

**ORANGE COUNTY POWER AUTHORITY  
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**MINUTES**

**May 11, 2021**

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This meeting was conducted utilizing teleconference and electronic means consistent with public health orders and guidelines in California and in accordance with the Governor's Executive Orders N-25-20 and N-29-20. There was no location for in-person attendance. Due to the nature of the teleconference, all votes were cast via roll call.

The Board Minutes are prepared and ordered to correspond to the Board Agenda. Agenda Items can and may be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

**1. CALL TO ORDER**

Chair Carroll called the meeting to order at 10:02 a.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Director Posey

**3. ROLL CALL**

Present: 5 Members

Director Khan (Irvine)  
Director Posey (Huntington Beach)  
Director Sonne (Buena Park)  
Vice Chair Jung (Fullerton)  
Chair Carroll (Irvine)

Also present: CEO Brian Probolsky  
COO Antonia Castro-Graham  
Ryan Baron, General Counsel (Best Best and Krieger, LLP)

**4. CONSENT CALENDAR**

*All items listed under the Consent Calendar were considered to be routine and enacted by one motion. Prior to the motion to consider any action by the Board of Directors, any public comments on any of the Consent Items was heard. There was no separate action and no members of the Board of Directors requested specific items be removed from the Consent Calendar.*

MOTION: Motioned by Vice Chair Jung, second by Director Posey, to approve the Consent Calendar as submitted.

MOTION CARRIED BY THE FOLLOWING VOTE:

Ayes: Director Khan, Director Posey, Director Sonne, Vice Chair Jung, Chair Carroll

Noes: None

Abstained: None

Absent: None

**A. MINUTES FOR REGULAR BOARD MEETING OF FEBRUARY 23, 2021 AND THE SPECIAL BOARD MEETING OF APRIL 13, 2021.**

Action: Approved as submitted.

**5. REGULAR CALENDAR**

*The following items called for discussion or action by the Board of Directors. The Board may discuss and/or take action on any item listed below if the Board was so inclined.*

**A. CONSIDERATION OF ADMINISTRATIVE POLICY NUMBER 009: NEW MEMBER POLICY**

Chief Operating Officer Castro-Graham (“COO”) presented the report and outlined the proposed policy. She explained the process for notifying the Public Utilities Commission (“PUC”) regarding new members, and stated it was important that new members join timely, so as not to create a rush of filing obligations with the at the new year. Responding to Director comments, she stated creating an October deadline would be helpful in meeting that goal. Further responding to Director comments Ms. Castro-Graham stated the proposed figure of \$100,000 was a not-to-exceed figure, and that a study was needed to determine the actual costs for adding new members to the Authority.

Director discussion ensued, including the importance of creating incentives for cities to join sooner, and the best method of determining an appropriate figure that would motivate agencies to join while membership was still free, but not prohibit or discourage them from joining once the fee became effective.

Responding to Director comments CEO Probolsky confirmed that the proposed fee in the policy was intended to be a cap, not a starting point. He also stated the fee was not intended to be a full cost membership fee, and that the actual cost of joining could be subsidized through the additional rate payers that would be joining. He confirmed that the intent of the policy, and the fee, was to encourage cities to join.

The following members of the public offered comment:

Ayn Craciun, Irvine, Climate Action Campaign, expressed concern that the proposed \$100,000 fee was too high, and suggested the Board conduct a study and link the membership fee to actual costs.

Sue Kempf, Mayor Pro Tem, Laguna Beach, suggested a tiered fee, which would make it easier and more affordable for smaller cities to join.

Kathleen Treseder, Irvine, stated her support for the lowest cost possible to eliminate barriers for cities to join the Authority at any time.

Jose Trinidad Castaneda, Fullerton, stated his concern the policy and fee might be construed as pressure on local agencies, but acknowledged the potential need to incentivize some agencies to take action.

At the conclusion of public comments, Chair Carroll stated the goal was not to charge any agency and expressed hope that they would all join this year. He inquired as to where the money would come from to onboard new agencies if there was not a “joining” fee.

Legal Counsel Ryan Baron responded the funds would be provided by the Authority’s line of credit from its lender and can be recovered through rates once the Authority is launched. He noted, however, that once the Authority is up and running, a study would be needed to determine if larger agencies, with higher numbers of customers, could be absorbed and the costs recovered without a fee. Responding to Board inquiry, Mr. Baron stated that smaller cities, such as Stanton, could be added easier, as there were less accounts to be coordinated with the incumbent utility. Larger cities, he added, can affect procurement strategies and therefore might need to be charged a fee.

MOTION: It was moved by Director Sonne, second by Chair Carroll, amend the proposed policy to read that new members would be added without cost if they joined prior to October 31, 2021, with an appropriate fee charged for agencies that join beyond that date, directly related to the cost of adding the new agency.

Board discussion continued. CEO Probolsky confirmed that new agencies would be allotted ex-officio status on the board until the year in which they receive power, when they would become full voting members.

MOTION CARRIED BY THE FOLLOWING VOTE:

Ayes: Director Khan, Director Posey, Director Sonne, Vice Chair Jung, Chair Carroll

Noes: None

Abstained: None

Absent: None

## **B. FISCAL YEAR 2021/22 BUDGET PRESENTATION**

Authority CEO Probolsky presented the report, stating the final budget would return to the Board for consideration in June.

The following members of the public offered comment:

Ayn Craciun, Irvine, Climate Action Campaign, stated her support for the position of Senior Manager, Power Management, in the budget, noting the importance of that role.

ACTION: The Board received and filed the report.

### **C. UPDATE ON CALIFORNIA PUBLIC UTILITIES COMMISSION ENERGY EFFICIENCY PROGRAM FUNDING**

COO Castro-Graham, along with Laurel Rothschild, The Energy Coalition, presented the report. Ms. Castro-Graham and Ms. Rothschild highlighted the funding programs available, noting that the funding was provided by the PUC and acquired through Public Goods charges on the ratepayers bills. Ms. Castro-Graham stated that only CCAs can apply for this funding and that the program runs on a three year cycle. She stated that educational funding was available for residential, commercial, industrial, agricultural and workforce sectors. She reported the Authority anticipated receiving approximately \$1 million annually through this program. Ms. Rothschild reviewed the proposed application timeline, indicating that the Board of Directors would consider the final application in June, with an August submittal deadline to the PUC. Approval of the application was expected in February, 2022, and program funding would begin in the third quarter of 2022 to allow for implementation.

The following member of the public offered comment:

Sue Kempf, Mayor Pro Tem, Laguna Beach, inquired if the Authority would share this information with prospective City Councils considering joining the CCA. Ms. Castro-Graham confirmed all agencies would receive this information and the programs would be available to all member cities. Ms. Castro-Graham further confirmed there is no sunset to this program funding, as the monies are collected monthly on ratepayers bills.

Director Khan stated her desire to see what kinds of programs were being implemented in other CCAs. Ms. Castro-Graham indicated that when the application was brought back to the Board for consideration, she anticipated having program examples from other CCAs to share with the Directors. She further clarified that any programs created through the PUC Efficiency Program funds would be in addition to what the Authority funded directly from its general fund. She noted staff's goal of creating sustainable business programs.

ACTION: The Board received and filed the report.

### **6. PUBLIC COMMENTS**

The following members of the public offered comment:

Sylvia Walker requested Board Meetings be video recorded and the recordings placed on the Authority's website.

Senait Forthal, Irvine, stated her support for the Authority, requested the Board adopt Community Centered Guiding Principles, and expressed her support for the Energy Efficiency Program funding.

### **7. DIRECTOR COMMENTS**

Director Khan stated she was glad to hear about upcoming website improvements and would like to ultimately see agendas, meeting videos, policies, and information on contract partners in an easy to navigate design on the website. She concurred with Ms. Forthal's comments on Guiding Principles, and stated she would work with staff to bring that forward.

Director Sonne stated the Board may wish to consider returning to a twice monthly meeting schedule, with all of the important decisions scheduled to be heard in the coming months. Legal Counsel Baron noted that while those concerns could be brought to staff, the Board could not vote to amend the meeting schedule at this time because the matter was not agendized.

Vice Chair Jung thanked Laguna Beach Mayor Pro Tem Kempf for attending and stated he looked forward to Laguna Beach joining the Authority. He requested study amending the meeting schedule to include two meetings per month. Vice Chair Jung inquired about the performance review process. Legal Counsel Baron noted the requests and stated employee performance reviews must be conducted in Closed Session and that he would consult the employment agreements of key staff to review timing.

Chair Carroll supported staff review of an amended meeting schedule.

#### **8. REPORT BY CHIEF EXECUTIVE OFFICER**

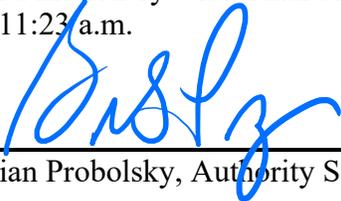
CEO Probolsky reported applications for the Community Advisory Committee were being circulated and the deadline for receipt was June 15<sup>th</sup>. He stated the applications for at large appointees would be brought to the Board at the earliest convenience.

#### **9. REPORT BY GENERAL COUNSEL**

General Counsel Baron had nothing to report.

#### **10. ADJOURNMENT**

On a motion by Vice Chair Jung, second by Director Khan, Chair Carroll adjourned the meeting at 11:23 a.m.

  
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Brian Probolsky, Authority Secretary