



**Silicon Valley Clean Energy Authority**

**Board of Directors Meeting**

Wednesday, October 11, 2023

7:00 pm

Cupertino Community Hall  
10350 Torre Avenue  
Cupertino, CA

2302 Zanker Road  
San Jose, CA

**MEETING MINUTES**

**Call to Order:**

Chair Tyson called the meeting to order at 7:03 p.m.

**Roll Call**

**Present:**

George Tyson (Chair), Los Altos Hills  
Tina Walia (Vice Chair), Saratoga  
Elliot Scozzola, Campbell  
Sheila Mohan, Cupertino  
Rebeca Armendariz, Gilroy (Arrived at 7:11 p.m., participated via teleconference)  
Sally Meadows, Los Altos  
Rob Rennie, Los Gatos  
Burton Craig, Monte Sereno  
Yvonne Martinez Beltran, Morgan Hill (Arrived at 7:06 p.m.)  
Pat Showalter, Mountain View  
Larry Klein, Sunnyvale  
Otto Lee, Santa Clara County

**Absent:**

Evelyn Chua, Milpitas

**Public Comment on Matters Not Listed on the Agenda**

Bruce Karney commented members of the decarbonization advocacy community have become increasingly aware of challenges related to city building code related to noise and setback requirements for heat pump equipment located in side, back and front yards and challenging requirements from building departments with respect to permitting and the processing of permits and inspections. Mr. Karney encouraged board members to make sure their cities are being encouraging rather than discouraging of building electrification efforts.

### **Consent Calendar**

Chair Tyson opened public comment.

No speakers.

Chair Tyson closed public comment.

Director Meadows noted a correction on Item 1a, page 4 of the draft meeting minutes that should read, "Director Meadows thanked Director of Decarbonization Programs and Policy Zagunis for attending the *Los Altos City Council Meeting* on September 12, 2023 to present the Electric Showcase Award."

- 1a) Approve Minutes of the September 13, 2023, Board of Directors Meeting
- 1b) Receive August 2023 Treasurer Report
- 1c) Adopt FY24 Strategic Work Plan
- 1d) Receive FY23 Q4 Decarbonization Strategy and Programs Quarterly Report
- 1e) Authorize the Chief Executive Officer to Execute a 3-Year Agreement with Itron, Inc. for Long-term Load Forecast and Software
- 1f) Audit Committee Report
- 1g) Finance and Administration Committee Report
- 1h) California Community Power Report
- 1i) Additional Committee Reports

**MOTION: Director Lee moved and Director Mohan seconded the motion to approve the Consent Calendar, Items 1a through 1i.**

**The motion carried by verbal roll call vote with Director Chua, Director Martinez Beltran, and Alternate Director Armendariz absent.**

### **Regular Calendar**

#### **2) CEO Report (Discussion)**

Acting CEO Monica Padilla provided the CEO Report, which included the following:

- 1) Introduction of SVCE's newest employee, Director of Human Resources Gia Ilole, who provided brief welcome comments.
- 2) Announcement of promotions of the following staff:
  - a. Lisa Lai, formerly Administrative Assistant, has been promoted to Administrative Analyst;
  - b. Jessamyn Allen, formerly Senior Programs Specialist, has been promoted to Programs Lead;
  - c. Peyton Parks, formerly Energy Services Lead, has been promoted to Energy Services Principal; and
  - d. Andrea Pizano, formerly Board Clerk/Executive Assistant, has been promoted to Senior Executive Assistant and Board Clerk
- 3) A presentation from Principal Communications Specialist, Michaela Pippin, regarding information on the 2023 Electric Showcase Awards and an invitation to the Electric Home Tours on October 14, 2023. Board members thanked staff for their work on the program and staff responded to questions regarding plans for future awards.
- 4) Announcement and video presentation from Zoe Elizabeth, Deputy Director of Decarbonization Programs and Policy, regarding a SVCE Decarbonization Demonstration Grant recipient project, Sunnyvale School District. Director Klein thanked SVCE for investing in youth and in schools.

- 5) An invitation to a ribbon cutting event for the Yellow Pine solar and storage project on November 1, 2023 at the project site in Clarks County, Nevada.

Chair Tyson opened Public Comment.

Bruce Karney commented he loves the tour of electric homes and hopes SVCE will consider sponsoring another tour before 12 months have passed. Mr. Karney noted he is very pleased SVCE is doing so much across so many different approaches to recognize and promote those who are on the leading edge of decarbonization, and gave a shoutout to Electric Showcase award winner Sunshine Gardens.

Chair Tyson closed Public Comment.

**3) Authorize the Chief Executive Officer to Execute Agreements with Firms Providing Services to Enable SVCE to Execute its Third Prepay and to Execute the Power Supply Contract with the California Community Choice Financing Authority and Related Supporting Agreements (Action)**

Amrit Singh, CFO and Director of Finance and Administration, introduced Michael Berwanger of PFM Financial Advisors LLC and provided a presentation with a request of the Board of Directors to authorize the CEO to execute agreements with firms providing services to enable SVCE to execute its third prepay, and approve the parameters of the transaction, by adopting the following two resolutions:

Resolution 2023-17 authorizing the CEO to approve or execute the following contracts for services these firms will provide to enable SVCE to execute its third Prepay transaction. The combined fees for services provided by the firms identified below shall not exceed 1% of the bond proceeds amount, including other ancillary services such as green bond verification, bond trustee and counsel fees, an investment advisor fee, and other miscellaneous costs such as printing.

1. PFM Financial Advisors LLC & PFM Swap Advisors - \$155,000
2. Chapman & Cutler (Disclosure/Issuer's Counsel) - \$175,000
3. Ballard Spahr (Bond and Tax Counsel) - \$250,000
4. Moody's Investor Service Inc (Credit Rating) - \$272,500

Approve engagement with Morgan Stanley as the Prepay Supplier with the following fee structure:

- Bond underwriting fee of \$5/bond
- Underwriter expenses not to exceed \$0.50/bond.

Resolution 2023-18 authorizing the CEO to execute Power Supply Contract with California Community Choice Financing Authority (CCCFA) and execute or approve the related supporting agreements to enable SVCE to enter an approximately 30-year energy prepayment transaction subject to the following parameters:

1. The Bonds, issued by CCCFA, will not be guaranteed obligations of SVCE but will be limited obligations of CCCFA payable solely from the revenues and other amounts pledged under the Indenture as the Trust Estate, including amounts owed by SVCE under the Power Supply Contract.
2. The aggregate principal amount of the Bonds shall not exceed \$1,500,000,000.
3. The energy savings to SVCE under the Power Supply Contract for the initial Reset Period, including the Annual Refund (as defined in the Power Supply Contract), shall be at least 8 percent.
4. The energy service revenue fee in the transaction shall not exceed \$1.10 per MWh.
5. The commodity swap counterparty fee in the transaction shall not exceed \$0.50 MWh.
6. If floating rate debt is issued, Morgan Stanley shall charge no more than six basis points on the interest rate swap spread to mid-market.

CFO Singh's presentation included a review of the prepay goal and structure, information on leveraging the first and second prepay structures, review of fees for consultants and counsel, Board-authorized parameters for execution of the deal, review of the fiscal impact, and next steps.

Staff responded to board member questions which included future additional prepay transactions, SVCE's responsibility for the bonds, the discounts on the offer, and timing on when we would be able to go to the market.

Chair Tyson opened Public Comment.

No speakers.

Chair Tyson closed Public Comment.

**MOTION: Director Martinez Beltran moved and Vice Chair Walia seconded the motion to adopt Resolution 2023-17, authorizing the CEO to approve or execute contracts for services to enable SVCE to execute its third Prepay transaction, and 2023-18, authorizing the CEO to execute Power Supply Contract with CCCFA and execute or approve the related supporting agreements to enable SVCE to enter an approximately 30-year energy prepayment transaction.**

**The motion carried by verbal roll call vote with Director Chua absent.**

**4) Study Session: Decarbonization Programs and Policy Overview of Residential Buildings (Discussion)**

Justin Zagunis, Director of Decarbonization Programs and Policy, provided a presentation and information on SVCE's residential natural gas use and programs focused on residential buildings. The presentation addressed SVCE emission statistics, a deep dive into residential building graphs, program highlights, and policy and scale.

Board members asked questions and provided comments on the information.

Some ideas shared included:

Use Google maps to identify which homes already have solar, and may be right for an HVAC or water heater upgrade;

Offering a program outlining savings of electrifying for families;

Exploring appliances that can move with tenants;

A lot of panel upgrades needed, so explore a legislative idea requiring PG&E to have a certification program that allows non-PG&E employees to do some of the panel upgrade work;

For affordable housing, multi-family residents: reach out to affordable housing non-profits running multiple projects in member agency cities and provide electrification education;

Development of educational materials for young children and teenagers, similar to Valley Water District, and additional outreach to youth;

Explore purchasing electric appliances or electric upgrades for families who cannot afford them and identify a payment schedule; and

Offer materials in multiple languages.

Chair Tyson opened Public Comment.

Bruce Karney commented on the pace of installations of heat pump water heaters and other electrification over the past few years and what needs to happen in the future. Mr. Karney suggested SVCE be the centralized permitting resource for building electrification that would apply to all cities within its jurisdiction, applauded SVCE for the potential in replacing baseboard electric resistance heaters in apartment buildings with heat pumps, and suggested Mr. Zagunis make sure the board understands NEC code 220.87.

Chair Tyson closed Public Comment.

**Board Member Announcements and Future Agenda Items**

Chair Tyson announced CEO Girish Balachandran was currently on vacation, but had announced his retirement for March 2024. Chair Tyson noted the CEO Search Committee was proceeding according to schedule, and would have further actions soon.

Director Scozzola announced that at the last City of Campbell council meeting, Deputy Director of Marketing and Communications Pamela Leonard presented Campbell's Electric Showcase award winner, Judy Wang.

Director Meadows announced Los Altos' Community Center, through the Silicon Valley Business Journal's 2023 Structures Award, received the All-Electric Excellence Award.

Director Lee announced an event, Day on the Bay, would take place on October 14, 2023 at Alviso Marina Park, and thanked SVCE for their sponsorship.

Director Mohan thanked Don Bray, Director of Strategic Development, for attending the City of Cupertino's City Council meeting to acknowledge Cupertino's Electric Showcase award winner.

Chair Tyson shared Los Altos Hill's Electric Showcase Award winner's quote.

**Adjourn**

Chair Tyson adjourned the meeting at 9:18 p.m.

**ATTEST:**

DocuSigned by:  
*Andrea Pizano*  
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Andrea Pizano, Board Secretary