



WESTERN COMMUNITY ENERGY

YOUR NEIGHBORHOOD POWER AUTHORITY

Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

REVISED AGENDA

**Wednesday, January 9, 2019
1:00 p.m.**

**Western Riverside Council of Governments
3390 University Avenue, Suite 450
Citrus Conference Room
Riverside, CA 92501**

In compliance with the Americans with Disabilities Act and Government Code Section 54954.2, if special assistance is needed to participate in the Board of Directors meeting, please contact WRCOG at (951) 405-6703. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide accessibility at the meeting. In compliance with Government Code Section 54957.5, agenda materials distributed within 72 hours prior to the meeting which are public records relating to an open session agenda item will be available for inspection by members of the public prior to the meeting at 3390 University Avenue, Suite 450, Riverside, CA, 92501.

The Board of Directors may take any action on any item listed on the agenda, regardless of the Requested Action.

- 1. CALL TO ORDER / ROLL CALL**
- 2. PLEDGE OF ALLEGIANCE**
- 3. WELCOME NEW BOARD OF DIRECTORS MEMBERS**
- 4. PUBLIC COMMENTS**

At this time members of the public can address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agendized items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Board of Directors in writing and only pertinent points presented orally.

5. MINUTES

- A. Summary Minutes from the December 12, 2018, Joint Meeting of the Board of Directors and Technical Advisory Committee are Available for Consideration. P. 1

Requested Action: 1. Approve the Summary Minutes from the December 12, 2018, Joint meeting of the Board of Directors and Technical Advisory Committee.

6. REPORTS / DISCUSSION

- A. Approval of Agency Administrative Policy: Conflict of Interest Code *Janis Leonard, WRCOG* P. 5

Requested Actions: 1. *Adopt Resolution Number 2019-01: A Resolution of the Board of Directors of Western Community Energy Adopting a Conflict of Interest Code Pursuant to the Political Reform Act of 1974.*
2. *Authorize staff to execute the appropriate documents and submit the adopted Code to the Board of Supervisors of Riverside County, which serves as WCE's code-reviewing body (Gov. Code § 82011), requesting approval of the Code as required under Government Code section 87303.*

- B. Financial Summary Update *Andrew Ruiz, WRCOG* P. 25

Requested Action: 1. Receive and file.

- C. Request to Continue to Hold Joint Meetings of the Board of Directors and Technical Advisory Committee Through 2019 *Barbara Spoonhour, WRCOG* P. 31

Requested Action: 1. Continue to hold joint meetings of the WCE Technical Advisory Committee and Board of Directors through 2019.

- D. Regulatory and Legislative Update *Ryan Baron, Best Best & Krieger* P. 33

Requested Action: 1. Receive and file.

- E. Program Schedule Update *Barbara Spoonhour, WRCOG* P. 35

Requested Action: 1. Receive and file.

7. REPORT FROM THE EXECUTIVE DIRECTOR *Rick Bishop*

8. ITEMS FOR FUTURE AGENDAS *Members*

Members are invited to suggest additional items to be brought forward for discussion at future Board of Directors meetings.

9. GENERAL ANNOUNCEMENTS *Members*

Members are invited to announce items / activities which may be of general interest to the Board of Directors.

10. NEXT MEETING: **The next Joint Meeting of the Board of Directors and Technical Advisory Committee meeting is scheduled for Wednesday, February 13, 2019, at 1:00 p.m., at the Western Riverside Council of Governments,**

Citrus Conference Room, 3390 University Avenue, Suite 450, Riverside.

11. ADJOURNMENT

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1. CALL TO ORDER / ROLL CALL

The Joint meeting of the Western Community Energy Board of Directors and Technical Advisory Committee was called to order at 1:05 p.m. by Chair Ben Benoit at WRCOG's Office, Citrus Conference Room.

Board Members present:

Jordan Ehrenkranz, City of Canyon Lake
Todd Rigby, City of Eastvale
Michael Goodland, City of Jurupa Valley
Ted Hoffman, City of Norco (2:05 p.m. departure)
Rita Rogers, City of Perris (2:05 p.m. departure)
Ben Benoit, City of Wildomar (Chair)

Technical Advisory Committee Members present:

Aaron Palmer, City of Canyon Lake
Gary Thompson, City of Jurupa Valley
Andy Okoro, City of Norco
Gary Nordquist, City of Wildomar

Staff present:

Steve DeBaun, Legal Counsel, Best & Krieger
Rick Bishop, Western Riverside Council of Governments (WRCOG) Executive Director
Barbara Spoonhour, WRCOG Deputy Executive Director - Operations
Andrew Ruiz, WRCOG Interim Chief Financial Officer
Janis Leonard, WRCOG Administrative Services Manager
Suzy Nelson, WRCOG Administrative Assistant

Guests present:

Ryan Baron, Best & Kreiger
Richard Babbe, Public Financial Management
Todd Warden, South Coast Air Quality Management District

2. PLEDGE OF ALLEGIANCE

Board member Todd Rigby led the Board and Committee members and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

There were no public comments.

4. APPOINTMENT OF WCE BOARD OF DIRECTORS VICE-CHAIR FOR CALENDAR YEAR 2019

Rick Bishop indicated that Laura Roughton, who previously served as Vice-Chair, was not re-elected in her city; therefore, this position needs to be filled.

Action: *1. Appointed Todd Rigby, City of Eastvale, as Vice-Chair for Calendar Year 2019.*

(Wildomar / Perris) 6 yes; 0 no; 0 abstention. Item 4 was approved. The City of Hemet was not present.

5. MINUTES

- A. *Summary Minutes from the November 14, 2018, Joint meeting of the Board of Directors and Technical Advisory Committee are Available for Consideration.*

Action: 1. *Approved the Summary Minutes from the November 14, 2018, Board of Directors meeting.*

(Perris / Norco) 6 yes; 0 no; 0 abstention. Item 5 was approved. The City of Hemet was not present.

6. REPORTS / DISCUSSION

A. Conduct a Public Hearing to Adopt the Implementation Plan and Statement of Intent

Chairman Benoit opened the public hearing.

Rick Bishop reported that Community Choice Aggregation (CCA) Programs allow local governments to purchase and provide electricity to customers while still using the transmission lines of the local Investor Owned Utility (IOU). There are 17 existing CCA Programs throughout the state and provide customers with a choice on the type of energy they can use, at lower rates than what the IOU charges. CCA Programs also provide for potential economic development. A feasibility study in 2016 demonstrated that a CCA in this subregion would be feasible.

Members of Western Community Energy (WCE) have expressed a strong desire for a strong community outreach component on this Program. WCE has had a soft launch through the creation of an informative website. The WCE Board of Directors held its first meeting in August of this year and, assumption numbers have been double-checked. The California Public Utilities Commission (CPUC) recently made a ruling on the Power Cost Indifference Adjustment (PCIA), and Southern California Edison, the local IOU, was able to recalibrate its numbers based on that. For its Implementation Plan, WCE has been able replace its assumption numbers with actual data.

Barbara Spoonhour reported that the Draft Implementation Plan has not changed much since its release in late October. The Plan was emailed to Southern California Edison (SCE) CCA staff for review and staff held a meet & confer; staff from both agencies will continue to meet on a quarterly basis. Rooftop customers will be brought into WCE on a quarterly basis. There are three SCE stand-by customers who have their own renewable energy brought into their facilities, and those customers will be brought into WCE at a later point once SCE provides additional data. A Press Release was distributed, and media kits were provided to member jurisdictions.

The Plan will be submitted to the CPUC by the end of the month. The CPUC will review the Plan to ensure all requirements per AB 117 have been met. The Plan contains the following:

Chapter 1: Provides background information on the creation of WCE.

Chapter 2: Discusses the impacts of aggregation.

Chapter 3: Provides the governance structure.

Chapter 4: Provides a description of staffing and consulting costs, deposits and reserves, and working capital.

Chapter 5: Provides explanations on programmatic phase-ins.

Chapter 6: Provides a load forecast and resource plan.

Chapter 7: Details the financial plan.

Chapter 8: Discusses rate setting.

Chapter 9: Provides customer rights and responsibilities.

Chapter 10: Outlines procurement.

Chapter 11: Outlines program termination.

There were no public comments and the public hearing was closed.

Director Todd Rigby asked if any other jurisdictions have expressed interest in joining WCE.

Ms. Spoonhour responded that the City of Rancho Cucamonga has expressed interest but will be waiting until after the elections to make a formal decision. Cities within this subregion are also waiting until after the elections to make a formal decision.

Mr. Bishop added that for any jurisdictions which join after the Plan has been submitted to the CPUC, those jurisdictions will be precluded from servicing their residents until after April 2020.

- Actions**
1. *Received Western Community Energy Implementation Plan and Statement of Intent Summary Report.*
 2. *Conducted a Public Hearing regarding the adoption of Western Community Energy Implementation Plan and Statement of Intent.*
 3. *Adopted Resolution 2018-13: A Resolution of the Board of Directors of Western Community Energy adopting the Community Choice Aggregation Implementation Plan and Statement of Intent required by California Public Utilities Code Section 366.2.*

(Perris / Norco) 6 yes; 0 no; 0 abstention. Item 6.A was approved. The City of Hemet was not present.

B. Approval of Agency Administrative Policies

Andrew Ruiz reported that staff worked with Public Financial Management (PFM), who serves as WRCOG's financial advisor, to prepare the Investment Policy being presented today.

Richard Babbe indicated that the WRCOG Investment Policy was used as a framework and revised it according to WCE's specific needs.

- Action**
1. *Adopted Resolution Number 2018-14: A Resolution of the Board of Directors of Western Community Energy adopting Policy No. 009: Investment Policy.*

(Jurupa Valley / Canyon Lake) 6 yes; 0 no; 0 abstention. Item 6.B was approved. The City of Hemet was not present.

C. Financial Summary Update

Andrew Ruiz reported that as of October 31, 2018, just over \$163k has been spent.

- Action**
1. *Received and filed.*

D. Approval of Professional Services Agreement for WCE / CCA Marketing and Outreach Services

Barbara Spoonhour reported that a marketing structure for 2019 / 2020 was presented to this Board at its last meeting. The Agreement being presented today represents costs to prepare both printed and electronic notifications for member jurisdictions, reflecting their specific needs.

Chairman Benoit asked who is handling social media.

Ms. Spoonhour responded that The Creative Bar and WRCOG staff will be handling Facebook posts and tweets, as well as Instagram notifications.

Chairman Benoit added that instead of showing the percentage of energy saved, most would better understand and appreciate it if the savings were shown in monetary value.

- Action**
1. *Authorized the Executive Director to enter into a Professional Services Agreement with The Creative Bar, not to exceed \$80,000 for general marketing and \$100,000 for advertising for the calendar year 2019.*

(Jurupa Valley / Perris) 6 yes; 0 no; 0 abstention. Item 6.D was approved. The City of Hemet was not present.

E. Regulatory and Legislative Update

Ryan Baron reported that legal counsel is closely watching the Power Cost Indifference Adjustment (PCIA) decision made by the California Public Utilities Commission (CPUC) in October; five re-hearing requests were filed in late November. Based upon the outcome, CalCCA could challenge the matter in court.

The matter is now in Phase 2 and will last up to 18 months. The CPUC is reviewing how Investor Owned Utilities (IOUs) optimize their portfolios.

SCE tried to pass \$743M in under-collection of generation rates via an advice letter. The CPUC's Energy Division rejected the letter and instructed SCE to go through the formal application process. SCE filed that application a few weeks ago hoping to recoup revenues through generation rates and the PCIA. The SCE also hoped to push this into the Energy Resource Recovery Account (ERRA). SCE's ERRA is \$4.1B for the year 2019. The PCIA is set at the ERRA hearings. The CPUC has approved SCE's ERRA and will deal with the under-collection separately. If there is an amount owed to the CCA's that will be determined next year.

Action: *I. Received and filed.*

F. Program Schedule Update

Barbara Spoonhour reported that the Draft Implementation Plan will be finalized and forwarded to the California Public Utilities Commission later this month. Staff would like to have a discussion to set goals and objectives for 2019. A Risk Management Plan will be prepared by The Energy Authority. Proformas will be updated. The Resource Adequacy process will begin, and a draft budget will be presented most likely in May.

Action: *I. Received and filed.*

7. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that WRCOG recently launched a WRCOG "COGCAST" as a way to inform constituents. One recent COGCAST was on WCE. Staff will be reaching out to member jurisdictions for news to share.

8. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

9. GENERAL ANNOUNCEMENTS

There were no general announcements.

10. NEXT MEETING: **The next Joint Meeting of the Board of Directors and Technical Advisory Committee meeting is scheduled for Wednesday, January 9, 2019, at 1:00 p.m., at WRCOG's office located at 3390 University Avenue, Suite 450, Riverside.**

II. ADJOURNMENT: **The Joint meeting of the Board of Directors and Technical Advisory Committee adjourned at 2:01 p.m.**



Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

REVISED STAFF REPORT

Subject: Approval of Agency Administrative Policy: Conflict of Interest Code

Contact: Janis Leonard, WRCOG Administrative Services Manager, jleonard@wrcog.us, (951) 405-6702

Date: January 9, 2019

The purpose of this item is to request that the Board of Directors adopt Agency Administrative Policies regarding the Agency's Conflict of Interest Code. Over the next few months, staff will continue to bring forward additional policies for consideration by the Board as needed.

REQUESTED ACTIONS:

1. **Adopt Resolution Number 2019-01: A Resolution of the Board of Directors of Western Community Energy Adopting a Conflict of Interest Code Pursuant to the Political Reform Act of 1974.**
2. Authorize staff to execute the appropriate documents and submit the adopted Code to the Board of Supervisors of Riverside County, which serves as WCE's code-reviewing body (Gov. Code § 82011), requesting approval of the Code as required under Government Code section 87303.

Over the next few months, there will be several administrative policies and procedures that the Board of Directors will need to adopt in order to ensure the operational effectiveness and transparency of WCE. Staff is working with legal counsel to bring forward these documents. At this meeting, staff is bringing forward the proposed Agency Conflict of Interest Code.

Conflict of Interest Code

The Political Reform Act (Act) requires all state and local government agencies to adopt and promulgate a conflict of interest code establishing the rules for reporting personal assets and the prohibition from making or participating in the making of any decisions that may affect any personal assets. A conflict of interest code must specifically designate all agency positions, except for those listed in Government Code section 87200, that make or participate in the making of agency decisions which may foreseeably influence any financial interest of that person and assign specific types of personal assets to be disclosed that may be affected by the exercise of powers and duties of that position.

Attached is a copy of the proposed Conflict of Interest Code (Code) for members' review. By reference, this Code incorporates Section 18730 of the Fair Political Practices Commission (FPPC) as the provisions of the Code with an Appendix attached designating in Part A all WCE positions that make or participate in making decisions of WCE and assigns appropriate disclosure categories in Part B. This is commonly referred to as the FPPC Standard Code.

Notices of the intent to adopt the Conflict of Interest Code were posted and distributed as required by law. Staff recommends that the Board of Directors adopt Resolution 2019-01.

After the Board of Directors adopts Resolution 2019-01, the Code will be submitted to the Riverside County Board of Supervisors for approval. The County Board of Supervisors serves as WCE's code-reviewing body. The effective date of the Code will be 30 days after the Board of Supervisors approves the document.

PRIOR ACTION:

None.

FISCAL IMPACT:

This item is for administrative purposes only; therefore, there is no fiscal impact.

ATTACHMENTS:

1. Explanation of Designated Positions.
2. Resolution Number 2019-01: A Resolution of the Board of Directors of Western Community Energy Adopting a Conflict of Interest Code Pursuant to the Political Reform Act of 1974.
3. Notice of Intention to adopt the Conflict of Interest Code of the Western Community Energy.

Item 6.A

Approval of Agency Administrative Policy: Conflict of Interest Code

Attachment 1

Explanation of Designated Positions

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WESTERN COMMUNITY ENERGY

EXPLANATION OF DESIGNATION OF OFFICIALS AND THE ASSIGNMENT OF DISCLOSURE RESPONSIBILITIES

Pursuant to Government Code sections 87300 and 87303, as well as 2 California Code of Regulations section 18750.1, the Western Community Energy (“WCE”) has proposed its initial Conflict of Interest Code (the “Code”). The Code must designate those employees, members, officers, and consultants who make or participate in the making of decisions which may foreseeably have a material effect on a financial interest and are therefore, subject to the disclosure and disqualification requirements of the Code.

The Code must also set forth Disclosure Categories to be assigned to the designated positions requiring individuals holding each position to disclose personal interests that may be affected by the exercise of the individual’s duties.

Below is an explanation of the specific designations, their disclosure requirements and the requirements of the Disclosure Categories created.

"OFFICIALS WHO MANAGE PUBLIC INVESTMENTS"

Primary officials determined to fall under the definition of "Officials Who Manage Public Investments" as required by the Fair Political Practices Commission (the "FPPC") must file disclosure statements under Government Code section 87200. It is determined that the positions listed below meet this requirement.

Members of the Board of Directors and their Alternates
Treasurer
Investment Consultant

"DESIGNATED POSITIONS"

WCE’s list of Designated Positions specifically enumerates all positions within WCE which make or participate in the making of WCE’s decisions which may foreseeably have a material effect on that position’s financial interests.

Disclosure Categories have been assigned to the Designated Positions on a narrow basis in relation to their official duties with WCE to prevent requiring over-disclosure.

Positions that, by virtue of their positions, are involved in all facets of WCE operations have been assigned Categories 1 and 2 indicating "full disclosure" requirements. Likewise, positions having narrower involvement and/or responsibilities with WCE have been assigned more limiting disclosure requirements based on the duties of the position. (See Explanation of Types of Disclosure Categories, below.)

Currently, WCE has very few positions creating its structure.

Executive Director – Categories 1, 2

This position is involved in a broad range of WCE decisions too numerous and varied to narrow. Therefore, this position is assigned full disclosure requirements.

General Counsel – Categories 1, 2

This position is involved in a broad range of WCE decisions too numerous and varied to narrow. Therefore, this position is assigned full disclosure requirements.

Consultants and New Positions

Consultant is a generic designated position to cover any contracted positions not specifically designated meeting the definition of Consultant under the Political Reform Act and required to file disclosure statements because they may participate in making or influence decisions, as defined.

New Positions covers any newly created positions for interim filing requirements pending amendment of the Code.

Consultants and New Positions have specific footnote language appended to them indicating that these positions have full disclosure responsibilities unless specifically narrowed or waived, in writing, by the Executive Director, based on their duties, and placed on file with WCE's Filing Officer. Identification of New Positions and Consultants will be done on FPPC Forms 804 and 805, respectively.

EXPLANATION OF DISCLOSURE CATEGORIES

Disclosure Categories identify the types of investments, business entities, sources of income, including gifts, loans and travel payments, or real property which the Designated Employee must disclose for each disclosure category to which he or she is assigned.

WCE cannot require the Designated Position to over-disclose. Disclosure Categories must be designed and assigned **depending on the duties and responsibilities of the position held**. Therefore, five Disclosure Categories have been designed to be assigned to the various designated positions listed in Part "A" of the Appendix to the proposed Code. This list of Disclosure Categories provides flexibility in the application of the various Categories to the different designated positions but are narrow enough so as not to require over-disclosure by a Designated Position or Consultant.

ASSIGNMENT OF DISCLOSURE CATEGORIES:

Category 1 requires the disclosure of reportable investments, business positions, and sources of income in the jurisdiction of WCE.

Category 2 requires the disclosure of reportable interests in all real property (not including personal residence) located in the jurisdiction of WCE (or within 2 miles thereof).

The assignment of Categories 1 and 2 means the Designated Position has full disclosure requirements. These Categories are usually assigned to General Counsel, and other very broad decision-makers whose responsibilities are too broad to be narrowed and warrant full disclosure. These are also the Categories provided Consultants, as defined, and New Positions if not narrowed in writing as described.

Category 3 is limited to interests in entities that provide services, supplies, etc., of the type used by WCE. This Category is reserved for positions that are involved in WCE on a broad basis touching a variety of departments and are therefore, unable to be narrowed to one department, division or area. Positions assigned this Category are usually involved in broad areas of administration and fiscal services.

Category 4 is limited to interests in entities that provide services, supplies, etc., of the type used by a Designated Position's department, division or unit. This Category is assigned to positions involved in limited aspects of WCE so that disclosure requirements can be narrowed to the position's specific area in order to avoid requiring over-disclosure. This Category is also used to assign to Consultants in specific areas.

Item 6.A

Approval of Agency Administrative Policy: Conflict of Interest Code

Attachment 2

Resolution Number 2019-01: A Resolution of the Board of Directors of Western Community Energy Adopting a Conflict of Interest Code Pursuant to the Political Reform Act of 1974

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RESOLUTION NO. 2019-01

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF WESTERN COMMUNITY ENERGY
ADOPTING A CONFLICT OF INTEREST CODE PURSUANT TO
THE POLITICAL REFORM ACT OF 1974**

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code section 81000, et seq. (the “Act”), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Western Community Energy (“WCE”) and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the Authority being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed Conflict of Interest Code was provided for each designated position and publicly posted for review at the offices of Western Community Energy, located at 3390 University Avenue, Suite 450, Riverside, CA 92501; and

WHEREAS, a public meeting was held upon the proposed Conflict of Interest Code at a regular meeting of the Board of Directors on January 9, 2019, at which all present were given an opportunity to be heard on the proposed Conflict of Interest Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Western Community Energy that the Board of Directors does hereby adopt the proposed Conflict of Interest Code, a copy of which is attached hereto as Exhibit “A” and shall be on file with the Executive Director and available to the public for inspection and copying during regular business hours.

BE IT FURTHER RESOLVED that the said Conflict of Interest Code shall be submitted to the Board of Supervisors of Riverside County for approval and said Code shall become effective 30 days after the Board of Supervisors approves the proposed Conflict of Interest Code as submitted.

PASSED AND ADOPTED at a meeting of the Board of Directors of Western Community Energy held on January 9, 2019.

Ben Benoit, Chairperson
Western Community Energy

Rick Bishop, Secretary
Western Community Energy

Approved as to form:

Steven DeBaun
Western Community Energy Legal Counsel

AYES: _____

NAYS: _____

ABSENT: _____

ABSTAIN: _____

Exhibit "A"

Conflict of Interest Code

**CONFLICT OF INTEREST CODE
OF WESTERN COMMUNITY ENERGY**

Adopted January 9, 2019

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs. § 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the Western Community Energy ("WCE").

All officials and designated positions required to submit a statement of economic interests shall file their statements of economic interests with the Executive Director as the WCE's Filing Officer. The Executive Director shall make and retain a copy of all statements filed by the Board of Directors and Executive Director and forward the originals of such statements to the Clerk of the Board of Supervisors of the County of Riverside. The Executive Director shall retain the original statements filed by all other officials and designated positions and will make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008).

**APPENDIX TO THE
CONFLICT OF INTEREST CODE
OF THE
WESTERN COMMUNITY ENERGY
(Adopted January 9, 2019)**

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Officials who manage public investments, as defined by 2 Cal. Code Regs. section 18700.3(b), are NOT subject to the WCE's Conflict of Interest Code, but must file disclosure statements under Government Code section 87200, et seq. [Regs. § 18730(b)(3)] It has been determined that the positions listed below are officials who manage public investments¹. These positions are listed here for informational purposes only:

Members of the Board of Directors and their Alternates

Treasurer

Investment Consultant

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITIONS'
TITLE OR FUNCTION

DISCLOSURE CATEGORIES
ASSIGNED

Executive Director I, 2

General Counsel I, 2

Consultants and New Positions²

² Individuals serving as a consultant as defined in FPPC Reg. 18700.3(a) or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The Executive Director may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.³ "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in, the jurisdiction of WCE.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, that do business in, or own real property within the jurisdiction of WCE.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of WCE, including any leasehold, beneficial or ownership interest or option to acquire additional property.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type utilized by WCE.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

³ This Conflict of Interest Code does not require the reporting of gifts from outside this Agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

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Item 6.A

Approval of Agency Administrative Policy: Conflict of Interest Code

Attachment 3

Notice of Intention to adopt the Conflict of Interest Code of the Western Community Energy

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NOTICE OF INTENTION TO ADOPT THE CONFLICT OF INTEREST CODE OF THE WESTERN COMMUNITY ENERGY

NOTICE IS HEREBY GIVEN that the Western Community Energy (“WCE”) intends to adopt a Conflict of Interest Code (the “Code”) pursuant to Government Code Section 87300.

A conflict of interest code designates those employees, members, officers, and consultants who make or participate in making governmental decisions which may affect their financial interests, who must disclose those interests in financial disclosure statements, and who must disqualify themselves from making or participating in the making of governmental decisions affecting those interests.

The proposed Conflict of Interest Code will be considered by the Board of Directors on January 9, 2019, at 1:00 p.m. at Western Community Energy, 3390 University Avenue, Suite 450, Riverside, California. Any interested person may be present and comment at the public meeting or may submit written comments concerning the proposed Code. Any comments or inquiries should be directed to the attention of Rick Bishop, Executive Director, 3390 University Avenue, Suite 450, Riverside, CA, 92501; (951) 405-6702. Written comments must be submitted no later than January 9, 2019, at 1:00 p.m.

The proposed Code may also be reviewed at, and copies obtained from, the Secretary of the Board.

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Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

STAFF REPORT

Subject: Financial Summary Update

Contact: Andrew Ruiz, WRCOG Interim Chief Financial Officer, aruiz@wrcog.us,
(951) 405-6741

Date: January 9, 2019

The purpose of this item is to provide an update on the Fiscal Year 2018/2019 Agency Budget.

REQUESTED ACTION:

- I. Receive and file.

Financial Report summary through November 2018

The Agency Financial Report summary through November 2018, a monthly overview of WCEs financial statements in the form of combined Agency revenues and costs, is provided as Attachment I.

PRIOR ACTION:

December 12, 2018: Received and filed.

FISCAL IMPACT:

This item is for informational purposes only; therefore, there is no fiscal impact.

ATTACHMENT:

- I. Financial Report summary – November 2018.

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Item 6.B

Financial Summary Update

Attachment 1

Financial Report summary - November 2018

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WESTERN COMMUNITY ENERGY
YOUR NEIGHBORHOOD POWER AUTHORITY

Monthly Budget to Actuals
For the Month Ending November 30, 2018

	Approved Budget 6/30/2019	Thru Actual 11/30/2018	Remaining Budget 6/30/2019
Expenditures			
Wages and Benefits			
Salaries & Wages	203,148	60,448	142,700
Fringe Benefits	80,947	33,728	47,219
Total Wages & Benefits	284,095	94,176	189,919
General Operations			
General Legal Services	150,000	65,409	84,591
Program/Office Supplies	2,174	2,241	(67)
Parking Validations	-	25	(25)
Membership Dues	1,500	1,500	-
Meeting Support Services	500	78	422
Postage	-	1	(1)
Seminars/Conferences	1,000	429	571
Travel - Mileage Reimbursement	2,000	349	1,651
Travel - Ground Transportation	1,500	296	1,204
Travel - Airfare	2,000	1,098	902
Lodging	2,000	697	1,303
Meals	1,000	53	947
Other Incidentals	-	62	(62)
Consulting Labor	498,076	77,775	420,301
Total General Operations	661,750	150,013	511,737
Total Expenditures	945,845	244,189	701,656

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Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

STAFF REPORT

Subject: Request to Continue to Hold Joint Meetings of the Board of Directors and Technical Advisory Committee Through 2019

Contact: Barbara Spoonhour, Deputy Executive Director - Operations,
bspoonhour@wrcog.us, (951) 405-6760

Date: January 9, 2019

The purpose of this item is to have the Board of Directors discuss and provide direction on the continuation of joint meetings between the Board of Directors and the Technical Advisory Committee or to separate the two meetings.

REQUESTED ACTION:

- I. Continue to hold joint meetings of the WCE Technical Advisory Committee and Board of Directors through 2019.

On September 19, 2018, the Board of Directors established the Technical Advisory Committee (TAC). The purpose of the TAC is to meet to review materials and make recommendations to the full Board of Directors on key topics. Since the establishment of the TAC, it was recommended that the TAC meetings be held in conjunction with the Board of the Directors for the remainder of 2018. Staff is bringing back this item for the Directors to provide direction on whether to continue the joint meetings into 2019 or to direct staff to begin holding separate TAC meetings.

Staff believes considering that WCE continues to operate in its early stages that it is prudent to continue the current arrangement and is recommending that joint meetings continue through 2019.

PRIOR ACTION:

None.

FISCAL IMPACT:

This is an informational item only; there are no fiscal impacts.

ATTACHMENT:

None.

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Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

STAFF REPORT

Subject: Regulatory and Legislative Update

Contact: Ryan Baron, Of Counsel, Best Best & Krieger, ryan.baron@bbklaw.com,
(941) 263-6568

Date: January 9, 2019

The purpose of this item is to provide an update on recent regulatory and legislative activities that have occurred that may affect WCE and other CCAs.

REQUESTED ACTION:

- I. Receive and file.

This is a placeholder in the event staff needs to provide or needs an action from members regarding any recent regulatory and/or legislative activities that have occurred since the last Board of Directors meeting.

PRIOR ACTION:

December 12, 2018: Received and filed.

FISCAL IMPACT:

This item is for informational purposes only; therefore, there is no fiscal impact.

ATTACHMENT:

None.

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Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

STAFF REPORT

Subject: Program Schedule Update

Contact: Barbara Spoonhour, WRCOG Deputy Executive Director – Operations,
bspoonhour@wrcog.us, (951) 405-6760

Date: January 9, 2019

The purpose of this item is to provide an update on the Program Schedule and major milestones for WCE over the next several months.

REQUESTED ACTION:

- I. Receive and file.

Background: The following schedule highlights the topics to be addressed over the next few months.



PRIOR ACTION:

December 12, 2018: Received and filed.

FISCAL IMPACT:

This item is for informational purposes only; therefore, there is no fiscal impact.

ATTACHMENT:

None.