

**VALLEY CLEAN ENERGY ALLIANCE**

**Staff Report – Item 4**

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**TO:** Board of Directors  
**FROM:** Alisa Lembke, Board Clerk / Administrative Analyst  
**SUBJECT:** Approval of Minutes from April 11, 2024 meeting  
**DATE:** May 9, 2024

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**RECOMMENDATION**

Receive, review and approve the attached April 11, 2024 meeting Minutes.

Attachment: April 11, 2024 meeting Minutes



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE  
BOARD OF DIRECTORS MEETING  
THURSDAY, APRIL 11, 2024**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their regular meeting for Thursday, April 11, 2024 at 5:30 p.m. to be held at City of Davis Community Chambers located at 23 Russell Boulevard, Davis, California 95616. VCE Chair Lucas Frerichs established that there was a quorum present and began the meeting at 5:34 p.m.

Board Members Present: Lucas Frerichs, Bapu Vaitla, Tom Stallard, Jesse Loren, Tania Garcia-Cadena, Richard Casavecchia, Will Arnold, Jim Provenza

Members Absent:

Welcome/Approval of Agenda/Board Clerk Administering the Oath of Office to new Member(s) Chair Frerichs welcomed the Board members. A motion was made by Director Loren to approve the April 11, 2024 Board meeting Agenda, seconded by Director Stallard. Motion passed unanimously. VCE Board Clerk and Secretary gave the Oath of Office to Jim Provenza (Yolo County).

Recognition of Service of CAC Member Marsha Baird Chair Frerichs announced that Marsha Baird was unable to attend. This item will be tabled to the next meeting where Ms. Baird can attend.

Public Comment – General and Consent There were no written or verbal public comments.

Approval of Consent Agenda / Resolutions 2024-002 and 2024-003 Motion made by Director Loren to approve the consent agenda items, seconded by Director Garcia-Cadena. Motion passed unanimously. The following items were:  
4. approved January 11, 2024 Board meeting Minutes;  
5. received 2024 long range calendar;  
6. receive financial updates: A) January 31, 2024 and B) February 29, 2024 (unaudited) financial statements;  
7. received legislative updated provided by Pacific Policy Group;  
8. received March 2024 regulatory update dated April 3, 2024 provided by Keyes & Fox;  
9. received Community Advisory Committee January 25, 2024, February 22, 2024 and March 28, 2024 meeting summaries;  
10. received quarterly customer participation update;



11. received Strategic Plan update;
12. received Enterprise Risk Management report;
13. adopted updated Conflict of Interest Code as Resolution 2024-002; 14. Authorization participation in California Community Power exploration and solicitation for Build-Own-Transfer projects and approved budget amendment;
15. approved the extension of amended and restated credit agreement with River City Bank at Resolution 2024-003; and,
16. received draft Loan Management Standard (LMS) plan update.

Item 17: Receive Calendar Year 2023 Audited Financial Statements (presentation by James Marta of James Marta & Associates)

VCE Executive Officer Mitch Sears introduced this item and introduced VCE Staff Edward Burnham. Mr. Burnham introduced Mr. James Marta of James Marta & Company, who reviewed highlights of VCE's financial audit for Calendar Year 2023. Mr. Marta provided highlights of the qualitative aspects of accounting practices, audit procedures, results of the audit, Independent Auditor's report, management's discussion and analysis, statement of new position, and, reviewed financial strengths of VCE. There were no verbal or written public comments.

The Board acknowledged the receipt of:

1. the Draft Audited Financial Statements for the period of January 1, 2023, to December 31, 2023;
2. the Draft Communication with Governance Letter; and
3. the Draft Internal Control Letter

Item 18: Approve 2023 Net Margin allocation. (Resolution 2024-004)

Mr. Sears introduced this item and Mr. Burnham reviewed the 2023 Audited Net Margin allocation; the local program reserve (LPR); VCE's Customer Dividend program; and, Staff's recommendation. The Board and Staff discussed: reserves, customer generation rates, credit rating, discretionary allocation scenarios, Dividend Program formula, and Staff's recommendation. There were no written public comments.

Verbal Public Comment: Christine Shewmaker commented that she is in agreement and supports VCE's goals, including achieving 100% renewable, and the priorities outlined of cash reserves, "returns to customers" through customer rate decreases and dividends, and local programs. She suggests setting long term goal for the returns to customers and how much is to be put into programs, thereafter revisit these goals and make adjustments to the different areas as needed and able.



Director Stallard made a motion to adopt a resolution approving the allocation of the \$20.9M 2023 Audited Net Margin between cash reserves, local program reserve (LPR), and Customer Dividends program as follows:

1. \$17,997,300 (90%) of Net Margin to cash reserves;
2. \$1,008,500 (05%) of Net Margin to the Local Programs Reserve (LPR).
3. \$1,154,200 (05%) of Net Margin to the Dividends Program in the form of increasing Rate Credits by 1% for all customers starting July 1, 2024

Motion was seconded by Vice Chair Vaitla. Motion passed as Resolution 2024-004 by the following vote:

AYES: Vaitla, Stallard, Loren, Arnold, Garcia-Cadena, Casavecchia, Provenza, Frerichs

NOES: None

ABSENT: None

ABSTAIN: None

Item 19: Receive update on Electrification Retrofit Rebate Outreach (ERRO) Program; a. approved Amendment 1 to SMUD Agreement Task Order 8 (Consulting Services) for Concierge Services; and, b. approve ERRO Programs and Concierge Service budget and 2024 Programs budget transfer. (Resolution 2024-005)

VCE Staff Rebecca Boyles provided an update on the ERRO program, provided an overview of the Concierge Service, reviewed the takeaway priorities from the Community Advisory Committee’s review of the program, and reviewed next steps. The Board and Staff discussed: how to measure success of the ERRO program and Concierge Service to assist in evaluating the program; whether there was a loan program to assist customers; and, budget, costs and timeline of the ERRO program. There were no written public comments.

Verbal Public Comment: Christine Shewmaker informed those present that she electrified her home and there were some challenges, such as upgrading the electrical panel. She asked whether SMUD had the knowledge and experience to work with PG&E and provide assistance to the customer in looking for a qualified contractor.

Motion made by Director Loren to:

1. approve Electrification Retrofit Rebate Outreach Program (ERRO) Implementation Elements:
  - a. Task Order Amendment (1) with Sacramento Municipal Utilities District (SMUD) for implementation and support of the Concierge Service in an amount not to exceed \$184,234.
2. authorize the Executive Officer and/or his designee to execute and take all actions necessary to implement the services contracts substantially in the form attached hereto on behalf of VCE, and in consultation with legal counsel, to approve minor changes to the services contract so long as the terms and amounts are not changed.



3. approve ERRO Program & Concierge Service Budget of \$270,000 and 2024 Programs budget transfer of \$160,000 to ERRO Program including \$70,000 in reimbursable revenues and \$90,000 non-reimbursable costs (Net neutral impact 2024 Budget)

Motion was seconded by Vice Chair Vaitla. Motion passed as Resolution 2024-005 by the following vote:

AYES: Vaitla, Stallard, Loren, Arnold, Garcia-Cadena, Casavecchia, Provenza, Frerichs

NOES: None

ABSENT: None

ABSTAIN: None

Item 20: Board Member and Staff Announcements

There were no announcements from the Board Members. Mr. Sears announced that two events are coming up in May: Celebrate Davis on Friday May 17<sup>th</sup> and the California Honey Festival on Saturday, May 4<sup>th</sup> in Woodland. He informed those present that VCE Staff issued a press release to advertise for applicants on the Community Advisory Committee to fill the vacant City of Davis and unincorporated Yolo County seats and solicit applicants for At-large seats. Mr. Sears informed those present that he attended an Energy Systems Integration Group (ESIG) conference in late March held in Tucson, Arizona, representing VCE as a Community Choice Aggregator (CCA) and was on a panel on dynamic pricing and shift load. He mentioned that VCE are working with UC Davis on a few grant applications. Lastly, VCE Staff, and a few Board and CAC members will be attending CalCCA's Annual Conference in San Jose next week.

Announcement / Adjournment

The Board's next regular meeting is scheduled for Thursday, May 9, 2024 at 5:30 p.m. at the City of Woodland Council Chambers located at 300 First street, Woodland, California 95695. There being no further business to discuss the meeting was adjourned at 6:38 p.m.

Alisa M. Lembke  
VCEA Board Secretary