

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 4

TO: Board of Directors
FROM: Alisa Lembke, Board Clerk / Administrative Analyst
SUBJECT: Approval of Minutes from October 8, 2020 Board Meeting
DATE: November 12, 2020

RECOMMENDATION

Receive, review and approve the attached October 8, 2020 Board meeting Minutes.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS REGULAR MEETING
THURSDAY, OCTOBER 8, 2020**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their regular meeting scheduled for Thursday, October 8, 2020 at 4:00 p.m., to be held via Zoom teleconference. Chairperson Don Saylor established that there was a quorum present and began the meeting at 4:00 p.m.

Board Members Present: Don Saylor, Dan Carson, Tom Stallard, Gary Sandy, Wade Cowan, Jesse Loren, Lucas Frerichs (arrived at 4:02 p.m.), Angel Barajas (arrived at 4:02 p.m.)

Members Absent: None

Approval of Agenda Chair Saylor informed the Board that Item 14 – statement on environmental justice issues will be addressed before Item 13 – Strategic Plan.

Motion made by Director Loren to approve the October 8, 2020 agenda as amended with Item 14 being addressed before Item 13, seconded by Director Frerichs. Motion passed unanimously.

Public Comment Chairperson Saylor opened the floor for public comment.

There were no written or verbal comments.

Approval of Consent Agenda / Resolution 2020-029 No items to be pulled from the consent agenda. There were no written or verbal public comments.

Motion made by Director Stallard to approve the consent agenda, seconded by Director Loren. Motion passed. The following items were approved, ratified, and/or received:

4. September 10, 2020 Board meeting Minutes;
5. 2020 Long Range Calendar;
6. Financial Updated – August 31, 2020 (unaudited) financial statement;
7. Legislative Update;
8. September 30, 2020 Regulatory update provided by Keyes & Fox
9. September 30, 2020 Customer Enrollment Update;
10. Community Advisory Committee (CAC) September 24, 2020 meeting summary; and,
11. SMUD Amendment #20 to Task Order 2 – implementation of the 2019 California Energy Commission Power Content Label as Resolution 2020-029.



Item 12: Financial Audit of Fiscal Year July 1, 2019 through June 30, 2020

Jesse Deol of James Marta & Company presented a summary of audit findings of VCE's financials for fiscal year 2019/2020.

There was a brief discussion about the current investment policy VCE is following. Staff are to provide a copy to the Board for future discussion.

There were no written or verbal public comments.

Director Carson made a motion to accept and approve the Audited Financial Statements for the period of July 1, 2019 to June 30, 2020; accept the communication with Governance Letter; and, accept the Internal Control Letter, seconded by Director Cowan. Motion passed by the following vote:

AYES: Saylor, Carson, Stallard, Sandy, Frerichs, Cowan, Barajas, Loren

NOES: None

ABSENT: None

ABSTAIN: None

Item 13: Approve Valley Clean Energy statement on environmental justice issues.

VCE Staff Rebecca Boyles summarized the revisions and additions to the Environmental Justice (EJ) statement.

Board Members provided their comments and questions. Ms. Boyles explained that the Environmental Protection Agency (EPA) definition was used in the EJ statement. The Board requested that language be added to the EJ Statement that is inclusive of sex, gender identity, and sexual orientation.

There were no written or verbal public comments.

Director Loren made a motion to approve Valley Clean Energy statement on environmental justice with modifications to include language that is more inclusive of sex, gender identity, and sexual orientation, seconded by Director Barajas. Motion passed by the following vote:

AYES: Saylor, Carson, Stallard, Sandy, Frerichs, Cowan, Barajas, Loren

NOES: None

ABSENT: None

ABSTAIN: None

Item 14: Approve Valley Clean Energy three-year Strategic Plan

VCE Staff provided an overview of the revised Strategic Plan (Plan), including topic and goal areas. Interim General Manager Mitch Sears reiterated that the draft Plan has goals that are overarching and lists measurable objectives to reach those goals. The Plan currently does not show what actions Staff need to take to accomplish those goals.



Discussion occurred and suggestions were made, such as:

- 1) financial stability and future Power Charge Indifference Adjustment costs; under Topic B (Procurement & Power Supply)/Goal 2, the goal to be 100% carbon neutral by 2030 versus 2035 as proposed in an earlier draft and the study to present options to achieving this goal;
- 2) adding a section to Topic C (Customers & Community)/Goal 3, that reflects the Environmental Justice Statement;
- 3) the definition of carbon free resource portfolio (carbon free hour by hour) as stated in Goal 2, Objective 2.5; and,
- 4) within the new section "Timing, Measurement and Updates", providing an annual report to the CAC, in addition to the Board.

Director Loren is to provide Staff language for an additional objective regarding Environmental Justice Statement to Topic C (Customers & Community)/Goal 3.

There were no written public comments. Verbal public comments were provided:

Yvonne Hunter, CAC Chair, commented that the CAC had a lengthy and thoughtful discussion about the Strategic Plan and the CAC's general statement in support of the direction the Plan is going is included in the Board's packet. She commented that Board Member Dan Carson was in attendance to listen to the CAC discussion; individual CAC Members and the CAC's Strategic Plan Task Group provided comments. As an individual, she encourages the Board to adopt the Plan.

Christine Shewmaker thanked Staff for their work on the Plan. She commented that she is in favor of the 2030 aspirational goal of working towards a resource portfolio that is 100% carbon neutral. This goal is also in line with the emergency declaration recently adopted by the Yolo County Board of Supervisors. She also commented that she supports looking at "carbon free hour by hour" by 2030.

The Board Members discussed shared services, expansion and municipalization and the need to include them within the Plan. The Board requested that Staff draft an additional objective under Topic F) Organization, Workplace & Technology, Goal 6 that addresses these objectives. Staff are to bring the draft language back to the Board for their review. Lastly, the Board discussed the need to keep the goals and objectives sharply defined and measurable, and the Plan discernable and transparent.

Director Stallard made a motion to:

- 1) approve the three-year Strategic Plan with modifications;
- 2) draft a "develop a municipalization or public power roadmap" objective to Topic F) Organization, Workplace, & Technology, Goal 6;



- 3) add an objective to Topic C) Customers & Community, Goal 3, that integrates and addresses the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE's services and programs (Environmental Justice Statement);
- 4) add that Staff will, in addition to the Board, provide an annual report to the CAC;
- 5) make two grammatical corrections; and,
- 6) bring the Plan back to the Board for review and ratification.

Motion was seconded by Director Loren. Motion passed by the following vote:
AYES: Saylor, Carson, Stallard, Sandy, Frerichs, Cowan, Barajas, Loren
NOES: None
ABSENT: None
ABSTAIN: None

Item 15: Receive long term energy procurement update (Informational)

VCE Staff Gordon Samuel provided an update on the local request for offers (RFOs) and long term energy procurements. Currently looking at four (4) entities for local projects and Staff are targeting the Board's November meeting for them to consider approving power purchase agreement(s) (PPA). The long term Aquamarine project remains on schedule for Quarter 2 of 2021. The Rugged Solar PPA was terminated by VCE and VCE is currently actively engaged with developers to fill the resource void. Staff are looking at bringing a replacement PPA for consideration to the Board at their November meeting.

There were no written or verbal public comments.

Board Member and Staff Announcements

There were no Board announcements. Mr. Sears announced the following:

- 1) VCE is providing some information on the Winters Senior Center project;
- 2) Outreach to customers in Winters is moving forward, with notices being mailed for those who will enroll in January 2021; and,
- 3) VCE will be making its final payment to SMUD in November for deferred payments.

The next scheduled Board meeting is Thursday, November 12, 2020 at 4 p.m. via teleconference.

Adjournment

With no further business to conduct, the Board meeting was adjourned at 5:46 p.m.

Alisa M. Lembke
VCEA Board Secretary