

1. CALL TO ORDER / ROLL CALL

The Joint Meeting of the Board of Directors and Technical Advisory Committee was called to order at 1:01 p.m. by Chair Ben Benoit at WRCOG's Office, Citrus Conference Room.

Board of Directors present:

Todd Rigby, City of Eastvale
Russ Brown, City of Hemet
Chris Barajas, City of Jurupa Valley
Ted Hoffman, City of Norco
Rita Rogers, City of Perris (2:16 p.m. departure)
Ben Benoit, City of Wildomar (Chair)

Technical Advisory Committee Members present:

Andy Okoro, City of Norco
Gary Nordquist, City of Wildomar

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, WRCOG Executive Director
Barbara Spoonhour, WRCOG Deputy Executive Director - Operations
Andrew Ruiz, WRCOG Chief Financial Officer
Janis Leonard, WRCOG Administrative Services Manager
Tyler Masters, WRCOG Program Manager
Suzy Nelson, Administrative Assistant
Anirudhha Dhruva, WRCOG Intern

Guests present:

Ryan Baron, Legal Counsel, Best Best & Krieger
Glen Price, Legal Counsel, Best Best & Krieger

2. PLEDGE OF ALLEGIANCE

Director Todd Rigby led the Board and Committee members, staff, and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

There were no public comments.

4. MINUTES – (Perris / Norco) 6 yes; 0 no; 0 abstention. Item 4.A was approved. The City of Canyon Lake was not present.

A. Summary Minutes from the November 13, 2019, Joint Meeting of the Board of Directors and Technical Advisory Committee are Available for Consideration.

Action: 1. Approved the Summary Minutes from the November 13, 2019, Joint Meeting of the Board of Directors and Technical Advisory Committee.

5. CONSENT CALENDAR – *(Jurupa Valley / Perris) 6 yes; 0 no; 0 abstention. Items 5.A – 5.D were approved. The City of Canyon Lake was not present.*

A. Financial Summary Update

Action: *I. Received and filed.*

B. Program Schedule Update

Action: *I. Received and filed.*

C. Marketing and Outreach Activities Update

Action: *I. Received and filed.*

D. Regulatory and Legislative Activities Update

Action: *I. Approved a Sacramento legislative trip to update legislators on Western Community Energy’s launch in April and May 2020.*

6. REPORTS / DISCUSSION

A. Update on Agency Financing: Barclays Bank

Andrew Ruiz reported that River City Bank was chosen to handle WCE’s day-to-day banking functions. Barclays Bank was chosen to obtain a facility in the amount of \$21M to support energy-related purchases and operations prior to launch. Financial Proformas indicate WCE only needs \$16M for energy-related purchases and \$600k for start-up costs. The agreements with both financial institutions are consistent with financing that other CCAs have received.

All revenue from the sale of energy will be collected by Southern California Edison; that funding is then put into a lockbox. Funding is then placed into a Funds Flow Operating Account. Funding will also be placed into an account according to Barclays Bank requirements. Lastly, funding will be placed into a WCE Operating Account.

The operating facility is anticipated to be repaid by the year 2021 and kept open until the year 2023. Letters of credit will also remain open for its full term of five years.

Under a Management and Implementation Agreement with WCE, WRCOG has expensed approximately \$1.9M to date; however, WRCOG is not to be repaid until WCE has met Barclays’ Debt Service Coverage Ratio and Reserve Requirements. It is anticipated that WRCOG will be repaid beginning late 2021 and be fully repaid within 12 months.

Action: *I. Adopted Resolution Number 2019-10; A Resolution of the Board of Directors of Western Community Energy adopting financing and credit support agreements.*

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

B. Approval of 1st Quarter Agency Budget Amendment for Fiscal Year 2019/2020

Andrew Ruiz reported that through the Management and Implementation Agreement with WRCOG, WRCOG’s Executive Committee approved \$135k in funding for four positions to work on WCE, since employees will legally be employees of WRCOG. WCE has the option in the future to break away from WRCOG and hire its own staff. If WCE chooses to do so, it would not be forced into joining CalPERS.

Anticipated revenues and expenditures will be presented in a next quarter budget amendment to cover marketing and outreach mailers.

Action: I. *Approved the 1st Quarter Agency Budget Amendment for Fiscal Year 2019/2020.*

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

C. Membership Agreement with WSPP

Barbara Spoonhour reported that WSPP is a non-profit organization that has worked with the energy community to develop and standardize a Power Purchase Agreement which can be used amongst its members.

The recommendation to join WSPP has been provided by WCE's Portfolio Manager, Pilot Power; WCE's legal counsel concurs.

The standardized Power Purchase Agreement has been copyrighted and approved by the Federal Energy Regulatory Commission (FERC).

WSPP has two active committees – the Executive Committee and an Operating Committee. A member and an alternate are appointed to both Committees; appointees are staff.

There is a one-time \$25k membership fee. There is funding available for this within the Consultant line item of the budget.

Action: I. *Authorized the Executive Director to sign the membership agreement with WSPP.*

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

7. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that a Community Choice Energy Summit is being held January 22 – 24, 2020, in Sacramento.

8. ITEMS FOR FUTURE AGENDAS

Barbara Spoonhour indicated that next month's meeting will consist of presentations and discussions regarding a rate schedule, an online dashboard, 2020 leadership, marketing materials, and potential new members.

Director Ted Hoffman asked staff to reach out to member jurisdictions' front-line staff who may be dealing with the public in answering questions from the public and provide talking points.

9. GENERAL ANNOUNCEMENTS

Technical Advisory Committee member Chris Barajas indicated that the City of Jurupa Valley has hired Rod Butler as its new City Manager.

Director Russ Brown announced that the City of Hemet has hired its Interim City Manager, Chris Lopez, as the City Manager.

10. NEXT MEETING: **The next Joint Meeting of the Board of Directors and Technical Advisory Committee is scheduled for Wednesday, January 8, 2020, at 1:00 p.m., at BB&K's office located at 3390 University Avenue, 5th Floor, Riverside.**

11. ADJOURNMENT: **The Joint Meeting of the Board of Directors and Technical Advisory Committee adjourned at 1:26 p.m.**