

**ORANGE COUNTY POWER AUTHORITY
BOARD OF DIRECTORS**
City of Irvine Civic Center
Conference and Training Center
1 Civic Center Plaza
Irvine, CA 92606

MINUTES

December 16, 2020

This meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic.

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

The Agenda Items were considered in the order presented.

CALL TO ORDER

Ryan Baron called the Orange County Power Authority (Authority) Board of Directors meeting to order at 10:05 a.m.

PLEDGE OF ALLEGIANCE

Ryan Baron led the Pledge of Allegiance.

ROLL CALL

PRESENT: 6 Boardmember Susan Sonne (Buena Park)
 Boardmember Fred Jung (Fullerton)
 Boardmember Mike Posey (Huntington Beach)
 Boardmember Farrah Khan (Irvine)
 Boardmember Mike Carroll (Irvine)
 Boardmember Scott Voigts (Lake Forest)

Also Present: *Ryan Baron, Best Best and Krieger LLP*
 Mark Steuer, Director of Public Works and Transportation (Irvine)
 Sona Coffee, Environmental Programs Administrator (Irvine)

SWEARING IN OF AUTHORITY FORMATION MEMBERS, CITIES OF IRVINE AND FULLERTON

Ryan Baron announced that the Authority’s formation members from the Cities of Irvine and Fullerton were sworn in prior to the meeting.

ITEMS TO BE ADDED, WITHDRAWN OR REORDERED ON THE AGENDA

There were none.

REGULAR CALENDAR

1. APPOINT ACTING SECRETARY

Ryan Baron explained that an Acting Secretary is needed for this meeting to swear in the additional Boardmembers.

There was no discussion or public comment received on the item.

ACTION: Motioned by Boardmember Carroll and seconded by Boardmember Khan to appoint Molly Perry as Acting Secretary of the Orange County Power Authority.

Vote: 3-0

Yes: Boardmember Carroll, Boardmember Khan, Boardmember Jung
No: None
Abstained: None
Absent: None

2. RESOLUTIONS APPROVING ADDITIONAL MEMBERS TO ORANGE COUNTY POWER AUTHORITY

Ryan Baron explained because the Joint Powers Authority (JPA) was formed on November 20, the current board members have to approve the addition of new member to the Authority. He recommended that the Authority resolutions to add the cities of Buena Park, Huntington Beach, and Lake Forest as additional members.

Public Comment

The following individuals spoke in support of the Authority formation via Zoom:

- Ayn Craciun, Irvine
- Dr. Kathleen Treseder, Irvine

There was no further discussion.

ACTION: Motioned by Boardmember Khan and seconded by Boardmember Jung to adopt resolutions approving the Cities of Huntington Beach, Buena Park, and Lake Forest as members of the Authority.

Vote: 3-0

Yes: Boardmember Carroll, Boardmember Khan, Boardmember Jung
No: None
Abstained: None
Absent: None

3. SWEARING IN OF ADDITIONAL MEMBERS OF ORANGE COUNTY POWER AUTHORITY

Ryan Baron stated that Boardmembers Carroll, Khan, and Jung were sworn in by a notary public prior to this meeting.

Molly Perry, Acting Secretary, swore in Councilmember Sonne and alternate Mayor Traut, from City of Buena Park; Councilmember Voigts from City of Lake Forest; and Councilmember Posey from City of Huntington Beach.

There was no discussion of public comment on this item.

4. APPOINTMENT OF CHAIR AND VICE CHAIR

ACTION: Motioned by Boardmember Khan and seconded by Boardmember Posey to select Boardmember Carroll to serve as Chair and Boardmember Jung to serve as Vice Chair.

Vote: 6-0

Yes: Boardmember Sonne, Boardmember Jung, Boardmember Posey,
Boardmember Khan, Boardmember Carroll, Boardmember Voigts
No: None
Abstained: None
Absent: None

There was no discussion or public comment on this item. Ryan Baron turned the meeting over to Chair Carroll.

5. APPOINT GENERAL COUNSEL AND APPROVE LEGAL SERVICES AGREEMENT

Ryan Baron gave the presentation. Baron serves as special counsel to City of Irvine on the Community Choice Aggregation (CCA) formation process, and has experience as General Counsel to other CCAs. The proposal for legal services for the Authority is consistent with that of other CCAs. Baron noted that BB&K is the City Attorney for City of Lake Forest and a conflict waiver between BB&K and the Authority, as well as between BB&K and the City of Lake Forest will be requested.

Board questions and comments ensued. There was no public comment on this item.

ACTION: Motioned by Boardmember Posey and seconded by Boardmember Voigts to appoint Ryan Baron as General Counsel of the Authority, approve legal services agreement with Best Best and Krieger LLP and delegate authority to the Chair or Vice Chair to execute, and delegate authority to Chair or Vice Chair to execute conflict waiver with Best Best and Krieger LLP.

Vote: 6-0

Yes: Boardmember Sonne, Vice Chair Jung, Boardmember Posey, Boardmember Khan, Chair Carroll, Boardmember Voigts

No: None

Abstained: None

Absent: None

6. APPROVAL OF AGREEMENT WITH EES CONSULTING FOR COMMUNITY CHOICE ENERGY IMPLEMENTATION SERVICES

Ryan Baron explained that Gary Saleba from EES Consulting conducted the City of Irvine's feasibility study. He recommends the firm to provide implementation services for the pre-launch stage, not to exceed \$150,000, including: completion of the implementation plan and pro forma, and assist with rate-setting activities and regulatory compliance. He explained that additional consultants will be hired for other important energy market functions.

Board comments ensued. There was no public comment on this item.

ACTION: Motioned by Boardmember Voigts and seconded by Boardmember Posey to approve professional services agreement with EES Consulting for Community Choice Energy (CCE) implementation services in an amount not to exceed \$150,000, and delegate authority to the Chair to execute.

Vote: 6-0

Yes: Boardmember Sonne, Vice Chair Jung, Boardmember Posey, Boardmember Khan, Chair Carroll, Boardmember Voigts

No: None

Abstained: None

Absent: None

7. APPROVAL OF CAPITAL LOAN AGREEMENT TO FUND AUTHORITY OPERATIONS

Ryan Baron, General Counsel, referenced Exhibit D from the staff report. He explained that the City of Irvine has budgeted up to \$250,000 for feasibility study and formation costs, which will be paid back by the capital loan. An additional \$2.5 million will be lent by the City of Irvine to the Authority, and will be used for pre-launch costs, including overhead and working capital to hire staff, consultants, and file bonds through March 2021. The last amount of loan funds will come from a bank and is anticipated to be between \$8 - \$20 million, which may require collateral of 20 percent (\$2 to \$4 million). This collateral amount may be provided by the City of Irvine if needed, and an amendment to the Capital Loan Agreement would be presented to the City in that case.

Board questions and comments ensued.

The following public comment was received via Zoom:

- Andrea Alexander
Can the capital loan can be paid off early without penalty?

Baron explained that the loan can be paid off early without penalty, and stated that with the amount of revenue expected it would be possible to pay off the loan early.

ACTION: Motioned by Boardmember Posey and seconded by Boardmember Voigt to approve the Capital Loan Agreement between the Authority and City of Irvine, and delegate authority to Chair or Vice Chair to execute agreement.

Vote: 6-0

Yes: Boardmember Sonne, Vice Chair Jung, Boardmember Posey,
Boardmember Khan, Chair Carroll, Boardmember Voigts
No: None
Abstained: None
Absent: None

8. APPROVE REGULAR MEETING DATE

Chair Carroll stated that the item requests setting the next meeting date for December 22. He mentioned that subsequent meetings may be expected on the second and fourth Tuesday of each month at 9 a.m., to be hosted via Zoom, and will be one to two hours in duration.

Ryan Baron provided an overview of what the December 22 meeting would cover, and stated that details would be provided in the next staff item. He said that the Board would decide on the meeting dates and adopt a resolution at the next meeting.

Board questions and comments ensued.

ACTION: Motioned by Boardmember Posey and seconded by Boardmember Voigts to approve December 22, 2020 at 10 a.m. for the next meeting date of OCPA.

Vote: 6-0

Yes: Boardmember Sonne, Vice Chair Jung, Boardmember Posey,
Boardmember Khan, Chair Carroll, Boardmember Voigts
No: None
Abstained: None
Absent: None

9. UPDATE ON POTENTIAL NEW MEMBERS, FILING OF IMPLEMENTATION PLAN, AND FUTURE AUTHORITY BUSINESS

Mark Steuer, City of Irvine Director of Public Works and Transportation, presented. He provided background on the JPA formation with five founding

members: on November 20 the City of Fullerton joined the City of Irvine in forming the OCPA; on December 10 the City of Huntington Beach joined; on December 15, the Cities of Buena Park and Lake Forest joined. The following Cities have expressed interest in joining the Authority in 2021: Placentia, Stanton, Santa Ana, Aliso Viejo, and Villa Park.

Ryan Baron confirmed that cities that join in 2021 would not begin serving customers until 2023

Gary Saleba, EES Consulting provided information on the Implementation Plan that needs to be submitted by December 31, 2020 to the California Public Utility Commission (CPUC). The Implementation Plan will include the electricity load data for the member cities, and have updated financials and a pro forma for the Authority to review at the December 22 meeting.

Director Steuer listed items for future Authority meetings, including: the formation of a Community Advisory Committee, agreement with Public Financial Management for a banking and credit services, approval of the initial budget, approve staffing agreements with member cities that provide staff support, direct EES Consulting to prepare Request for Proposals for portfolio manager and schedule coordinator services, appoint Interim Treasurer and establish a depository for the JPA, public hearing to approve the Implementation Plan, and discuss flexibility in the withdrawal date.

Baron explained that the JPA Agreement lists March 1 as the deadline for withdrawal to allow for enough time to file information with the CPUC by mid-April. The Agreement can be amended subject to a vote by the Board. There is risk involved in delaying to April 1, and changing the load data provided, so adequate notice will be needed.

Board questions and comments ensued.

The following individuals spoke during Public Comment in support of Authority formation via Zoom:

- Councilmember Glenn Grandis, Fountain Valley
- Jose Trinidad Casteneda, Fullerton
- Linda Kraemer, Costa Mesa
- Andrea Alexander, Lake Forest

ACTION: Motion made by Board Member Voights to amend the inclusion deadline to April 1, with notice provided by March 15, and seconded by Chair Carroll.

Vote: 6-0

Yes: Boardmember Sonne, Vice Chair Jung, Boardmember Posey,
Boardmember Khan, Chair Carroll, Boardmember Voigts
No: None
Abstained: None
Absent: None

PUBLIC COMMENTS

The following individuals spoke in support of the CCA Authority:

- Jose Trinidad Casteneda
- Josh Brock
- Senait Forthal
- Kari D.
- Danny Gray

The following individual spoke in opposition to Chair Carroll and Boardmember Khan:

- Irvine

The following individuals spoke of their support of the Authority's formation via email to environmentalprograms@cityofirvine.org:

- Ayn Craciun
- Senait Forthal
- Council Member Barbara Delgleize, Huntington Beach
- Natalie Guidotti
- Monica Compr
- Valentina Della Torre
- Hoiyin Ip
- Emanuela Bianchi
- Enrica Costa
- Tristan Miller

DIRECTOR COMMENTS

Boardmember Posey, Boardmember Sonne, Vice Chair Chung, Boardmember Voigts, Boardmember Khan, and Chair Carroll expressed gratitude for the formation of the Authority.

REPORT BY ACTING GENERAL COUNSEL

No report.

CLOSED SESSION

Ryan Baron, General Counsel, announced the following Closed Session Items:

10. PUBLIC EMPLOYMENT

11. CONFERENCE WITH LABOR NEGOTIATORS

REPORT FROM CLOSED SESSION

There were no reportable actions.

ADJOURNMENT

Chair Carroll adjourned the meeting at 12:36 p.m.

Mike Carroll
Chair
Orange County Power Authority

Julia Brooks
Secretary
Orange County Power Authority

**ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 2**

To: Orange County Power Authority Board of Directors

From: Power Authority Staff

Subject: ADOPT RESOLUTION ESTABLISHING REGULAR MEETING
SCHEDULE FOR 2021

Date: December 22, 2020

RECOMMENDATION

Adopt resolution establishing regular meeting schedule of the Orange County Power Authority Board of Directors for the 2021 calendar year.

BACKGROUND

It is anticipated that over the next few months, the Board of Directors will need to meet more frequently. Staff is proposing that Board meetings generally be held at 10 a.m. on the 2nd and 4th Tuesdays of each month through February 2021, and then move to the 2nd Tuesday of month for the remainder of the calendar year.

January 12 and 26, 2021
February 9 and 23, 2021
March 9, 2021
April 13, 2021
May 11, 2021
June 8, 2021
July 13, 2021
August 10, 2021
September 14, 2021
October 12, 2021
November 9, 2021
December 14, 2021

FISCAL IMPACT

None

ATTACHMENT

1. Resolution No. 2020-04: A Resolution of the Board of Directors of Orange County Power Authority Establishing Regular Meetings of the Board of Directors for 2021.

RESOLUTION NO. 2020-04
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE ORANGE COUNTY POWER AUTHORITY
ESTABLISHING REGULAR MEETINGS OF THE BOARD OF DIRECTORS

A. Orange County Power Authority (“OCPA”) was formed on November 20, 2020 pursuant to the Orange County Power Authority Joint Powers Agreement (“JPA Agreement”).

B. The Authority was formed to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs, and to exercise all other powers necessary and incidental to accomplishing this purpose, which includes, but is not limited to, the establishment of a Community Choice Energy program in accordance with the terms of the JPA Agreement.

C. The Board of Directors seeks to establish the time and meeting location for all regular meetings of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Orange County Power Authority as follows:

1. That the Board of Directors has determined that the recitals herein are true and correct.
2. That the time and meeting location of all regular meetings of the Board of the Directors will be the following for January and February 2021:

Second and Fourth Tuesday of the Month
10 a.m.
City of Irvine - Conference and Training Center
1 Civic Center Plaza
Irvine, CA 92606

3. That the time and meeting location of all regular meetings of the Board of the Directors will be the following after March 1, 2021:

Second Tuesday of the Month
10 a.m.
City of Irvine - Conference and Training Center
1 Civic Center Plaza
Irvine, CA 92606

4. That the Board of Directors shall have the power to change the time or location of any regular meetings by amending or replacing this resolution, or cancel such meetings, or call special meetings with proper notice.