



Policy Board of Directors

Wednesday, December 5, 2018

10:30 am

City of Watsonville City Council Chambers
275 Main Street, 4th Floor (6th Level Parking Lot)
Watsonville, CA 95076

MINUTES

1. The meeting was **called to order at 10:40 a.m.** with 9 members present and a quorum established.

Directors Present: Brown, Coffman-Gomez, Termini, Parker, Delgado (left at 1:38 p.m.); Muenzer, Freeman; Vice Chair McShane (arrived at 10:47 a.m.); Chair McPherson

Directors Absent: Haffa, Orozco

Directors Disqualified: None

At this point, the Chair reordered the agenda to hear Agenda Item 21 and 22 first under Open Session as Agenda Items 6a and 6b.

2. The Chair called on the General Counsel to announce any corrections or additions to the Closed Session Agenda. The General Counsel announced there were none.

The Chair called on members of the public to speak during the public comment period. There were no speakers. The Chair closed the public comment period.

3. The Chair **recessed the meeting at 10:45 a.m.** to Closed Session and the Board Members moved to the Main Conference Room adjacent to the Chambers.

CLOSED SESSION

4. **Closed Session**

- a. Pursuant to Government Code Section 54957.6 the Board will confer with labor negotiators:
 - i. Designated representative: Tom Habashi
 - ii. Employee Position: All Positions
- b. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the Chief Executive Officer

OPEN SESSION

5. Board members reconvened to Open Session at **12:26 p.m.**
6. General Counsel Rob Shaw reported that there were no reportable actions taken in closed session.
7. The Chair called on members of the public to speak during Public Comment for matters not listed on the agenda. The following individuals addressed the Board:
 - Unknown man
 - Michael Saint

The Chair closed the public comment period.

8. The Chair called on the Board Clerk to announce any corrections or additions to the Agenda. The Board Clerk announced there were none.

The Chair called on members of the public to speak during the public comment period. There were no speakers. The Chair closed the public comment period.

9. The Chair presented proclamations to outgoing Policy Board of Directors Jerry Muenzer and Michael Termini.

The Chair opened the public comment period. The following individual addressed the Board:

1. CEO Tom Habashi

The Chair closed the public comment period.

CONSENT AGENDA

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

MOTION: Director Brown moved, seconded by Director Freeman, to approve the Consent Agenda with exception to Agenda Item 15 that was pulled for separate discussion and reordered to be heard as Agenda Item 20a.

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

AYES:	Brown, Coffman-Gomez, Termini, Parker, Delgado; Muenzer, Freeman; Vice Chair McShane (arrived 10:47 a.m.); Chair McPherson
NOES:	None
ABSENT:	Haffa, Orozco
DISQUALIFIED:	None

10. Minutes of the September 12, 2018 Regular Meeting of the Policy Board of Directors were approved as submitted.
11. Minutes of the October 11, 2018 Special Meeting of the Policy Board of Directors were approved as submitted.
12. Community Advisory Council Bylaws were approved as submitted.
13. Stipends for Policy Board Directors and Community Advisory Council Members were approved as submitted.
14. Resolution No. PB-2018-06 was adopted certifying representatives on River City Bank Loans.

The below agenda item was reordered to Agenda Item 20a.

15. MBCP's Compensation Policy, Amendments to Employee Salary and Benefits Schedule, and revisions of certain job titles.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

MOTION: Vice Chair McShane moved, seconded by Director Parker, to approve staff recommendations with the following adjustments:

1. Set performance salary adjustments wherein no adjustment is given when expectations are not met;
2. Annual performance salary adjustments may not exceed 5%;
3. PTO be awarded between Christmas and New Year's holidays in 2018 but that it be one-time in nature;

Vice Chair McShane accepted a friendly amendment from Director Parker as follows:

4. Under compensation policy #6 add for a parity adjustment when justified.

ACTION: The motion carried with an 8/1/2/0 vote:

AYES: Brown, Coffman-Gomez, Termini, Parker; Muenzer, Freeman; Vice Chair McShane (arrived 10:47 a.m.); Chair McPherson
NOES: Delgado
ABSENT: Haffa, Orozco
DISQUALIFIED: None

REGULAR AGENDA

- 16.** Vice Chair Natalie LaVan presented a Community Advisory Council (CAC) report to Board Members.

The Chair opened the public comment period. The following individual addressed the Board:

➤ Michael Saint

The Chair closed the public comment period.

- 17.** CEO Tom Habashi presented an Operations Board of Directors' Report to Board Members.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

- 18.** CEO Tom Habashi presented his CEO Report to Board Members.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

- 19.** Process to adjust MBCP Rate Schedules for CY 2019 was approved as submitted.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

MOTION: Director Brown moved, seconded by Director Delgado, to continue with same methodology that MBCP used in prior year by determining PG&E's rates after approval by the CPUC. MBCP will subtract any necessary fees and calculate the rate to charge its customers. Staff will report back to the Policy Board around February or March with the new rates.

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

AYES:	Brown, Coffman-Gomez, Termini, Parker, Delgado; Muenzer, Freeman; Vice Chair McShane (arrived 10:47 a.m.); Chair McPherson
NOES:	None
ABSENT:	Haffa, Orozco
DISQUALIFIED:	None

20. Chief Executive Officer 2018 Bonus Compensation was approved as submitted.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

MOTION: Director Termini moved, seconded by Director Coffman-Gomez, to approve Agenda Item 20 as submitted.

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

AYES: Brown, Coffman-Gomez, Termini, Parker, Delgado; Muenzer, Freeman; Vice Chair McShane (arrived 10:47 a.m.); Chair McPherson
NOES: None
ABSENT: Haffa, Orozco
DISQUALIFIED: None

The below agenda item was reordered to Agenda Item 6a.

21. Resolution No. PB-2018-07 was adopted approving inclusion of City of San Luis Obispo and City of Morro Bay into Monterey Bay Community Power Authority.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

MOTION: Director Parker moved, seconded by Director Coffman-Gomez, to approve Agenda Item 21.

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

AYES: Brown, Coffman-Gomez, Termini, Parker, Delgado; Muenzer, Freeman; Vice Chair McShane (arrived 10:47 a.m.); Chair McPherson
NOES: None
ABSENT: Haffa, Orozco
DISQUALIFIED: None

The below agenda item was reordered to Agenda Item 6b.

22. Resolution No. PB-2018-08 was adopted approving Addendum #1 to the MBCP Community Choice Aggregation Implementation Plan and Statement of Intent.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

MOTION: Director Delgado moved, seconded by Vice Chair McShane, to approve Agenda Item 22.

Agenda Item 22 continued...

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

AYES: Brown, Coffman-Gomez, Termini, Parker, Delgado; Muenzer, Freeman; Vice Chair McShane (arrived 10:47 a.m.); Chair McPherson
NOES: None
ABSENT: Haffa, Orozco
DISQUALIFIED: None

INFORMATION ITEMS

- 23.** Treasurer Report was received as submitted.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

MOTION: Director Coffman-Gomez moved, seconded by Director Muenzer, to approve Agenda Item 23 as submitted.

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

AYES: Brown, Coffman-Gomez, Termini, Parker, Delgado; Muenzer, Freeman; Vice Chair McShane (arrived 10:47 a.m.); Chair McPherson
NOES: None
ABSENT: Haffa, Orozco
DISQUALIFIED: None

- 24.** Updates to FY 2018-19 Budget Due to the Change of PG&E Power Charge Indifference Adjustment and Generation Rates, and Amendments to Employee Salary and Benefits Schedule was received as submitted.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

- 25.** Board Members reported and commented on events since their last meeting.

The Chair opened the public comment period. There were no speakers. The Chair closed the public comment period.

- 26.** The meeting was adjourned **at 1:50 p.m.** to the next Policy Board Meeting on Wednesday, March 6, 2019.