



Draft Minutes

Financial, Administrative and Procurement Subcommittee Meeting

Wednesday, May 8, 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 Kaur – Clipper Club, 5 Captain Drive, Emeryville, CA 94608
- Member Andersen – Piedmont City Hall Conference Room, 120 Vista Ave, Piedmont, CA 94611
- Member Bedolla – 1755 Harvest Landing Lane, Tracy, CA 95376

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

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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: Andersen (Piedmont), Gonzalez (San Leandro).and Kaur (Emeryville)

Not Present: Director Bedolla (Tracy).and Chair Cox (Fremont)

Member Kaur served as chair for this meeting.

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.

(1:47) Public Comment - Jessica Tovar, representing the Local Clean Energy Alliance and East Bay Clean Power Alliance, reiterated the request for Ava to allocate \$15 million to support community resilience hubs.

(4:03) Public Comment - Jordan Ackerman from the Construction Trades Workforce Initiative spoke about the potential of the resilience hub program to provide high quality employment opportunities, and he expressed hope that the developer would collaborate with the Building Trades to establish an agreement before returning to the board.

3. Approval of Minutes from March 13, 2024

(5:08) Member Andersen motioned to approve the minutes. Member Gonzalez seconded the motion, which passed 3/0/0/0/2.

Yes: Members Andersen, Gonzalez and Kaur.

No: none

Abstain: none

Recuse: none

Not Present: Chair Cox and Member Bedolla.

4. FY 2024-25 Draft Budget Review (Informational Item)

Review the draft budget for fiscal year 2024-2025

(6:33) Howard Chang presented the draft budget for fiscal year 2024-2025, noting that it is similar to previous years with a few updates. Howard highlighted key assumptions such as maintaining a \$50 bill credit for CARE/FERA customers, proposing a 7% discount for Bright Choice, and increasing carbon-free procurement targets. The budget includes a strong financial forecast with a \$153 million net position, a significant reserve contribution, and proposed staffing increases.

(37:13) Member Andersen asked for clarification on Ava Community Energy's reserve goal. **Howard Chang** responded that the reserve goal is set at 50% of annual operating expenditures, with a range of 25% to 75%. **Member Andersen** also asked about the possibility of decoupling Ava's rate structure from PG&E's rates. **Howard Chang** explained the benefits and potential downsides of coupling the rates – in particular, the need for consistency in customer communication and alignment with PG&E's

transmission and distribution charges.

(43:44) Member Gonzalez asked **Howard Chang** to confirm if the cost of service for Ava's coastal region is generally lower than PG&E's average, to which **Howard** said yes. Member Gonzalez then asked about the PCIA, noting that it is currently low due to high energy prices, and sought clarification on understanding electric bills and time-of-use rates. **Member Gonzalez** also asked about the relative proportion of energy costs driven by hedging and spoke about the merit-based compensation increase.

(58:38) Public Comment – Jessica Tovar spoke about the Local Development Business Plan as a roadmap for community investments and advocated for its utilization. Jessica Tovar stated that community grants are not reaching community-based organizations as intended and spoke in support of the need for more funding to support these organizations.

5. Auditor Selection (Informational Item)

Review Ava's selection for Auditor

(1:03:48) Jason Bartlett presented the auditor selection process for Ava's fiscal year 2024-2025. He stated that Pisenti & Brinker has been Ava's auditor for the past six years, but due to regulatory requirements, Ava must change the lead audit partner. After a thorough RFP process, staff recommended continuing with P&B and requested guidance on whether to engage Pisenti & Brinker for a three-year term with an option to extend or a full six-year term..

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

There were no Committee Member or Staff Announcements.

7. Adjourned at 2:23pm.

The next Financial, Administrative and Procurement Subcommittee meeting will be held on Wednesday, July 10, 2024 at 1pm.

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Minutes written by Adrian Bankhead.