corrigan announced she spoke with Tesla regarding their charging station program and her interest in exploring the option of having them available at member agency libraries.

In response to Chair Corrigan's comments, Director Gibbons noted ChargePoint offers an existing high charging product. Director Gibbons thanked Interim CEO Eckert and Staff for their work in the interim of the new CEO.

Director Bruins inquired if there would be an open house to meet the new CEO prior to the March Board of Directors meeting.

Board Clerk Pizano acknowledged Alternate Directors Barry Chang, Lisa Matichak, and Edesa Bitbadal from the audience.

Adjourn

Chair Corrigan adjourned the meeting at 9:55 p.m.

ATTEST:



SECRETARY