



**MEETING MINUTES
COMMUNITY ADVISORY COMMITTEE MEETING
MONDAY, MARCH 23, 2020
1:00 P.M.**

The Community Advisory Committee meeting was conducted pursuant to the provisions of the [Governor's Executive Order N-29-20](#) which suspends certain requirements of the Ralph M. Brown Act due to the COVID-19 virus. Community Advisory Committee Members and staff participated in the meeting by teleconference. Members of the public were provided a teleconference call-in number to listen to the meeting and the opportunity to give public comment in writing.

I. CALL TO ORDER

Chair Dowd called the meeting to order at approximately 1:06 p.m.

Committee Members present: Chair Dowd, Vice Chair Baldwin, and Members Chaban, Fenichel, Mattinson, Morris, Nicholls, Quinlan, and Wells

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; and Stephanie Reynolds, Director of Internal Operations

II. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

None

III. COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

1. Approve February 20, 2020 Draft Community Advisory Committee Meeting Minutes
2. Recommend that the Board Approve and Delegate Authority to the CEO to Execute Second Amendment to Contract with TLCD Architecture

Public comment: none

Motion to approve the March 23, 2020 Community Advisory Committee Consent Calendar by Vice Chair Baldwin

Second: Member Nicholls

Motion passed: 9-0-0

IV. COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

3. Recommend that the Board Adopt a New Commercial Electric Vehicle Rate Structure and Rates for the Remainder of the 2019/2020 Fiscal Year

Member Quinlan asked why the proposed rate for BEV2 was higher on a per-kilowatt basis than BEV1, as in his experience, when greater quantities of an item are purchased it usually lowers the per unit cost; Director of Customer Service Erica Torgerson advised him that the rates provided by PG&E are illustrative only and subject to change prior to the May 1 implementation date. Director Torgerson told Member Quinlan that she would bring this question to PG&E and will report back at a later meeting.

Motion to Recommend that the Board Adopt a New Commercial Electric Vehicle Rate Structure and Rates for the Remainder of the 2019/2020 Fiscal Year by Member Quinlan

Second: Member Wells

Motion passed: 9-0-0

4. Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate

CEO Geof Syphers updated the Committee on the organization's response to the COVID-19 virus to ensure continuity of daily operations and staff safety. He advised the Committee that the financial impacts to SCP are not yet known, but preliminary data suggests a substantial decrease in commercial energy usage by approximately 10%-50%, and while residential usage may increase, there is insufficient data to quantify by how much at this point. CEO Syphers noted that SCP is abiding by the State of California's and Sonoma County Public Health Officer's shelter in place guidelines and those will determine when the business office is reopened to staff, and potentially later, the general public. He advised the Committee that he will continue to report out on financial impacts and the anticipated reopening of the office at future meetings when more information becomes available. Finally, he advised the Committee that SCP staff recommended against extending service to Lake County and the Board of Directors concurred, as offering service to the region would increase costs for existing SCP customers and/or require that Lake County rates be significantly higher than PG&E's rates.

Chair Dowd noted his support for staff's recommendation on not extending service to Lake County at this time, as well as his support for revisiting this item should conditions change.

Member Quinlan asked about any financial implications to SCP as far as budget and reserves; CEO Syphers stated that expected interest income will be greatly reduced due to low interest rates.

Public comment: none

5. Receive Regulatory Update and Provide Feedback as Appropriate

Director of Regulatory Affairs Neal Reardon advised the Committee that PG&E is no longer pursuing Requests for Offers for their Distributed Generation Enabled Microgrid Services program, which sought to provide alternative generation resources at substations throughout SCP's service territory to provide power during Public Safety Power Shutoff events. CEO Syphers detailed efforts to engage with SCP's member jurisdictions on projects that would not rely on fossil-fuel generators, and instead focus on resources preferred by the local community, such as the City of Fort Bragg's solar-powered microgrid proposal.

Public comment: none

6. Recommend that the Board Adopt a Resolution to Award the Construction Contract for the Sonoma Clean Power Headquarters Project to the Low Bidder, Midstate Construction Corporation, in the Amount of \$9,405,000; Waive Immaterial Bidding Irregularities; Reject Bid Protest from C. Overaa & Co.; Find the Project to be Exempt from CEQA; Authorize the CEO to Execute a Construction Contract and Change Orders; and Make Certain Findings Relating to these Actions

Director of Programs Cordel Stillman introduced the item by detailing staff's requested actions for this item. He detailed the minor bidding irregularities that led to a bid protest, which were determined by outside counsel to be immaterial and did not allow a competitive advantage to Midstate Construction Corporation as the low bidder.

Member Wells noted his support for staff's requested actions and that the second low bidder declined to pursue their bid protest, which supports the determination by outside counsel that the protest lacked merit.

Vice Chair Baldwin noted her concerns with approving the contract during the uncertain economic climate due to the COVID-19 virus; she put forward a motion to table the item which did not receive a second. CEO Syphers detailed the value of the building headquarters as an advanced energy center project with microgrid capabilities, and how this project will showcase SCP's programs and provide customers with an immersive experience, which in his estimation, warrants moving forward even in a relatively unsettled economy given how highly customers view SCP's programs.

Vice Chair Baldwin then offered an amendment to the staff's Resolution, which would add the following:

"WHEREAS, outside counsel has been consulted and the Sonoma Clean Power Authority have been advised that the project is categorically exempted from the California Environmental Quality Act."

CEO Syphers noted his support of the amendment.

Similarly, Vice Chair Baldwin requested the following additional amendment to the Resolution:

*"WHEREAS, SCP staff have consulted with outside counsel and have ~~concluded~~ **been advised** (strikethrough & emphasis added) that: (1) the Overaa bid protest lacks merit; (2) the minor bidding irregularities identified by staff may be waived as a matter of law as immaterial, since none of these minor irregularities affected the amount of Midstate's bid, nor afforded it a competitive advantage not available to other bidders; and (3) the bid may be awarded to Midstate Construction Company as the lowest responsible bidder."*

Public comment: none

Motion to Recommend that the Board Adopt a Resolution as Amended to Award the Construction Contract for the Sonoma Clean Power Headquarters Project to the Low Bidder, Midstate Construction Corporation, in the Amount of \$9,405,000; Waive Immaterial Bidding Irregularities; Reject Bid Protest from C. Overaa & Co.; Find the Project to be Exempt from CEQA; Authorize the CEO to Execute a Construction Contract and Change Orders; and Make Certain Findings Relating to these Actions by Vice Chair Baldwin

Second: Member Chaban

Motion passed: 9-0-0

7. Review and Provide Input on the Annual Budget, Customer Rate Setting Strategy for Fiscal Year 2020-2021, Establishment of Customer Bill Stabilization Fund, and Proposed Revision of Financial Policy B2 Regarding Contributions to Reserves

Chief Operating Officer Michael Koszalka introduced the item by noting this is the first of two presentation before the Committee on this topic. He stated the budgetary assumptions are based on data prior to the shelter-in-place order, so no adjustments have been made on the business economic outlook due to the COVID-19 virus, but future iterations of the Annual Budget presented to the Committee will include updated financials to reflect potential impacts from the virus. COO Koszalka then described the upcoming increase to the Power Charge Indifference Adjustment fee ("PCIA") and how that increase informed the budget from the perspective of setting rates and serving the agency's, as well as SCP customers, financial interests. He then outlined the requested actions of the Committee for this item and the proposed budget scenarios under consideration. COO Koszalka highlighted the reasoning in establishing a customer bill stabilization fund, which would be funded by any FY 2019/2020 net income instead of contributing to reserves, to protect customers as far as maintaining competitive rates considering the significant increase in the PCIA fee.

Member Fenichel noted the thoroughness of the staff report as well as her support for staff's recommendations on this item. Similarly, Vice Chair Baldwin

and Members Mattinson, Nicholls, Wells, Chaban, and Quinlan noted their support for staff's recommendations.

Public comment: none

Motion that the Community Advisory Committee Recommend to the Sonoma Clean Power Authority Board of Directors that they Approve Staff's Customer Rate Setting Strategy for Fiscal Year 2020-2021, Establish a Customer Bill Stabilization Fund, and Revise Financial Policy B.2 Regarding Contributions to Reserves by Vice Chair Baldwin

Second: Member Wells

Motion passed: 9-0-0

IV. COMMITTEE MEMBER ANNOUNCEMENTS

Chair Dowd expressed his hope that everyone is safe during the shelter-in-place and thanked everyone for their efforts to support safe distancing.

V. ADJOURN

Chair Dowd adjourned the meeting at approximately 3:06 p.m.

Respectfully submitted,



Beau Anderson
Clerk of the Board