

**ITEM 5A**



**DESERT COMMUNITY ENERGY**  
**Board Meeting Minutes**  
**March 20, 2018**

**1. CALL TO ORDER**

The meeting of the Desert Community Energy Board was called to order by Chair Kaplan at 2:33 p.m. on March 20, 2018.

**2. ROLL CALL**

Roll call was taken and it was determined that a quorum was present.

**Members Present**

Councilmember Shelly Kaplan, Chair  
Mayor Sabby Jonathan. Vice Chair  
Councilmember Lisa Middleton  
(Alternate)

**Agency**

City of Cathedral City  
City of Palm Desert  
City of Palm Springs

**Others Present**

Lauri Ayalian  
Charlie McClendon  
Councilmember Kathleen Kelly  
Jay Virata  
Don Dame  
Jeff Fuller  
Kim Floyd

City of Palm Desert  
City of Cathedral City  
City of Palm Desert  
City of Palm Springs  
Consultant  
The Energy Authority/TEA  
Sierra Club

**Ex-Officio / Non-Voting Member Absent**

Councilmember Yvonne Parks

City of Desert Hot Springs

**CVAG Staff**

Tom Kirk  
Katie Barrows  
Benjamin Druyon  
Linda Rogers

**3. PUBLIC COMMENTS**

Kim Floyd commented that he was interested in working with staff in cities that are engaged in learning more about the CCA, and that he hoped to see community outreach before the roll out happens.

**4. BOARD MEMBER / DIRECTOR COMMENTS**

**5. CONSENT CALENDAR**

**IT WAS MOVED BY MAYOR JONATHAN, SECONDED BY COUNCILMEMBER KAPLAN, TO:**

**A. Approve minutes of February 26, 2018 Desert Community Energy Board meeting**

**THE MOTION PASSED WITH 2 AYES AND 1 ABSTENTION.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	ABSTAIN

**6. DISCUSSION / ACTION**

**A. Update on Our Progress**

Tom Kirk provided a brief update regarding the progress and upcoming activities of DCE related to the Implementation Plan, PCIA/Exit Fee, and community outreach as outlined in the staff report.

**B. Desert Community Energy Launch Schedule and Product Offerings**

Jeff Fuller with The Energy Authority (TEA) reported on the DCE Pro Forma projection costs for 2018 through 2020.

**IT WAS MOVED BY COUNCILMEMBER MIDDLETON, SECONDED BY MAYOR JONATHAN, TO:**

- 1) Approve launch of DCE in July/August 2018, pending completion of CPUC Waiver process; and**
- 2) Approve two DCE product offerings to include higher renewable content and more carbon-free electricity, from sources that produce fewer greenhouse gases, and, will not include nuclear power or any power from new large hydro facilities.**

**THE MOTION PASSED WITH 3 AYES.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	AYE

**C. Authorization to submit SCE Service Agreement and CPUC Bond**

**IT WAS MOVED BY MAYOR JONATHAN, SECONDED BY COUNCILMEMBER MIDDLETON, TO AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE A SERVICE AGREEMENT WITH SOUTHERN CALIFORNIA EDISON COMPANY AND PROVIDE FOR POSTING OF \$100,000 PERFORMANCE BOND TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) AS REQUIRED FOR DESERT COMMUNITY ENERGY TO COMMENCE SERVICE.**

**THE MOTION PASSED WITH 3 AYES.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	AYE

**D. Amendments to the Energy Authority Task Order 2**

**IT WAS MOVED BY COUNCILMEMBER MIDDLETON, SECONDED BY MAYOR JONATHAN, APPROVE AND AUTHORIZE THE CHAIR TO SIGN TWO AMENDMENTS TO TASK ORDER 2 BETWEEN THE ENERGY AUTHORITY AND DESERT COMMUNITY ENERGY; AMENDMENT NO. 1 PROVIDES FOR TEA TO PROVIDE A \$500,000 SECURITY DEPOSIT TO THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO) AND AMENDMENT NO. 2 PROVIDES FOR DCE TO TRANSACT RESOURCE ADEQUACY DIRECTLY WITH SOUTHERN CALIFORNIA EDISON, USING TEA AS AGENT.**

**THE MOTION PASSED WITH 3 AYES.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	AYE

**E. Authorization to negotiate DCE Credit and Banking Services Agreement**

Executive Director Kirk added that a selection committee consisting of Gary Leong, Bill Powers, the City of Palm Desert's Finance Director along with representatives from TEA and CalPine will be asked to review proposals to recommend a vendor.

**IT WAS MOVED BY COUNCILMEMBER MIDDLETON, SECONDED BY MAYOR JONATHAN, TO AUTHORIZE THE EXECUTIVE OFFICER, IN CONSULTATION WITH DCE LEGAL COUNSEL, TO NEGOTIATE AN AGREEMENT WITH THE CREDIT AND BANKING SERVICES VENDOR RECOMMENDED BY THE SELECTION COMMITTEE AND AUTHORIZE THE DCE BOARD CHAIR TO APPROVE AND EXECUTE THE AGREEMENT TO MEET THE TIMELINE FOR JULY/AUGUST 2018 LAUNCH.**

**THE MOTION PASSED WITH 3 AYES.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	AYE

**F. Conflict of Interest Code**

**IT WAS MOVED BY MAYOR JONATHAN, SECONDED BY COUNCILMEMBER MIDDLETON, TO ADOPT DCE POLICY NUMBER 18-01 APPROVING A CONFLICT OF INTEREST CODE FOR DESERT COMMUNITY ENERGY.**

**THE MOTION PASSED WITH 3 AYES.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	AYE

**G. Executive Officer/Executive Director Spending Authority and Authority to Sign**

**IT WAS MOVED BY COUNCILMEMBER MIDDLETON, SECONDED BY MAYOR JONATHAN, TO ADOPT POLICY 18-02 AUTHORIZING DCE'S EXECUTIVE OFFICER/EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS UP TO \$100,000 WITHOUT PRIOR BOARD APPROVAL WHEN CERTAIN CONDITIONS ARE MET, CONSISTENT WITH SECTION 3.13 OF THE JOINT POWERS AGREEMENT, AND TO SIGN STANDARD DOCUMENTS NECESSARY TO IMPLEMENT ROUTINE CCA FUNCTIONS.**

**THE MOTION PASSED WITH 3 AYES.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	AYE

**H. Delegation of Authority for Legislative and Regulatory Actions**

**IT WAS MOVED BY MAYOR JONATHAN, SECONDED BY COUNCILMEMBER MIDDLETON, TO MODIFY AND ADOPT DCE POLICY NUMBER 18-03 DELEGATING AUTHORITY TO DCE'S EXECUTIVE OFFICER/EXECUTIVE DIRECTOR TO TAKE ACTION ON TIME-SENSITIVE REGULATORY AND LEGISLATIVE MATTERS IMPACTING DCE, AND THAT CONDITION NO. 6 BE ADDED TO THE POLICY STATING THAT ADVANCE NOTICE BE PROVIDED TO THE BOARD WHENEVER PRACTICABLE AND ALLOW FOR A SPECIAL MEETING TO BE CALLED IF NECESSARY.**

**THE MOTION PASSED WITH 3 AYES.**

Councilmember Shelly Kaplan	AYE
Mayor Sabby Jonathan	AYE
Councilmember Lisa Middleton	AYE

**7. INFORMATION**

1) Attendance Roster

**8. ANNOUNCEMENTS**

Upcoming Meetings at 73-710 Fred Waring Drive, Suite 200, Palm Desert

The next Board Meeting of Desert Community Energy will be on April 16, 2018 at 2:30 p.m.

**9. ADJOURNMENT**

The meeting adjourned at 3:52 pm.

Respectfully submitted,

Linda Rogers  
Program Assistant II