



**MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, April 5, 2018**

50 Santa Rosa Avenue, Fifth Floor, Santa Rosa, California

I. CALL TO ORDER

The meeting was called to order by Chair Hamburg at 8:45 a.m.

Present: Chair Hamburg, Directors Peters, Bagby, Hopkins, Slayter, Okrepkie, Ahanotu and King

Staff: Geof Syphers, CEO, Stephanie Reynolds, Director of Internal Operations and Steve Shupe, General Counsel

The Board moved to Closed Session at 8:50 a.m.

II. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to subdivision (c) of California Government Code Section 54956.9: One potential case
2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property Number One: 625 5th St, Santa Rosa, California
Agency negotiator: Geof Syphers
Negotiating parties: Sonoma Commercial Investors (negotiator Thomas A. Robertson)
Under negotiation: Price and terms of payment
Property Number Two: 431 E St/426 Beaver St, Santa Rosa, California
Agency negotiator: Geof Syphers
Negotiating parties: 7th & E St Partnership (negotiators Walter Rogers and John Vicini)
Under negotiation: Price and terms of payment

The Board returned from Closed Session at 9:43 a.m.

Director Hamburg reported out of Closed Session and stated direction was given to staff on both Items 1 and 2.

III. BOARD OF DIRECTORS CONSENT CALENDAR

3. Approve March 1, 2018 minutes of the SCPA Board of Directors meeting

Public Comment: None

Motion to approve the March 1, 2018 minutes of the SCPA Board of Directors by Director Okrepkie
Second: Director Peters
Motion approved: 6-0-0 (Directors Hopkins and King abstained)

IV. BOARD OF DIRECTORS REGULAR CALENDAR

4. Receive Internal Operations and Monthly Financial Report

CEO Syphers stated a solicitation was issued for the General Counsel position and requested the Board and public assist in announcing this opportunity.

CEO Syphers provided an update on the Power Portfolio and stated SCP has been soliciting for renewable projects under long-term power purchase agreements which has led to 81 bids thus far. He stated that solar and wind are being selected to help even out fluctuations in SCP's load through peak and off-peak periods. Three of the contracts are for renewable energy produced in California and expected to be operational in 2020/2023.

Public Comment: None

5. Receive Legislative and Regulatory Updates and provide guidance on policy positions

CEO Syphers spoke about three bills and asked for the ability to enter into a position on them. The bills were AB 813, AB 2208 and AB 2726.

Public Comment: None

Motion to approve the ability to support AB 813 and to oppose AB 2208 and AB 2726 by Director Ahanotu
Second: Director Okrepkie
Motion approved: 8-0-0

6. Adopt Revised Financial Policy B2, governing reserves

CEO Syphers provided a recap of the Amendment to Financial Policy B2 and explained staff's propositions.

Public Comment:

Bill Mattinson stated that the CAC unanimously agrees with staff.

Motion to approve adoption of Revised Financial Policy B2, governing reserves by Director Peters
Second: Director Hopkins
Motion approved: 8-0-0

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7. Review draft FY 18/19 budget and rates and make recommendations as necessary

CEO Syphers provided background on the draft FY 18/19 budget and rates and what they seek to accomplish.

CAC member Mattinson provided an update on the CAC's 3/22/18 meeting and discussion on the draft FY 18/19 budget and rates. He stated they did not want to add more to the Program budget and that the 2% rate benefit is appropriate and stated it is crucial to continue building reserves and staff's proposal is supported on the budget overall and in particular the rate issue.

CAC member Brophy stated that SCP should be looking at slowly increasing the rate differential with PG&E and we will probably get to the point that we are not adding to our reserves anymore and we might want to start increasing the differential. He stated a motion was passed that was unanimous and the intent was to support 2% savings or be more aggressive.

Public Comment: None

Director Slayter asked to see a micro grant in the future.

Nate Kinsey, Account Executive stated that this type of grant has been put on hold and Customer Service is investigating if next semester will work and this item will be brought back to the Board when progress is made.

Director Hopkins asked about unexpected variances.

CEO explained the Draft FY 18/19 Operating Budget. He stated SCP is better known for programs rather than selling electricity and the biggest variance of concern is what was purchased versus needed.

CEO Syphers stated SCP staff and CalCCA submitted a 300-page document regarding the PCIA litigation.

CAC Chair Dick Dowd stated that on Page 36 it should say "we have average" rather than "we assumed."

Motion to support the CAC and staff's recommendation to prepare a final budget in line with 2% savings with specifics on Pages 37 and 38 that will enable a savings to customers by Director Okrepkie

Second: Director Peters

Motion approved: 8-0-0

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8. Review and approve new time-of-use rate

Erica Torgerson, Director of Customer Service provided an update on new residential time-of-use rates completed under the CEO's temporary approval effective April 1, 2018.

Public Comment: None

Motion to approve new residential time-of-use rates completed under the CEO's temporary approval effective April 1, 2018 by Director Ahanotu
Second: Director Hopkins
Motion approved: 8-0-0

V. BOARD MEMBER ANNOUNCEMENTS

Director Peters stated the Coastal Trail is now completely open in Fort Bragg.

Director Slayter stated that Sebastopol is hosting the Apple Blossom Festival on Saturday, April 21.

Director King stated that Petaluma is having its Butter and Eggs Day Parade on Saturday, April 28.

Directors King and Okrepkie thanked Steve Shupe, General Counsel for his work at SCP.

Director Hopkins stated that Bodega Bay is having its Fisherman Festival on April 14 & 15.

VI. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

None

VII. ADJOURN (10:55 a.m.)

Respectfully Yours,



Stephanie Reynolds
Director of Internal Operations