

# SUMMARY MINUTES

ABAG POWER Board of Directors Meeting

October 25, 2018

Yerba Buena Conference Room

375 Beale Street, San Francisco, CA 94105

## WELCOME AND INTRODUCTIONS

Vice Chair Dave Brees opened the meeting with introductions at 11:05 AM.

The agencies having a representative at this meeting were as follows:

### Board Representatives Present

Alan Shear

Angela Walton

Brad Vance

Chris Schroeder

Corey Garberolio

Dan Schoenholz

Danielle Thoe

Dave Brees

Derek Lee

Diana Oyler

Doug Williams

Harold Wolgamott

Jennifer Mennucci

Khee Lim

Mark Hurley

Merrill Buck

Misty Mersich

Norman Veloso

Pete Fong

Roland Rojas

Steve Lederer

### Jurisdiction/Agency

City of Benicia

City of Richmond

County of Santa Clara

City of Milpitas

City of Petaluma

City of Fremont

Housing Authority of the City of Alameda

City of Los Altos

City of Pleasanton

County of Contra Costa

City of Santa Rosa

City of Gonzales

Golden Gate Bridge, Highway & Trans District

City of Millbrae

City of Albany

City of Union City

City of Cupertino

Town of Moraga

City of Oakland

City of Vallejo

County of Napa

### Board Representatives Absent

David Biggs

David Boesch

Eric Erickson

Gabriel Gordo

Gary Behrens

George Rodericks

John Donlevy

Kevin McGowan

Liam Garland

Lorenzo Hines

Melissa Morton

### Jurisdiction/Agency

City of Hercules

City of Half Moon Bay

City of Mill Valley

City of Watsonville

County of San Mateo

Town of Atherton

City of Winters

City of San Rafael

City of Alameda

City of Pacifica

Vallejo Flood & Wastewater District

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Michael Ricker	City of Salinas
Sean Brooks	Regional Administrative Facility Corporation
Steve Solomon	City of Orinda
Tara Peterson	City of San Carlos
Terry Blount	City of Monte Sereno
Thomas Scott	City of Saratoga

**Staff Present**

Arleicka Conley  
Brad Paul  
Jennifer Berg  
Jerry Lahr  
Matthew Lavrinets  
Ryan Jacoby

**Organization**

Metropolitan Transportation Commission (MTC)  
MTC  
MTC  
MTC  
MTC  
MTC

**Guests Present**

Brad Angell  
Filip Nowak  
Greg Kester  
Sahar Kamali  
Sarah Deslauriers

**Affiliation**

County of Santa Clara  
PricewaterhouseCoopers  
California Association of Sanitation Agencies  
Clean Energy Renewables  
California Association of Sanitation Agencies

**CHAIR'S OPENING REMARKS**

Vice Chair Brees welcomed board members and provided a brief history and a general overview of the ABAG POWER program. He introduced and extended a special acknowledgement to the 2017-18 Executive Committee and ABAG POWER principal staff.

**PUBLIC COMMENTS**

There were no public comments.

**APPROVAL OF SUMMARY MINUTES OF OCTOBER 26, 2017 ANNUAL BOARD MEETING**

Motion was made by Wolgamott/S/Schroeder/C/18:0:0 to approve as proposed the Summary Minutes of the October 26, 2017 Board of Directors meeting.

The aye votes were: Brees, Buck, Fong, Hurley, Lederer, Lee, Mennucci, Mersich, Oyler, Rojas, Schoenholz, Schroeder, Shear, Thoe, Veloso, Walton, Williams, Wolgamott.

The nay votes were: None.

Abstentions were: None.

Absentees were: Behrens, Biggs, Blount, Boesch, Brooks, Donlevy, Erickson, Garberolio, Garland, Gordo, Hines, Lim, McGowan, Morton, Peterson, Ricker, Rodericks, Scott, Solomon, Vance.

**ASSOCIATION OF BAY AREA GOVERNMENTS (ABAG)/MTC LOCAL GOVERNMENT SERVICES**

Paul provided a comparison of staff resources and organizational structure before and after the ABAG/MTC staff consolidation. He summarized ABAG's efforts and potential benefits of designating the Bay Area as an economic development district, progress on Plan Bay Area 2040, and the Advancing California Finance Authority. Lastly, he announced the upcoming retirement of Lahr and extended special acknowledgement to his service to ABAG since 2000.

**STAFF REPORT AND REVIEW OF NATURAL GAS PROGRAM**

Lahr provided an in-depth report on the operations of the natural gas program for Fiscal Year 2017-18. He provided a review of the program and discussed program goals, long-term program achievements, and gas purchasing strategies, including recent international purchasing initiatives and the potential for a voluntary program involving renewable natural gas and/or natural gas offset products.

ABAG POWER's blend of long-term and short-term gas purchases resulted in a weighted average cost of gas for the year of \$2.84/Dth, representing a year-on-year decrease of approximately 6%. ABAG POWER's annual weighted average price was approximately 7.5% higher than PG&E's similar total rate (G-NR1). Due to the program's leveled billing structure and layered purchasing strategy, ABAG POWER's monthly rates were more stable than PG&E's rates throughout the year.

**ABAG POWER FY 2017-18 AUDITED FINANCIAL STATEMENTS AND REPORTS**

Arleicka Conley, MTC's Section Director of Finance and Accounting, and Filip Nowak, Senior Partner with PricewaterhouseCoopers, presented the audit report and financial reports for the fiscal year ending June 30, 2018. Preliminary income statements indicated a total of approximately \$0.67 million being classified as unearned energy revenues to be refunded to members in the Fiscal Year 2017-18 true-up allocation.

Filip Nowak informed attendees a clean audit opinion was received for the FY 2017-18 financial statements, including no significant findings. In addition, the independent audit firm, PricewaterhouseCoopers did not identify any deficiencies in internal control that were considered to be material weaknesses.

[Representatives Garberolio, Lim, and Vance arrived prior to this vote.]

Motion was made by Schroeder/S/Wolgamott/C/21 :0:0 to approve as presented the audited FY 2017-18 Financial Statements and Audit Report.

The aye votes were: Brees, Buck, Fong, Garberolio, Hurley, Lederer, Lee, Lim, Mennucci, Mersich, Oyler, Rojas, Schoenholz, Schroeder, Shear, Thoe, Vance, Veloso, Walton, Williams, Wolgamott.

The nay votes were: None.

Abstentions were: None.

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Absentees were: Behrens, Biggs, Blount, Boesch, Brooks, Donlevy, Erickson, Garland, Gordo, Hines, McGowan, Morton, Peterson, Ricker, Rodericks, Scott, Solomon.

### **ELECTION OF ABAG POWER EXECUTIVE COMMITTEE**

Motion was made by Schroeder/S/Mennucci/C/21:0:0 to approve as proposed the ABAG POWER Executive Committee for program year 2018-19. Separately, motion was made by Mersich/S/Schroeder/C/21:0:0 to nominate the election of chair and vice chair as follows:

Angela Walton, City of Richmond (Vice Chair)  
Chris Schroeder, City of Milpitas  
Dave Brees, City of Los Altos (Chair)  
Dan Schoenholz, City of Fremont  
Misty Mersich, City of Cupertino

The aye votes were: Brees, Buck, Fong, Garberolio, Hurley, Lederer, Lee, Lim, Mennucci, Mersich, Oyler, Rojas, Schoenholz, Schroeder, Shear, Thoe, Vance, Veloso, Walton, Williams, Wolgamott.

The nay votes were: None.

Abstentions were: None.

Absentees were: Behrens, Biggs, Blount, Boesch, Brooks, Donlevy, Erickson, Garland, Gordo, Hines, McGowan, Morton, Peterson, Ricker, Rodericks, Scott, Solomon.

### **GUEST SPEAKERS – BIOGAS/RENEWABLE NATURAL GAS (RNG) OPPORTUNITIES**

Merrill Buck, Public Works Superintendent with the City of Union City summarized the City's experience contracting with Clean Energy Renewables (CER) to supplant the city's use of natural gas as a vehicle fuel. The contract enables an accounting mechanism which allows CER to procure an equivalent amount of Renewable Natural Gas which the City receives revenue from due to state and federal incentives.

Greg Kester and Sarah Deslauriers with the California Association of Sanitation Agencies provided an update on California initiatives to address climate change and the wastewater sector's collaborative role, including upcoming reductions in short lived climate pollutants mandated by SB 1383 and biomethane procurement targets in SB 1440.

### **SAN FRANCISCO BAY AREA REGIONAL ENERGY NETWORK (BAYREN)**

Jennifer Berg, MTC Principal Program Manager, provided a portfolio overview of the ratepayer-funded energy efficiency programs and recent accomplishments, including the California Public Utilities Commission's approval of BayREN's 2018-2025 Business Plan. She also detailed related projects such as the BayREN Integrated Commercial Retrofit and Heat Pump Water Heater Regional Market Transformation Project.

### **ADJOURNMENT**

Chair Brees adjourned the meeting at 1:45 PM.

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\*Example of a motion – [Member No. 1/S/Member No. 2/roll call vote/C/8:0:0] means Member No.1 motions, seconded by Member No.2, after roll call vote, motion carries, 8 = "yes" votes, 0 = "no" votes and 0 = abstention.