



Silicon Valley Clean Energy Authority

Board of Directors Meeting

Wednesday, November 14, 2018

7:00 pm

Cupertino Community Hall

10350 Torre Avenue

Cupertino, CA

MEETING MINUTES

Call to Order

Chair Corrigan called the meeting to order at 7:00 p.m.

Roll Call

Present:

Chair Courtenay C. Corrigan, Town of Los Altos Hills
Vice Chair Margaret Abe-Koga, City of Mountain View (arrived at 7:06 p.m.)
Alternate Director Tony Ndah, City of Milpitas
Director Steve Tate, City of Morgan Hill
Director Nancy Smith, City of Sunnyvale
Director Howard Miller, City of Saratoga
Director Rod Sinks, City of Cupertino
Director Rob Rennie, Town of Los Gatos
Director Liz Gibbons, City of Campbell
Director Jeannie Bruins, City of Los Altos
Director Burton Craig, City of Monte Sereno

Absent:

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

Public Comment on Matters Not Listed on the Agenda

Bruce Karney, Mountain View resident, provided comments regarding the Climate Reality Project and the formation of a Santa Clara County chapter.

Adoption of Resolution 2018-13 Commending Director Tate for His Dedicated Service to SVCE

Chair Corrigan thanked Director Tate for his dedication to SVCE and presented a plaque and resolution of recognition; Director Tate provided brief comments.

MOTION: Director Rennie moved and Director Miller seconded the motion to adopt Resolution 2018-13 commending Director Tate for his dedicated service to SVCE.

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

Consent Calendar

General Counsel Greg Stepanicich provided brief comments regarding Item 1d) *Approve Amendment No. 1 to the Employment Agreement for Chief Executive Officer*. General Counsel Stepanicich summarized the financial terms to the CEO contract which included: 1) an increase in annual salary for the CEO from \$275,000 to \$290,000, 2) an increase in paid time off from 200 to 280 hours per year, effective February 19, 2019, and 3) a one-time grant of paid time off of 80 hours to be taken prior to February 19, 2019.

MOTION: Director Bruins moved and Director Smith seconded the motion to approve the Consent Calendar.

The motion carried unanimously with Directors Cortese and Harney absent.

- 1a) Approve Minutes of the October 24, 2018, Board of Directors Adjourned Regular Meeting**
- 1b) Receive September 2018 Treasurer Report**
- 1c) Adopt Resolution Amending the SVCE Operating Rules and Regulations to Change the Annual Appointment of Committee Assignments, With the Exception of the Executive Committee, to February**
- 1d) Approve Amendment No. 1 to Employment Agreement for Chief Executive Officer**
- 1e) Authorize CEO to Execute Agreement with Aaron Read & Associates, LLC. for 2019 Lobbying Services**

Regular Calendar

2) CEO Report (Discussion)

CEO Girish Balachandran provided a CEO report which included acknowledging press coverage for the joint power purchase agreement project for solar plus storage.

Manager of Regulatory and Legislative Affairs Hilary Staver provided a regulatory and legislative update.

Director of Account Services and Community Relations Don Bray responded to member questions regarding the upgrades and opt outs listed in the CEO report; Director Miller suggested staff reach out to residential opt out customers.

The Board discussed press coverage received from the solar plus storage project; Director Sinks requested staff continue to follow up with mainstream media on the project. Communications Manager Pamela Leonard responded to member questions regarding press coverage from the solar plus storage project and provided a community engagement grant update.

- 3) Adopt Resolution to Authorize the Chief Executive Officer to Execute Service Agreements with 1) Hanover Strategy Advisors; 2) Flynn Resources Consulting Inc.; and 3) Ascend Analytics, Inc. and Delegate Authority to CEO to Spend up to \$1,000,000 in Aggregate through September 30, 2021 Under Master Consultant Agreements (Action)**

Director of Power Resources Monica Padilla introduced the staff report and responded to Board member questions; CEO Balachandran provided additional information. Director of Power Resources Padilla noted the Board would have the ability to approve consultant funding during the annual budget process.

Board members discussed the frequency of financial reporting for the proposed contracts.

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

MOTION: Director Tate moved and Director Gibbons seconded the motion to adopt Resolution No. 2018-15 authorizing the Chief Executive Officer (CEO) to execute service agreements, with non-substantive changes, with Hanover Strategy Advisors (“Hanover”), Flynn Resource Consulting Inc. (“Flynn”), and Ascend Analytics Inc. (“Ascend”), collectively referred to as (“Master Consultant Agreements”), for general strategic consulting and support related to: legislative and regulatory, supply portfolio management, energy risk management and retail rate and product offerings; and delegating authority to the CEO to spend in aggregate amount not to exceed one-million dollars through September 30, 2021.

FRIENDLY AMENDMENT: Without objection, Director Gibbons added a friendly amendment to include reports biannually.

The motion carried unanimously with Directors Cortese and Harney absent.

4) Overview Presentation on Building Design Incentives and Reach Codes (Discussion)

Director of Account Services and Community Relations Bray introduced the item and a PowerPoint presentation. Account Services Manager John Supp and Director of Decarbonization and Grid Innovation Programs Aimee Bailey provided additional information and responded to Board questions.

The Board provided feedback including comments on the timeline for implementing a new reach code, concerns in regard to new reach code implementation for various cities having a negative impact on the ability to build affordable housing, a suggestion to connect with staff of member agency planning departments and other pertinent staff to communicate SVCE’s support level on the development of a reach code, timing of adoption of a reach code by each member agency, engaging architects and engineers, the challenge of retrofitting an existing home, an idea to require new buildings be equipped with pre-plumbing and pre-electrical for every major appliance to support both gas and electric, consider what it would take to ban gas for either all or certain types of new building, start with a sample ordinance which has a minimum number of all electric building, start with a few of the member agencies adopting a reach code with other agencies to follow, develop an outreach plan, concern with the staff time required, offering incentives, and potentially using the Los Altos Community Center as a case study for going all-electric.

Chair Corrigan opened public comment.

Tom Kabat, utility resource planner, volunteer with Carbon Free Silicon Valley, and member of the Menlo Park Environmental Quality Commission, commented on Palo Alto’s reach code implementation. Kabat supported SVCE’s proposed reach code, noted all electric construction does not raise the cost of buildings, and commented on his favorable opinion that gasless buildings should be mandated.

Bruce Karney commented his consideration of natural gas as a weapon of mass destruction and his belief the biggest emergency that faces us is the climate crisis. Karney voiced support of SVCE’s proposed reach code and support of a future carbon tax.

James Tuleya, resident of Sunnyvale, supported the reach code idea and thanked staff. Tuleya encouraged directors to think positively about ways that the reach code could be implemented, and noted electrification should be a high priority.

Steve Schmidt, resident of Los Altos Hills, provided two points: 1) bend the carbon curve by addressing existing buildings, setting the direction by first reaching new buildings, and 2) hiring a consultant to assist staff in expediting the process of getting started.

Chair Corrigan closed public comment.

Director Sinks noted he would send reference documents to Board Clerk Andrea Pizano to distribute to the group: a link to the Sustainability Speaker Series from Oct. 18, 2018 with speakers Professor Mark Jacobsen and Director of Decarbonization and Grid Innovation Programs Aimee Bailey, and the Bay Area Air Quality Management District (BAAQMD) Climate Technology Review Report.

Chair Corrigan summarized Board comments of support for the reach code, and requested staff package what is needed for Directors.

5) Executive Committee Report (Discussion)

Chair Corrigan reported there was nothing to report.

6) Finance and Administration Committee Report (Discussion)

Chair Corrigan stated there was no report.

7) Legislative Ad Hoc Committee Report (Discussion)

Director Sinks reported the Legislative Ad Hoc Committee had not met since their last meeting, but was interested in what they might do in the new year with the firm whose agreement was approved on the consent calendar.

Board Member Announcements and Direction on Future Agenda Items

None.

Chair Corrigan commented more detailed information would be provided at the December meeting on the plan for selecting the executive slate for 2019, but would be proceeding with a voluntary process similar to last year.

Adjourn

Chair Corrigan adjourned the meeting at 9:32 p.m. in honor of the cities, residents and businesses fighting the California fires.

ATTEST:



SECRETARY