



Silicon Valley Clean Energy Finance and Administration Committee Meeting

Tuesday, September 15, 2020
1:00 pm

Howard Miller, Chair
City of Saratoga

Nancy Smith, Vice Chair
City of Sunnyvale

Liz Gibbons
City of Campbell

Rod Sinks
City of Cupertino

Fred M. Tovar
City of Gilroy

Neysa Fligor
City of Los Altos

George Tyson
Town of Los Altos Hills

Rob Rennie
Town of Los Gatos

Carmen Montano
City of Milpitas

Javed Ellahie
City of Monte Sereno

Yvonne Martinez Beltran
City of Morgan Hill

Margaret Abe-Koga
City of Mountain View

Susan Ellenberg
County of Santa Clara

Teleconference Meeting
Webinar:

<https://zoom.us/j/91096494006>

Or by Telephone (Audio only):
US: +1 669 900-9128
Webinar ID: 910 9649 4006

This meeting will be conducted in accordance with [State of California Executive Order N-29-20](#), dated March 17, 2020, in consideration of the Coronavirus (COVID-19). All members of the Silicon Valley Clean Energy Finance and Administration Committee and staff will participate in this meeting by teleconference.

Members of the public may observe this meeting electronically by accessing the meeting via instructions above. Public Comments can be sent in advance of the meeting to Board Clerk Andrea Pizano at Andrea.Pizano@svcleanenergy.org and will be read within the public comment period or the applicable agenda item. The public will also have an opportunity to provide comments during the meeting.

The public may provide comments on any matter listed on the Agenda. Speakers are customarily limited to 3 minutes each, however, the Committee Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act ("ADA") please contact Board Clerk Andrea Pizano at andrea.pizano@svcleanenergy.org prior to the meeting for assistance.

AGENDA

Call to Order

Roll Call

Public Comment on Matters Not Listed on the Agenda

The public may provide comments on any matter not listed on the Agenda provided that it is within the subject matter jurisdiction of SVCE. Speakers are customarily limited to 3 minutes each, however, the Committee Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

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333 W El Camino Real
Suite 290
Sunnyvale, CA 94087



Consent Calendar

Howard Miller, Chair
City of Saratoga

- 1) Approve Minutes from the August 5, 2020 Finance and Administration Committee Meeting

Nancy Smith, Vice Chair
City of Sunnyvale

Regular Calendar

Liz Gibbons
City of Campbell

- 2) CEO Update (Discussion)
- 3) Long-term Power Prepay Agreement Update (Discussion)
- 4) Approve to Recommend Health Savings Account Benefit Option (Action)

Rod Sinks
City of Cupertino

Committee/Staff Remarks

Fred M. Tovar
City of Gilroy

Adjourn

Neysa Fligor
City of Los Altos

George Tyson
Town of Los Altos Hills

Rob Rennie
Town of Los Gatos

Carmen Montano
City of Milpitas

Javed Ellahie
City of Monte Sereno

Yvonne Martinez Beltran
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City of Mountain View

Susan Ellenberg
County of Santa Clara

**Silicon Valley Clean Energy
Finance and Administration Committee Meeting**
Wednesday, August 5, 2020
2:30 pm

Pursuant to State of California Executive Order N-29-20, dated March 17, 2020, the meeting was conducted via teleconference.

DRAFT MINUTES

Call to Order

Committee Chair Miller called the meeting to order at 2:33 p.m.

Roll Call

Present:

Committee Chair Rob Rennie, Town of Los Gatos
Committee Vice Chair Javed Ellahie, City of Monte Sereno
Director Liz Gibbons, City of Campbell
Director Howard Miller, City of Saratoga
Committee member Maria Öberg, County of Santa Clara

Absent

None.

All committee members participated via teleconference.

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

MOTION: Director Gibbons moved and Committee Vice Chair Rennie seconded the motion to approve the consent calendar.

The motion carried unanimously by verbal roll call vote.

1) Approve Minutes from the January 17, 2020 Finance and Administration Committee Meeting

Regular Calendar

2) CEO Update (Discussion)

CEO Girish Balachandran provided an update and presentation on SVCE's Strategic Plan process and responded to committee member questions.

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3) Selection of 2020 SVCE Finance and Administration Committee Chair and Vice Chair (Action)

The committee discussed nominations and timing for the appointment of Chair and Vice Chair of the committee, and confirmed the appointment of Chair would be through January or February of 2021. The group was in consensus to hold more frequent committee meetings and set a schedule for future appointments.

MOTION: Committee Chair Miller moved and Director Gibbons seconded the motion to nominate Director Rob Rennie to serve as Chair, and Director Javed Ellahie to serve as Vice Chair of the 2020 Finance and Administration Committee.

Committee Chair Miller opened public comment.
No speakers.
Committee Chair Miller closed public comment.

The motion carried unanimously by verbal roll call vote.

Following the selection of the 2020 Chair and Vice Chair, the newly appointed Committee Chair Rennie presided over the remainder of the meeting.

4) Proposed FY 2020-21 Operating Budget and Financial Review (Discussion)

Interim Director of Finance and Administration Don Rhoads presented a PowerPoint presentation; staff responded to committee member questions.

The committee provided feedback and discussed the presentation for the August Board of Directors meeting.

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

MOTION: Director Gibbons moved and Director Miller seconded the motion to recommend the Finance and Administration Committee support moving forward with the budget to be presented at the Board of Directors August board meeting.

The motion carried unanimously by verbal roll call vote.

5) Long-term Power Prepay Agreement Update (Discussion)

CEO Balachandran introduced the item and Michael Berwanger of PFM Financial Advisors LLC; Berwanger presented a PowerPoint presentation and responded to committee member questions.

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

6) Select Next Meeting Date of the Finance and Administration Committee (Action)

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Howard Miller, Chair
City of Saratoga

The committee was in consensus to schedule a meeting at a date following the September 9, 2020 Board of Directors meeting; Director Miller requested staff distribute a Doodle poll for availability.

Nancy Smith, Vice Chair
City of Sunnyvale

Director Gibbons and Director Miller left the meeting at 4:01 p.m.

Liz Gibbons
City of Campbell

Committee/Staff Remarks
None.

Rod Sinks
City of Cupertino

Adjournment
Committee Chair Rennie adjourned the meeting at 4:02 p.m.

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City of Gilroy

Neysa Fligor
City of Los Altos

George Tyson
Town of Los Altos Hills

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Staff Report – Item 2

Item 2: CEO Update

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 9/15/2020

This item will be addressed in the form of an oral report to the Finance and Administration Committee from CEO Girish Balachandran.



Staff Report – Item 3

Item 3: Long-term Power Prepay Agreement Update

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 9/15/2020

As mentioned at the September 9, 2020 Board of Directors meeting, this subsequent presentation will be given to the Finance and Administration Committee to discuss the long-term power prepay agreement.



Staff Report – Item 4

Item 4: Approve to Recommend Health Savings Account Benefit Option

From: Girish Balachandran, CEO

Prepared by: Kevin Armstrong, Administrative Services Manager

Date: 9/15/2020

RECOMMENDATION

Staff recommends that the Finance and Administration Committee recommend the Board approve the addition of a Health Savings Account (HSA) option as a new benefit that employees may elect to participate in. SVCE would contribute up to \$400 to an employee HSA, subject to IRS limits.

BACKGROUND

In an effort to provide employees with additional benefit options and increased flexibility, employees may consider enrolling in a High-Deductible Health Plan (HDHP) and Health Savings Account (HSA) in place of the Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Health Reimbursement Account (HRA) and Health Flexible Savings Account (Health FSA) options currently provided. Our existing offerings may not work for all employees, currently, or in the future, so adding the HSA provides additional options to our staff. HSAs enable employees to grow their savings in a tax-deferred investment account, as contributions stay with the employee throughout their lifetime. This is similar to many qualified retirement accounts, but HSA withdrawals can only be used for healthcare expenses.

ANALYSIS & DISCUSSION

SVCE’s analysis of the HDHP / HSA option shows that it can be implemented in a budget-neutral manner, as the projected cost of the SVCE-funded premiums + HSA contributions would be no greater than existing SVCE-funded premiums and HRA expenditures, due in large part to lower premiums for HSA-compatible health plans.

- SVCE currently contributes up to \$1500 / month / employee for benefits, including premiums and HRA contributions
- Current employee expenditures are closer to \$900 / month
- However, HDHP / HSA-compatible premiums are generally lower than HMO / PPO premiums, potentially saving SVCE hundreds per month
- Note: FSA contributions remain constant across options, and are excluded from the analysis

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	SVCE Cost - Maximum	SVCE Cost – Current (example)	SVCE Cost – HDHP / HSA (example)
Health Premium	\$1000	\$750	\$500
HRA Contribution / Expenditure	\$500	\$150	\$0
Total SVCE Contribution / Expenditure	\$1500	\$900	\$500
Potential HSA Contribution	\$0	\$0	Up to \$400

Based on this analysis, the combination of reduced HDHP health premiums plus reduced HRA contributions could yield up to \$400 / month available for contribution to an HSA. However, HSA contributions are limited each year by the IRS and are currently set at \$3550 for individuals / \$7100 for families.

Based on the analysis and the IRS limits, staff proposes the following SVCE contributions to employee HSAs:

- \$296 / month for individuals (up to the IRS individual limit)
- \$400 / month for families (based on analysis of cost-neutrality)

If approved by the Board, staff would begin outreach to employees in October, through the end of the year, in preparation for open enrollment in January and the start of the new benefits year in February 2021.

STRATEGIC PLAN

The recommendation supports Best Place to Work Goal of the Strategic Plan.

FISCAL IMPACT

There is no fiscal impact with this report.