



Courtenay C. Corrigan, Chair
Town of Los Altos Hills

Margaret Abe-Koga, Vice Chair
City of Mountain View

Liz Gibbons
City of Campbell

Rod Sinks
City of Cupertino

Daniel Harney
City of Gilroy

Jeannie Bruins
City of Los Altos

Rob Rennie
Town of Los Gatos

Marsha Grilli
City of Milpitas

Burton Craig
City of Monte Sereno

Steve Tate
City of Morgan Hill

Dave Cortese
County of Santa Clara

Howard Miller
City of Saratoga

Nancy Smith
City of Sunnyvale

**Silicon Valley Clean Energy
Finance and Administration Committee Meeting**
Wednesday, May 30, 2018
11:00 am

Silicon Valley Clean Energy Office
Conference Room
333 W El Camino Real, Suite 290
Sunnyvale, CA

MEETING MINUTES

Call to Order

Chair Craig called the meeting to order at 11:06 a.m.

Roll Call

Present:

Chair Burton Craig, City of Monte Sereno
Vice Chair Howard Miller, City of Saratoga
Director Liz Gibbons, City of Campbell
Director Rob Rennie, Town of Los Gatos

Absent:

None.

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

Chair Craig suggested moving Items 2 and 3 to the consent calendar; following brief discussion, the committee was in consensus to leave the proposed items on the regular calendar.

1) Approve Minutes from the March 9, 2018 Finance and Administration Committee Meeting

MOTION: Director Gibbons moved and Vice Chair Miller seconded the motion to approve the Minutes of the March 9, 2018 Finance and Administration Committee Meeting as submitted.

The motion carried unanimously.

Regular Calendar

2) Amendment to Reserves Policy (Action)

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Director of Administration and Finance Don Eckert introduced the item and a PowerPoint presentation; CEO Girish Balachandran noted the next phase would involve performing an analysis and quantifying risks. Staff responded to committee questions regarding maximum reserve targets and credit ratings; Mike Maher of Maher Accountancy provided his thoughts regarding the credit rating given to Marin Clean Energy (MCE).

Margaret Abe-Koga, Vice Chair
City of Mountain View

Director Miller requested if staff meets with MCE, staff inquire if MCE is comfortable with the credit rating given or if they are working on how to improve their rating.

Liz Gibbons
City of Campbell

Director Gibbons suggested staff include more information in the staff report to the Board including: the policy presented is an update based on current discussions, a full policy would be flushed out to address specific issues in the future, and include an analysis from MCE's credit rating.

Rod Sinks
City of Cupertino

Daniel Harney
City of Gilroy

CEO Balachandran suggested the Moody's scorecard matrix be brought back to the Finance and Administration Committee for discussion in the summer/fall time frame. CEO Balachandran summarized committee comments to note the policy presented is an incremental improvement from the previous version and a more detailed version would be brought to the Finance and Administration Committee.

Jeannie Bruins
City of Los Altos

MOTION: Vice Chair Miller moved and Director Gibbons seconded the motion to recommend Board approval of the proposed amended Financial Policy #9 – Cash Reserve Policy.

Rob Rennie
Town of Los Gatos

The motion carried unanimously.

Marsha Grilli
City of Milpitas

3) Establish Line of Credit (Action)

Burton Craig
City of Monte Sereno

Director of Administration and Finance Eckert introduced the item and responded to committee member questions.

Steve Tate
City of Morgan Hill

MOTION: Director Gibbons moved and Director Rennie seconded the motion to recommend the Board approve SVCE to engage River City Bank in establishing a \$20 million line of credit for one year.

Dave Cortese
County of Santa Clara

The motion carried unanimously.

Howard Miller
City of Saratoga

4) Building Facility Options (Action)

Director of Administration and Finance Eckert introduced the item; Administrative Assistant Eric Acedo and IT Specialist Nik Zanotto presented a PowerPoint presentation. Staff responded to committee member questions.

Nancy Smith
City of Sunnyvale

The committee discussed use of the potential new space.

Director Craig suggested exploring the option of purchasing office space.

CEO Balachandran summarized committee comments to include: reframing the item to focus on Option 3: *Expand SVCE Office Space by Leasing Adjacent Suite* as being the preferred alternative, set a firm timeline of getting design assistance, and compile the comments made to get a better estimate of construction and furniture costs. The group

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discussed including the item on the consent calendar for the Board meeting with a timeline added into the report.

Margaret Abe-Koga, Vice Chair
City of Mountain View

MOTION: Director Rennie moved and Director Gibbons seconded the motion to authorize Staff to negotiate with Biagini Properties to lease an adjacent suite in the same building as SVCE's current offices.

Liz Gibbons
City of Campbell

The motion carried unanimously.

Rod Sinks
City of Cupertino

5) SVCE Benefits and Compensation (Action)

CEO Balachandran introduced the item; Director of Administration and Finance Eckert presented a PowerPoint presentation and responded to Committee questions.

Daniel Harney
City of Gilroy

The group discussed potential benefits for employees including a public transportation stipend, educational assistance, job development training, electric vehicle charging, self-directed benefit programs, cost of living adjustments, a recruitment incentive, additional paid time off, job sharing, and health care benefits.

Jeannie Bruins
City of Los Altos

Committee members provided feedback on the following:

Rob Rennie
Town of Los Gatos

Consider cost of living adjustments as performance based, support for capping a recruitment incentive at \$15,000 or 10% of employee's salary, evaluate SVCE's benefit health care options, allotting a specified dollar amount to be used for employees to select individual benefits, offering a range of benefits potential employees can select from, consider looking at other organizations such as joint power authorities, special districts, etc. when comparing benefits and compensation to SVCE, categorizing potential benefits, and provide benefits that encourage people to change their environmental behaviors.

Marsha Grilli
City of Milpitas

Burton Craig
City of Monte Sereno

CEO Balachandran summarized committee comments to bring the no cost benefits and recruitment incentive policy, which would be the greater of \$15,000 or 10% of salary, for the June Board of Directors Board meeting. Director Miller suggested these items be presented as separate items.

Steve Tate
City of Morgan Hill

Dave Cortese
County of Santa Clara

The committee voted unanimously to provide direction to staff to schedule a Special Meeting on June 19, 2018, 11:00 a.m. -1:00 p.m., to continue a discussion on benefits.

Howard Miller
City of Saratoga

6) FY 2018-19 Operating Budget Preview (Discussion)

Director of Administration and Finance Eckert introduced the item and presented a PowerPoint presentation. Director of Administration and Finance Eckert responded to committee questions. CEO Balachandran provided additional information regarding product offerings.

Nancy Smith
City of Sunnyvale

7) Second Quarter Financial Review (Discussion)

Director of Administration and Finance Eckert introduced the item and presented a PowerPoint presentation; Director of Administration and Finance Eckert and Maher of Maher Accountancy responded to Committee questions regarding SVCE's finances.

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Director Miller requested staff include the number of days on the FY Outlook slide of the presentation.

8) Popular Annual Financial Report (Discussion)

Director of Administration and Finance Eckert introduced the item; Administrative Analyst Stephanie Gutowski provided additional information.

Committee/Staff Remarks

CEO Balachandran noted the Milpitas launch event scheduled for June 1 had been cancelled and staff would distribute a press release on the launch.

Adjournment

Chair Craig adjourned the meeting at 1:19 p.m.