



#### Staff Report Item 4

**TO:** Ava Community Energy Executive Committee

**FROM:** Alex DiGiorgio, Public Engagement Manager

**SUBJECT:** **Community Advisory Committee (CAC) Member Reappointments and Guide Updates (Informational Item)**

**DATE:** December 6, 2023

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#### **Recommendation**

Receive staff report on member reappointments and [CAC Guide](#) updates. Provide feedback on the following:

- 1) **The reappointment of current, eligible CAC members who have confirmed their interest in being reconsidered to serve an additional term (please see Table 2 below);**
  
- 2) **Updating the [CAC Guide](#) as follows:**
  - a) CAC Service Area Region seat allocations: The CAC's San Joaquin Service Area Region gains an additional, allocated seat (via the transition of Stockton's interim CAC seat), while the South Service Area Region loses one;
  - b) At-Large appointments: The CAC's two (2) At-Large member appointments to be administered by Ava's Board of Directors (instead of the Alameda County Mayors' Conference); or the At-Large seats may be removed from the CAC;
  - c) Vacancy appointment timeline: Vacancies on the CAC will be filled on an annual basis (instead of within 90 days) from the time the vacancy occurs, unless required to achieve quorum;
  - d) Staggering CAC member terms: CAC member terms will be staggered so that individual seat appointment cycles occur every other year; and

- e) Administrative updates: Updates corresponding to the Ava Community Energy brand change and staff contacts.

Pending Board approval, approximately half of the CAC seats will be assigned to be one- or two-year terms in order to stagger the Committee members' appointment timeline. Current members whose seats are assigned a one-year term will be eligible to serve for an additional two-year term.

Ava staff is presently preparing to administer a CAC application and appointment process in December 2023 through January 2024 to fill vacant seats. Additional considerations regarding the CAC structure (e.g., creating seats for specific constituencies and/or interest groups) or additional updates to the Guide can be addressed after the newly (re)appointed CAC members begin serving their new terms.

### **Background and Discussion**

On October 21, 2020, the Board of Directors [approved updates to the CAC Guide and Appointment process](#). These updates were made to provide proper representation and engagement of the CAC, particularly given the inclusion of Ava's new communities in the cities of Newark, Pleasanton, and Tracy. The updates included the following structural changes: The addition of three seats (increasing the CAC to twelve active seats corresponding with the concept of "voting shares" in the JPA Agreement); configuring the apportionment of CAC seats to Ava Service Area Regions; appointing one Alternate for each Ava Service Area Region, for a total of five; and engaging the Mayors' Conference to appoint two at-large Members.

Since that time, the CAC has been composed of twelve active seats (Members)—ten of which represent specific Service Area Regions, and two of which serve as At Large members representing the entire service area—and five alternate seats (Alternates).

On June 21, 2023, the Board of Directors [approved a six month term extension for all current CAC Members and an interim seat for the City of Stockton](#). The purpose for this action was to provide staff with time to help the Board consider alternative committee structures to address the challenge of shifting seat allocations created by the addition of new jurisdictions to Ava's JPA territory.

Under the CAC's current structure, seats are distributed regionally across Ava's service area in Alameda and San Joaquin counties.<sup>1</sup> Each region is allocated its number of seats according to its approximate, cumulative electricity load. This corresponds to the

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<sup>1</sup>The one exception is the Board's recent creation of the interim seat for the City of Stockton (referenced above) at the June 21, 2023, meeting.

JPA's allocation of Voting Shares votes among the Board of Directors (per [JPA Sec. 4.12.2 and Exhibit C](#)).

On August 30, 2023, an Ad Hoc committee of the Board was convened to consider adjusting the structure of the CAC to address the challenge of shifting seat allocations created by the addition of new jurisdictions to Ava's JPA and service area. Staff also consulted with individual Board members who were unable to attend the Ad Hoc committee meeting. The recommendation of the Ad Hoc committee and individual Board members was to preserve the current, regional CAC structure and allow the seat allocations to adjust accordingly. With the addition of Stockton to Ava's JPA, this results in the San Joaquin Service Area region gaining a CAC seat and the South Service Area Region losing one. The Ad Hoc committee specifically recommended against restructuring the CAC to mirror the Board's structure of each jurisdiction having an individual seat/representative, as well as recommending against restructuring the CAC to be all At-Large seats. The Ad Hoc committee and individual discussions also addressed potential adjustments to the CAC's two At-Large seats. These adjustments included having the entire Ava Board make the two appointments (instead of the Alameda County Mayors' Conference, per the current CAC Guide); or to eliminate the two At-Large seats altogether, since they could undermine the balance achieved by the CAC's regional representation structure.

At the [September 20, 2023, Board meeting](#) there was general agreement among Board members to follow the recommendation of the Ad Hoc committee and maintain the CAC's current, regional structure and corresponding reallocation of seats resulting from Stockton's JPA membership. As such, staff will recommend the Board approve transitioning Stockton's Interim CAC seat to an additional allocated seat for the San Joaquin Service Area Region. This update will also serve to support representation from the City of Lathrop, which became an Ava JPA member by a unanimous vote of the Board at the same September 20<sup>th</sup> meeting. Staff is currently awaiting certification from the California Public Utilities Commission (CPUC) regarding Lathrop's JPA membership and start of Ava service. The CPUC has until December 27, 2023, to respond. Once certification is received from the CPUC, the City of Lathrop will also be entitled to a seat on Ava's Board of Directors.

### **Recommendation 1: CAC Member Reappointment**

The CAC currently has eleven members serving. One At-Large member and one member in the East Service Area Region have indicated to staff they will not seek reappointment, meaning these seats will become vacant in January 2024. All five Alternate seats are currently vacant. Below is a table with the current structure, seat allocation, and membership of the CAC:

**Table 1: Current CAC seat allocation and membership**

<b>Ava Service Area Region</b>	<b>Current CAC Seat Allocation</b>	<b>Current Alternate Seat Allocation</b>
<b>NORTH</b> Albany, Berkeley, Oakland, Emeryville, and Piedmont	<b>3</b> - Anne Olivia Eldred, Chair - Cynthia Landry - Lisa Hu	1 [Open]
<b>EAST</b> Dublin, Livermore, and Pleasanton	<b>1</b> - Joel Liu [seat will become OPEN in January 2024]	1 [Open]
<b>SOUTH</b> Fremont, Union City, and Newark	<b>2</b> - Shiva Swaminathan - Vijay Lakshman	1 [Open]
<b>CENTRAL</b> Hayward, San Leandro, and Alameda County Unincorporated	<b>2</b> - Ernie Pacheco - Lorraine “Mickey” Souza	1 [Open]
<b>SAN JOAQUIN COUNTY</b> Tracy, Stockton, Lathrop	<b>1</b> - Harman Ratia	Open
STOCKTON (interim)	<b>1</b> [Appointment pending]	N/A
At-Large	Ed Hernandez [seat will become OPEN in January 2024]	N/A
At-Large	Jim Lutz	N/A

The following CAC members have confirmed to Ava staff their interest in reappointment:

**Table 2: List of current CAC members seeking reappointment**

<b>CAC Member</b>	<b>Service Area Region</b>	<b>Community of Residence w/in Ava Service Area</b>
Anne Olivia Eldred (Chair)	North	[Oakland] <sup>2</sup>
Cynthia Landry	North	Oakland
Lisa Hu	North	Oakland
Shiva Swaminathan	South	Fremont
Vijay Lakshman	South	Fremont
Ernesto Pacheco	Central	Hayward
Lorraine “Mickey” Souza	Central	Hayward
Harman Ratia	San Joaquin	Tracy
Jim Lutz	At Large	Oakland

<sup>2</sup> Chair Eldred has informed Ava staff she currently resides outside of Ava’s service area, but plans to return to an Oakland-based residence in December 2023.

**CAC Membership Eligibility**

According to the current [CAC Guide](#), qualifications for membership eligibility are defined as follows:

**“Qualifications**

*EBCE service area resident or shall have owned or actively operated a business in [Ava’s] service area for a period of at least 5 years prior to appointment and shall do so for the entire period of appointment. Applicants will be considered with an interest in maintaining diversity of representation by geography, population, work experience and community.” (italics added)*

Staff recommends the Executive Committee consider and provide feedback on the list of current CAC members who have expressed interest in reappointment by the Board.

**Recommendation 2(a) — Update CAC Service Area Region seat allocations: The CAC’s San Joaquin Service Area Region gains an additional, allocated seat (via the transition of Stockton’s interim CAC seat)**

Pending Board approval, the CAC’s structure and seat allocations are summarized in the table below.

**Table 3: Proposed CAC seat allocation w/Stockton and Lathrop included in JPA**

Region	Member Jurisdictions	New JPA Vote Share	CAC Seat Allocation	Alternate Seat Allocation
North	Albany, Berkeley, Oakland, Emeryville, Piedmont	27.7%	3	1
East	Dublin, Livermore, Pleasanton	12.8%	1	1
South	Fremont, Union City, Newark	20.1%	2	1
Central	Hayward, San Leandro, Unincorporated AlCo	18.5%	2	1
San Joaquin County	Tracy, Stockton, Lathrop	20.9%	2	1
At-Large	All		1	
At-Large	All		1	
		100%	12	5

**Recommendation 2(b) — At-Large member appointments: The two (2) At-Large CAC member appointments should be made by Ava’s Board of Directors (instead of the Alameda County Mayors’ Conference); or the At-Large seats should be removed from the CAC.**

According to the current [CAC Guide](#), the CAC’s two At-Large members are to be appointed by the Alameda County Mayor’s Conference. Staff recommends changing the appointment process to be administered by Ava’s Board of Directors, similar to the rest of the CAC members.

The reasons behind this recommendation are both procedural and material. Procedurally, it has proven difficult for Ava’s staff to coordinate and align schedules with the Mayors’ Conference to make timely appointments. Materially, with the inclusion of more San Joaquin County communities within Ava’s Joint Powers Authority and service area (e.g., the cities of Stockton and Lathrop) the Alameda County Mayors represent fewer jurisdictions served by the agency. By transitioning the CAC’s At-Large member appointments from the Mayors to the Board of Directors, the committee’s operations and community representation will both be improved.

Alternatively, the two At-Large seats could be removed from the CAC entirely, which was a suggestion raised during previous discussions among Ava Board members during the 8/30 Ad Hoc committee meeting and 9/20 Board of Directors meeting. Some Board members expressed concerns that the At Large seats undermine the balance created by the CAC’s regional structure (e.g. the At-Large seats would likely be filled by constituents from Oakland, since the City is larger than all other jurisdictions).

**Recommendation 2(c) — Vacancy appointment timeline: Vacancies on the CAC will be filled on an annual basis (instead of within 90 days) from the time the vacancy occurs, unless required to achieve quorum**

According to the current [CAC Guide](#), vacant CAC seats are to be filled within ninety (90) days from the time a vacancy is announced. Based on staff’s experience organizing previous CAC member appointments, ninety days is an insufficient amount of time to effectively coordinate, communicate, and complete this process. Filling vacancies also requires additional time from Board members to make the regional nominations and appointments. As such, staff recommends that vacancies be filled on an annual basis, if/when there are no longer Alternates to fill the vacant seats. If vacancies must be filled in order to achieve a quorum, appointments can be made to do so sooner.

To date, all but one of the CAC’s vacancies have been addressed by immediately appointing the regional alternate to fill the seat (per the CAC Guide). At this time, however, all five Alternate seats are now vacant. Ava staff is currently organizing a new

appointment process to fill these seats. This process is planned for completion in February 2024.

**Recommendation 2(d) — Staggering CAC member terms: CAC member terms will be staggered so that individual seat appointment cycles occur every other year**

Currently, there is no provision in the [CAC Guide](#) to stagger the terms of CAC members. This risks having a complete turn-over of seats after any given term. Staff recommends staggering the terms so that approximately half of the seats' terms finish during even numbered years (e.g., 2024) and the other half in odd numbered years (e.g., 2025).

Pending Board approval, approximately half of the CAC seats will be assigned to be one- or two-year terms in 2024 to stagger the CAC members' appointment timelines. Current members whose seats are assigned a one-year term will be eligible to serve for an additional two-year term. It is recommended that we ask for members to volunteer for the one-year terms and then expand selection as needed.

**Recommendation 2(e) — Administrative updates: Updates corresponding to the Ava Community Energy brand change and staff contacts**

Lastly, staff recommends making straightforward administrative updates to the CAC Guide. These include updating reference to "EBCE" with the new Ava Community Energy brand, as well as updating the staff contact information.

**Fiscal Impact**

There is no new fiscal impact to approving the reappointment of eligible CAC members. The current CAC stipend budget is \$20,400, which includes the stipend to be paid to Stockton's appointee once their appointment is finalized. If the CAC's two At-Large seats are removed, the stipend budget may reduce accordingly. Current stipends are \$123.55 per meeting, which amounts to approximately \$1,400/year per member if members attend eleven meetings (i.e., one meeting per month, less the August recess).

**Committee Recommendation**

The Ad Hoc committee of the Board of Directors, which convened on August 30, 2023, recommended preserving the current, regional CAC structure and allowing the seat allocations to adjust accordingly. With the addition of the cities of Stockton and Lathrop to Ava's JPA, this results in the San Joaquin Service Area region gaining a CAC seat and the South Service Area Region losing one.

On September 20<sup>th</sup>, 2023, the Board of Directors discussed the Ad Hoc committee's recommendations, expressed general agreement with them, and asked staff to return to the Board for action on recommended next steps.

As such, staff requests feedback from the Executive Committee on the following recommendations before they are presented to the Board of Directors for action in December:

**1) Reappoint the current, eligible CAC members who have confirmed their interest in being reconsidered to serve an additional term (please see Table 3 above)**

**2) Update the [CAC Guide](#) as follows:**

- a. CAC Service Area Region seat allocations: The CAC's San Joaquin Service Area Region gains an additional, allocated seat (via the transition Stockton's interim CAC seat), while the South Service Area Region loses one;
- b. At-Large appointments: The CAC's two (2) At-Large member appointments to be administered by Ava's Board of Directors (instead of the Alameda County Mayors' Conference); or the At-Large seats may be removed from the CAC;
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- e. Administrative updates: Updates corresponding to the Ava Community Energy brand change and staff contacts.