

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 4

TO: Board of Directors
FROM: Alisa Lembke, Board Clerk / Administrative Analyst
SUBJECT: Approval of Minutes from March 10, 2022 meeting
DATE: April 14, 2022

RECOMMENDATION

Receive, review and approve the attached March 10, 2022 meeting Minutes.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS REGULAR MEETING
THURSDAY, MARCH 10, 2022**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their regular meeting scheduled for Thursday, March 10, 2022 at 5:00 p.m., to be held via Zoom webinar. Chair Jesse Loren established that there was a quorum present and began the meeting at 5:02 p.m.

Board Members Present: Jesse Loren, Tom Stallard, Gary Sandy (arrived at 5:13 p.m.), Dan Carson, Wade Cowan, Mayra Vega, Lucas Frerichs

Members Absent: Don Saylor

Welcome Chair Loren welcomed everyone.

Public Comment – General and Consent The Board Clerk informed those present that there were no verbal or written public comments.

Approval of Consent Agenda / Resolution 2022-007 through Resolution 2022-009 Chair Loren announced that on the Consent agenda is item 15, the approval of an employment agreement with Mitch Sears and appointment as Executive Officer, and, General Legal Counsel is required to make an announcement under the Brown Act. VCE’s General Counsel Inder Khalsa of Richards, Watson & Gershon verbally announced the salary of the Executive Officer will be \$240,000 with benefits similar to those offered to other employees, with the addition of 120 hours of time paid off at the commencement of employment; reimbursement of out of pocket expenses; and, in the event that the Board terminates the Executive Officer “without cause” there would be a 3 month salary severance payment.

Chair Loren asked if the Board would like to remove any items from the Consent agenda or discuss any items. No items were pulled. Director Dan Carson had a correction to item 4 – February 10, 2022 meeting Minutes, on page 4 which should read “parity” with PG&E rates not “parody”. Also, Director Carson would like to note that item 15, the approval of the Executive Officer agreement, is a very significant step forward for VCE as an organization.

Motion made by Director Lucas Frerichs to approve the consent agenda with the correction to item 4 – February 10, 2022 meeting Minutes, seconded by Director Wade Cowan. Motion passed by the following vote:

AYES: Loren, Stallard, Carson, Cowan, Vega, Frerichs



NOES: None
ABSENT: Sandy, Saylor
ABSTAIN: None

The following items were:

3. Authorized to continue remote public meetings as authorized by Assembly Bill 361;
4. Approved February 10, 2022 Board special meeting Minutes with a correction on page 4 from “parody” to “parity”;
5. 2022 Long Range Calendar;
6. Received January 31, 2022 (unaudited) financial statement;
7. Received Legislative update provided by Pacific Policy Group;
8. Received March 2, 2022 Regulatory update provided by Keyes & Fox;
9. Received March 2, 2022 Customer Enrollment update;
10. Received Community Advisory Committee February 24, 2022 meeting summary and copies of 2022 Task Group Charges;
11. Received Bi-annual Enterprise Risk Management Report;
12. Approved agreement with Polaris Inc. to provide implementation support services for the AgFIT (Flexible Irrigation Technology) dynamic pricing pilot program as Resolution 2022-007;
13. Approved legislative positions: 1) support AB 1814 (Grayson) Transportation Electrification Funds, 2) support AB 1944 (Lee) Local Government, open and public meetings; and, oppose SB 1287 (Bradford) Electric service providers and CCAs, financial security requirements;
14. Approved Valley Clean Energy Collections Policy as Resolution 2022-008; and,
15. Approved Employment Agreement between VCE and Mitch Sears and appointment of Executive Officer as Resolution 2022-009.

As mentioned above, there were no verbal or written public comments on the Consent agenda items.

Gary Sandy arrived at 5:13 p.m.

Item 16: Approve amendment and restated credit agreement with River City Bank / Resolution 2022-010

VCE Staff Edward Burnham summarized the staff report by reviewing slides. There were no verbal or written public comments. A few questions were asked by the Board.

Director Carson made a motion to:

1. Adopt a resolution approving terms for an Amended and Restated Credit Agreement with River City Bank, including a revolving line of credit not to exceed \$11,000,000 and term loan for approximately \$1.1M.
2. Authorize the Interim General Manager to conduct any final negotiations



and implement the approval, sign all necessary documents, and ratify past actions related to the two-year Amended and Restated Credit Agreement with River City Bank.

This motion was seconded by Chair Loren. Motion passed as Resolution 2022-010 by the following vote:

AYES: Loren, Stallard, Carson, Cowan, Vega, Frerichs, Sandy

NOES: None

ABSENT: Saylor

ABSTAIN: None

Item 17: Approve Time of Use (TOU) Bill Protection customer program.

VCE Staff Rebecca Boyles summarized the staff report by reviewing slides. A few clarifying questions were asked by the Board on the difference between Option 1 and 4 and requirements to participate in the Bill Protection program. There were no verbal or written public comments.

Director Cowan made a motion to approve and adopt Bill Protection Option 3, in which customers can call and request bill protection if they choose to remain on the Time of Use rate for a full 12 months, seconded by Director Mayra Vega. Motion passed by the following vote:

AYES: Loren, Stallard, Carson, Cowan, Vega, Frerichs, Sandy

NOES: None

ABSENT: Saylor

ABSTAIN: None

Item 18: Approve Customer Heat Pump Pilot program.

Ms. Boyles introduced this item then turned it over to VCE Staff Sierra Huffman. Ms. Huffman summarized the Heat Pump Pilot program by reviewing slides. Staff are asking the Board to approve Phase 1 of VCE's Heat Pump Pilot Program.

The Board asked questions and discussed: how heat pumps work and their efficiency; lack of statewide power supply for the demand; and, potential future programs, such as lighting or geothermal for the residential customer. The Board asked that Staff bring back information after initiating Phase 1, such as, a list of participating contractors, how best to promote the technology, successful outreach methods, and helpful tips for the consumer to get through the process.

Verbal Public Comment: Christine Shewmaker supports electrification long term and the way to get to this goal is to reduce greenhouse gas emissions and to reduce dependence on fossil fuels. One of the reasons the Community Advisory Committee's (CAC) Program Task Group focused on heat pumps was due to the very large rebates that are offered. Her



impression is that the heat pump technology has gotten a lot better and heat pump water heaters use less energy than with gas.

There were no written public comments.

Director Lucas Frerichs made a motion to approve Phase 1 of Valley Clean Energy's Heat Pump Pilot Program, seconded by Director Dan Carson.

Motion passed by the following vote:

AYES: Loren, Stallard, Carson, Vega, Frerichs, Sandy

NOES: Cowan

ABSENT: Saylor

ABSTAIN: None

Item 19: Update
on AgFIT
(Agricultural
Flexible Irrigation
Technology)
program.
(Informational)

Ms. Boyles provided an update on the AgFIT Pilot program, including informing the Board that VCE filed a petition to modify the administrative budget for this program. Executive Officer Mitch Sears informed those present that VCE Staff continue to meet with legislative staff as there is a great interest in this program. He will continue to set up meetings.

There were no verbal or written public comments.

Item 20: Board
Member and Staff
Announcements

Mr. Sears informed those present that the CAC appointed David Springer and Marsha Baird as Chair and Vice Chair at their February 2022 meeting. He thanked Christine Shewmaker and Cynthia Rodriguez for serving as chair and vice chair in 2021. Mr. Sears informed those present that VCE had a booth at the Capay Valley Almond Festival in Esparto, which was well attended. There are several events coming up, California Honey Festival in Woodland and Celebrate Davis in Davis, and Staff welcomes volunteers. The Tierra Buena battery storage project is ahead of schedule and the CC Power Board approved the second long duration storage project, which is now moving forward to the individual CCA Boards for their consideration. Also, the CC Power Board is looking at the responses, mostly geothermal, to the "firm resource" request for offer, and CC Power is moving forward. Lastly, VCE has been working with Yolo County GIS to allow VCE to do some geospatial analysis using their GIS system to plug in our energy use data.

Chair Loren thanked everyone for attending and announced that the Board's next regular meeting is scheduled for Thursday, April 14, 2022 at 5 p.m.

Adjournment

Chair Loren adjourned the regular Board meeting at 6:15 p.m.



Alisa M. Lembke
VCEA Board Secretary