



## **Draft Minutes**

### **Financial, Administrative and Procurement Subcommittee Meeting**

Wednesday, March 13, 2024  
1:00 pm

In Person:

Conference Room 5  
Ava Community Energy  
1999 Harrison Street, Suite 2300  
Oakland, CA 94612

Or from the following locations:

- Member Sukhdeep Kaur – Clipper Club, 5 Captain Drive, Emeryville, CA 94608
- Chair Cox – Fremont City Hall, Building B, HR Training Room, 3300 Capitol Ave Fremont, CA 94538
- Member Bedolla – Marriott Washington DC Convention Center, 601 K St NW, Washington, DC 20001

Via Zoom:

<https://ebce-org.zoom.us/j/83599993289>

Or join by phone:

Dial (for higher quality, dial a number based on your current location): US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205 6099 or +1 301 715 8592 or 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)  
Webinar ID: 835 9999 3289

*Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 707-1764 or [cob@avaenergy.org](mailto:cob@avaenergy.org).*

*If you have anything that you wish to be distributed to the Finance, Administration and Procurement Subcommittee, please email it to the clerk by 5:00 pm the day prior to the meeting.*

#### **1. Welcome & Roll Call**

**Present:** Directors: Kaur (Emeryville), Cox (Fremont), and Andersen (Piedmont).

**Absent:** Directors: Gonzalez (San Leandro) and Bedolla (Tracy).

## 2. Public Comment

*This item is reserved for persons wishing to address the FAP Subcommittee on any Ava-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker. The FAP Chair may increase or decrease the time allotted to each speaker.*

***The meeting did not start recording until after Item 3. Approval of Minutes due to technical difficulties. Written version of public comment was obtained directly from speakers and summarized below.***

**Public Comment – Jessica Tovar** addressed the recent letter signed by 29 organizations in Ava’s territory, requesting the agency to resource resilience hub efforts. She emphasized the urgent need for funds for community organizing, crisis planning, and addressing energy and climate challenges such as extreme weather and wildfires

**Public Comment – Bradley Cleveland** expressed gratitude to Ava staff, JP Ross and Andy McElroy, for their update on the Critical Muni Facilities program at the February Board meeting. Cleveland stressed the need for the new workforce policy and expressed enthusiasm for the program, noting that it would be the first opportunity to integrate the new workforce and environmental justice selection criteria.

## 3. Approval of Minutes from January 10, 2024

**Chair Cox (Fremont) motioned to approve the minutes. Director Andersen (Piedmont) seconded the motion, which passed 3/0/0/0/2.**

**Yes: Kaur (Emeryville), Cox (Fremont) and Andersen (Piedmont).**

**No: none**

**Abstain: none**

**Recuse: none**

**Excused: Gonzalez (San Leandro) and Bedolla (Tracy).**

**There were no speakers for public comment.**

## 4. Selection of FAP Subcommittee Vice-Chair (Action Item)

**(0:47) Director Kaur (Emeryville) volunteered to be vice chair. Director Andersen (Piedmont) motioned to approve the motion. Chair Cox (Fremont) seconded the motion, which passed 3/0/0/0/2.**

**Yes: Kaur (Emeryville), Cox (Fremont) and Andersen (Piedmont).**

**No: none**

**Abstain: none**

**Recuse: none**

**Excused: Gonzalez (San Leandro) and Bedolla (Tracy).**

**There were no speakers for public comment.**

## 5. Budget Timeline (Informational Item)

Review the timeline for draft budget review and consider available options.

### The Committee Discussed:

- **(8:09) Director Andersen (Piedmont)** showed support in maintaining the current subcommittee schedule and thanked the staff for noting that there would be no substantive changes in the budget throughout the scheduled timeline of meetings.
- **(8:53) Director Kaur (Emeryville)** echoed Director Andersen's comment to keep the current meeting schedule.
- **(9:16) Chair Cox (Fremont)** reiterated the committee's suggestion to keep the next FAP meeting on May 8th.

**(7:25) Public Comment – Juan González** encouraged the committee to keep the current schedule to have the May FAP subcommittee meeting on the 8<sup>th</sup> to give time for any changes to the budget timeline before the June Board meeting.

## 6. Accounts Receivable Recovery Policy Update (Action Item)

Update/Amend the current Accounts Receivable Recovery Policy.

### The Committee Discussed:

- **(23:29) Director Andersen (Piedmont)** sought clarification regarding the \$10 notices that customers receive for debt, as well as whether customers' credit scores would be affected by their debt. She also expressed concern about the additional \$5 opt-out fee in addition to the \$10 debt collection fee.
- **(28:23) Director Kaur (Emeryville)** praised staff for the presentation and entertained the idea of streamlining debt collection through a third party to recover account receivables.
- **(28:46) Chair Cox (Fremont)** spoke in regard to the scope of work for account receivables and the potential impact of bringing in a third party on staff. She also voiced concern about customers' credit ratings being affected by their debt and suggested implementing some form of assistance program for customers with medical circumstances and other needs.
- **(36:14) Director Andersen (Piedmont)** requested information on how the end-of-year waterfall would impact potential delinquent accounts for ratepayers.

**(34:12) Public Comment – Jessica Tovar** reflected on the 2021 COVID-19 debt relief program, advocating for its permanence to prevent customer loss due to energy debt. She also noted its funding support for community-based organizations assisting low-income individuals and non-English speakers with resources like LIHEAP.

**(43:09) Director Andersen (Piedmont) motioned to approve the motion. Director Kaur (Emeryville) seconded the motion, which passed 3/0/0/2.**

**Yes: Kaur (Emeryville), Cox (Fremont) and Andersen (Piedmont).**

**No: none**

**Abstain: none**

**Recuse: none**

**Excused: Gonzalez (San Leandro) and Bedolla (Tracy).**

**7. Aged Account Write-Off Policy (Action Item)**

Review the proposed policy for writing off uncollectable accounts.

**There was no committee discussion.**

**(49:55) Public Comment – Juan González** suggested an earlier write-off point instead of collecting debts over three or four years.

**(51:55) Director Andersen (Piedmont) motioned to approve the motion. Director Kaur (Emeryville) seconded the motion, which passed 3/0/0/0/2.**

**Yes: Kaur (Emeryville), Cox (Fremont) and Andersen (Piedmont).**

**No: none**

**Abstain: none**

**Recuse: none**

**Excused: Gonzalez (San Leandro) and Bedolla (Tracy).**

**8. Renewable Surplus Allocation and GASB 62 Methodology (Action Item)**

Review the existing GASB 62 policy and give guidance on recognizing the long-term renewable surplus allocation.

**The Committee Discussed:**

- **(1:00:09) Director Andersen (Piedmont)** queried whether Ava's auditors could provide advice on how to proceed with the policy considering the current situation. Additionally, she inquired whether, under similar circumstances in the future, the procedure for allocating the surplus would remain consistent with past practices.
- **(1:02:33) Chair Cox (Fremont)** clarified that regardless, over the 15 years, Ava's payout would be less than a million. She also sought more information on whether the surplus will be allocated evenly or if more funds will be directed to projects that are behind schedule to assist their progress. Additionally, she sought to spell out the acronyms ESA and PPA, which stand for Energy Storage Agreement and Power Purchase Agreement.

**(1:06:25) Director Kaur (Emeryville) motioned to approve the motion. Director Andersen (Piedmont) seconded the motion, which passed 3/0/0/0/2.**

**Yes: Kaur (Emeryville), Cox (Fremont) and Andersen (Piedmont).**

**No: none**

**Abstain: none**

**Recuse: none**

**Excused: Gonzalez (San Leandro) and Bedolla (Tracy).**

**There were no speakers for public comment.**

**9. Treasury Manager Selection & Investment Policy (Action Item)**

Review the results of the Treasury Manager RFP and provide guidance on the proposed investment policy.

**The Committee Discussed:**

- **(1:17:57) Director Andersen (Piedmont)** commended staff for the presentation and anticipated the board to have questions around the range of fees in the policy. She pondered how Ava could potentially find itself investing in fossil fuels within the context of the policy's parameters.
- **(1:19:38) Chair Cox (Fremont)** asked whether there would be monitoring of companies found guilty of pollution or other environmental issues, etc. She also inquired about whether we were buying bonds to keep in the reserves.

**(1:23:43) Director Andersen (Piedmont) motioned to approve the motion. Director Kaur (Emeryville) seconded the motion, which passed 3/0/0/0/2.**

**Yes: Kaur (Emeryville), Cox (Fremont) and Andersen (Piedmont).**

**No: none**

**Abstain: none**

**Recuse: none**

**Excused: Gonzalez (San Leandro) and Bedolla (Tracy).**

**There were no speakers for public comment.**

**10. Credit Rating Affirmation (Informational Item)**

Review the affirmed credit rating from S&P Global

**There was no committee discussion.**

**(1:30:30) Public Comment – Jessica Tovar** appreciated the discussion on the bonds and credit rating and noted that it is an opportunity for Ava to pursue more local clean energy investments, as outlined in the development business plan.

**11. Committee Member and Staff Announcements including requests to place items on future Board Agendas**

**(1:32:33) Chair Cox** encouraged members to check out Ava's website for upcoming public events to support. She also wished a happy St. Patrick's Day and Women's History Month.

**12. Adjourn** – the meeting adjourned at 3:02pm.

The next Financial, Administrative and Procurement Subcommittee meeting will be held on Wednesday, May 8, 2024 at 1pm.

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*Minutes written by Raïssa Ngoma.*