



SPECIAL MEETING
of the Policy Board of Directors
Wednesday, April 18, 2018
10:30 am
Monterey Bay Community Power
70 Garden Court, Suite 300
Monterey, CA 93940
(Parking Instructions at End of Agenda)

AMENDED AGENDA

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Bren Lehr, Board Clerk, at 831-641-7203 or blehr@mbcommunitypower.org.

If you have anything that you wish to be distributed to the Board please hand it to a member of MBCP staff or Bren Lehr, Board Clerk who will distribute the information to the Board members and other staff.

1. **Welcome & Roll Call**
2. **Consideration of Late Additions and/or Deletions to Consent and Regular Agendas**
3. **Public Comments for Matters Not Listed on the Agenda**
The public may provide comments on any item not on the Agenda but the Board may not take action at this meeting on any item not listed on the Agenda other than to refer the matter to staff or set it for a future meeting.
4. **Board Member Disqualifications (if any)**
A board member may announce the purpose of a disqualification from discussion of an item on the agenda.

CONSENT AGENDA

5. **Approve Minutes of the March 7, 2018 Policy Board of Directors Meeting (Action Item)**

REGULAR AGENDA

6. **Discuss Long-Range Plan for the CEO Position** (*Discussion and Possible Action Item*)
7. **Consider Proposal from the Chair to Form an Ad Hoc Committee Comprised of Two Members Each from the Policy and Operations Boards to Develop Performance Goals per the CEO's Approved Employment Contract** (*Action Item*)
8. **Board Member Reports & Comments** (*Discussion Item*)
Board members will have an opportunity to report out on issues since the last meeting.
9. **Adjournment to Next Policy Board Meeting on Wednesday, June 6, 2018**

The public may comment on a specific item listed on this agenda when the Board considers that item. When the Board considers the agenda item entitled "Public Comments", the public has the right to comment on any matter that is within the Board's jurisdiction. In addition, the members of the public may request and receive copies without undue delay of any documents that are distributed to the Board, unless there is a specific exemption under the Public Records Act that prevents the disclosure of the record. (Cal. Gov't Code Section 54957.5)

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Board in advance of a meeting and that relate to an agenda item will be made available at MBCP's offices located at 70 Garden Court, Suite 300, Monterey, CA 93940 and are also available on the [MBCP website](http://www.mbcommunitypower.org/about/meetings/) located at:

<http://www.mbcommunitypower.org/about/meetings/>.

PARKING AND LOCATION OF OFFICE



When arriving at office location, follow the red arrow and enter drive into parking lots for buildings 60, 70 & 80 Garden Court.

Immediately turn left before building marked 60 Garden Court. Follow drive to end of parking lot and turn right.

Parking is available in the two upcoming parking courts or along the drive path perpendicular to the two courts (marked in yellow).

After parking, walk down the stairs (marked in green) and follow the yellow arrow down sidewalk path to 70 Garden Court. Take stairs or elevator to 3rd Floor, Suite 300.

Handicap parking is noted in blue to the right of the building.



**REGULAR MEETING
of the Policy Board of Directors**

Wednesday, March 7, 2018

9:00 am

City of Watsonville City Council Chambers

275 Main Street, 4th Floor

Watsonville, CA 95076

MINTUES

1. The meeting was **called to order at 9:05 a.m.** with 11 members present and quorum established.

Directors Present: Brown (left the dais at 12:50 p.m. and did not return), Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Munzer (left the dais at 1:57 p.m. and did not return), Friend; Vice Chair McShane (left the dais at 12:54 p.m. and did not return); Chair MCPerson

Directors Absent: None

Directors Disqualified: None

2. Board Clerk Bren Lehr submitted a revision sheet to board members prior to start of meeting denoted a minor change to Agenda Item #4, December 13, 2017 Meeting Minutes were revised to include roll call. There was no discussion on the item; Chair McPherson pulled Agenda Item 8 from Consent and moved it to Agenda Item 9.1 on General Business; Director Haffa requested to move Agenda Item 15 to earlier on the agenda. Chair McPherson reordered the agenda to hear Agenda Item 15 at or around 10:15 a.m.; Director Parker pulled Agenda Item 7. Chair Mcpherson reordered the agenda to move Agenda Item 7 from the Consent Agenda and moved it to Agenda Item 15.1 on General Business.
3. Four members of the public spoke during Public Comment for matters not listed on the agenda as follows:
 - Nancy Falstick spoke regarding the effect of climate change on all people as MBCP moves forward.
 - Gail McNulty regarding empowering the community to make a difference with climate change, as well as be aware of the rail operator transition and to think carefully about moving in a wrong direction.
 - Ross Clark regarding encouragement to be bold and work with staff and the community to help reduce affects of climate change.
 - Jennifer Colby wants to ensure that the power she receives is not only green but also fair to labor.

CONSENT AGENDA

MOTION: Director Coffman-Gomez moved, seconded by Vice Chair McShane, to approve Consent Agenda Items 4, 5, and 6. Consent Agenda Item 7 was reordered by the Chair to be heard at the end of the agenda. Consent Agenda Item 8 was reordered to be heard following Agenda Item 9.

ACTION: The motion carried unanimously with the following vote:

AYES: Directors Brown, Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson
NOES: None
ABSENT: None
DISQUALIFIED: None

4. Minutes of the December 13, 2017 Policy Board of Directors Meeting.
5. Minutes of the January 20, 2018 Joint Policy and Operations Board of Directors Meeting.
6. Authorize CEO to Execute the First Amendments to the Credit Agreement, Promissory Notes, and Related Documents with River City Bank.
7. Amendment to MBCP Initial Organization Chart, Hiring and Salary Schedule.

MOTION: Director Coffman-Gomez moved, seconded by Director Fridn, to approve Agenda Item 7 staff recommendation and include the Community Advisory Council.

ACTION: The motion carried with a 5/3/3/0 vote:

AYES: Directors Coffman-Gomez, Termini, Orozco, Friend; Chair McPherson
NOES: Directors Parker, Haffa, Delgado
ABSENT: Directors Brown, Muenzer; Vice Chair McShane
DISQUALIFIED: None

8. Approve Execution of the Employment Agreement with Tom Habashi in the Form Proposed by Staff And Convene a Special Meeting to Discuss a Long Range Plan for the CEO position of MBCP

MOTION: Director Haffa moved, seconded by Director Brown, to table item and agendize discussion in a closed session evaluation with the CEO and Policy Board.

ACTION: The motion failed due to lack of vote.

SUBSTITUE MOTION: Director Termini moved, seconded by Vice Chair McShane, to approve the employment agreement and schedule a closed session at the next Policy Board meeting to discuss the long-rang plan for the CEO position.

CONSENT AGENDA (CONTINUED)

AGENDA ITEM 8 (CONTINUED)

FRIENDLY AMENDMENT: Chair McPherson made a friendly amendment to request the closed session be scheduled within 2-3 weeks of the March 7, 2018 meeting. Director Termini accepted the friendly amendment.

ACTION: The motion carried with a 7/4/0/0 vote:

AYES: Directors Coffman-Gomez, Termini, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson

NOES: Directors Brown, Parker, Haffa, Delgado

ABSENT: None

DISQUALIFIED: None

SUBSTITUE MOTION: Director Delgado moved, seconded by Director Haffa, to approve the employment agreement minus the \$30,000 bonus and schedule a closed session at the next Policy Board meeting to discuss the long-rang plan for the CEO position; Director Delgado withdrew his motion.

ACTION: The motion failed due to withdrawal of motion by Director Delgado.

REGULAR AGENDA

9. **CEO's Tom Habashi** introduced two new MBCP employees: Jeremy Clark and Mary Hernandez, discussed the latest enrollment update, long-term power supply acquisition updates, and PG&E generation rates. **Pete Montgomery** discussed regulatory and legislative updates.

ACTION: Discussion item only; no action taken.

10. Amendment to FY 2017-2018 Budget.

MOTION: Director Orozco moved, seconded by Vice Chair McShane, to approve Agenda Item 10.

ACTION: The motion carried unanimously with the following vote:

AYES: Directors Brown, Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson

NOES: None

ABSENT: None

DISQUALIFIED: None

REGULAR AGENDA (CONTINUED)

11. Adoption of Resolution No. PB-2018-01 to Approve Agreements with PARS for Employee Retirement.

MOTION: Director Coffman-Gomez moved, seconded by Vice Chair McShane, to approve Agenda Item 11.

ACTION: The motion carried unanimously with the following vote:

AYES: Directors Brown, Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson

NOES: None

ABSENT: None

DISQUALIFIED: None

12. Adoption of Resolution No. PB-2018-02 to appoint Tiffany Law, Director of Internal Operations as Board Treasurer/Auditor.

MOTION: Director Friend moved, seconded by Director Muenzer, to approve Agenda Item 12.

ACTION: The motion carried unanimously with the following vote:

AYES: Directors Brown, Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson

NOES: None

ABSENT: None

DISQUALIFIED: None

13. Execution of MBCP Energy Risk Management (ERM) Policy.

MOTION: Director Haffa moved, seconded by Director Delgado, to approve Agenda Item 13 staff recommendation with the addition of a fourth goal as feasible to procure local energy.

ACTION: The motion carried with a 9/0/2/0 vote:

AYES: Directors Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Chair McPherson

NOES: None

ABSENT: Director Brown; Vice Chair McShane

DISQUALIFIED: None

REGULAR AGENDA (CONTINUED)

14. Adoption of Rate Schedule to Compensate Net Energy Metering (NEM) Customers for Excess Generation.

MOTION: Director Termini moved, seconded by Director Haffa to set the NEM at retail for the buy-back policy. Director Haffa withdrew his second and moved that the board accepts staff recommendation; Director Delgado seconded the motion and accepted Director Muenzer’s friendly amendment to refer research of rates to the Community Advisory Council.

ACTION: The motion failed with a 3/6/2/0 vote:

AYES: Directors Termini, Delgado, Orozco
NOES: Directors Coffman-Gomez, Parker, Haffa; Muenzer, Friend; Chair McPherson
ABSENT: Director Brown; Vice Chair McShane
DISQUALIFIED: None

MOTION: Director Friend moved, seconded by Director Coffman-Gomez, to approve Agenda Item 14 staff recommendation and refer to the Community Advisory Committee for further research on rates for the NEM as well as for other programs.

ACTION: The motion carried unanimously with the following vote:

AYES: Directors Brown, Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson
NOES: None
ABSENT: None
DISQUALIFIED: None

15. Formation of a Community Advisory Council (CAC), staff direction to solicit CAC applications, and form a subcommittee to review CAC applications.

MOTION: Director Parker moved, seconded by Director Delgado, to approve Agenda Item 15 staff recommendations with the following revisions:

- 11-member CAC
- Include language in the third bullet regarding ‘Additional Scope’ to state “including power procurement and rates”
- Add that a member of the CAC will participate as fully as possible in the Policy Board’s meetings to the extent permitted by the JPA.
- Include the language that the community groups expressed in their letter regarding qualifications be included on the application form
- Broaden the list of entities and groups interested in participating on the advisory council

REGULAR AGENDA (CONTINUED)

AGENDA ITEM 15 (CONTINUED)

- Seated CAC defines their by-laws, scope and priorities; staff brings back a discussion in May and June to the operations and policy boards respectively and attempts to delineate the boards functions and possible responsibilities of the CAC with respect to prioritizing tasks
- Add that the Policy Board will form a 3-member subcommittee of the Policy Board consisting of one supervisor from each the three counties, and that this subcommittee will screen and bring back recommendations and information from the applicant pool to the full board and provide all applications submitted for the full Board's review.

FRIENDLY AMENDMENT: Director Delgado made a friendly amendment to request the following be added to the revisions suggested by Director Parker. Director Parker accepted all amendments with exception to the following: 1) the process by which the applicants are selected.; and 2) the functioning of the ex officio member be a fully participating member, but non-voting member.

- During the appointment process, the members shall represent all who live or work in the communities rather than just "All Customers"
- Further language to add to third bullet regarding Additional Scope to state "input and feedback"
- That the CAC "liaison" will not only participate at the Policy Board meetings themselves but also be included leading up to the Policy Board meetings with respect to having the right to receive all of the same information, agendas and other materials as the Board receives

FRIENDLY AMENDMENT: Director McShane made a friendly amendment that the CAC member's role would be in accordance with the rules of the JPA and not be a role that requires amendment of the JPA. Director Parker accepted the friendly amendment.

ACTION: The motion carried unanimously with the following vote:

AYES: Directors Brown, Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson

NOES: None

ABSENT: None

DISQUALIFIED: None

At 2:02 p.m. Director Orozco requested that a report be brought back to the Operations Board discussion the on-going service issues with PG&E.

16. **Adjournment at 2:09 p.m.** to the Closed Personnel Session to a date not yet to be determined, then to the next Policy Board Meeting on Wednesday, June 6, 2018.