



Financial, Administrative and Procurement Subcommittee Meeting

Wednesday, January 28, 2026
3:30 pm

In Person:

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

Or from the following locations:

- 1110 Webster St Conference Room 2nd floor, Oakland, CA 94607
- 34009 Alvarado-Niles Road, Union City, CA 94587
- Clipper Club, 5 Captain Drive, Emeryville, CA 94608
- Dublin Civic Center, City Manager's Office, 100 Civic Plaza Dublin, CA 94568
- Milk and Honey Cafe, 34265 Fremont Blvd Fremont, CA 94555

Via Zoom:

<https://avaenergy-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.

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

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.

3. Approval of Minutes from September 8, 2025 (Action Item)

4. FY 2025-26 Mid-Year Budget Review (Informational Item)

Review the mid-year performance of actuals through December 2025 and updated projections through June of 2026 as compared to the fiscal year budget.

5. Overview of Contracts Entered Into (Informational Item)

Brief follow-up to input from the Board upon the implementation of the latest Procurement Policy to discuss the details of the monthly Contracts Entered Into item.

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

7. Adjourn

The next Financial, Administrative and Procurement Subcommittee meeting will be held on Wednesday, March 25, 2026 at 3:30pm.

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



Draft Minutes

Financial, Administrative and Procurement Subcommittee Meeting

Monday, September 8, 2025
3:30 pm

In Person:

Rotunda Building
Large Conference Room
300 Frank H. Ogawa Plaza
Oakland, CA 94612

Or from the following locations:

- Clipper Club, 5 Captain Drive, Emeryville, CA 94608
- Milk and Honey Cafe, 34265 Fremont Blvd Fremont, CA 94555
- 35653 Scarborough Dr, Newark, CA 94560
- Oakland City Hall, 2nd Floor, 1 Frank H. Ogawa Plaza, Oakland, CA 94612
- The Westin San Diego Bayview, 1051 Columbia St, San Diego, CA 92101
- 34009 Alvarado-Niles Road, Union City, CA 94587

Via Zoom:

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

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1. (0:19) Welcome & Roll Call

Present: Directors: Morada (Dublin), Keng (Fremont), Brown (Oakland), Del Catancio

(Newark), Sakakihara (Union City) and Chair Kaur (Emeryville).

2. (0:58) 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.

There were no speakers for public comment.

3. (1:06) Approval of Minutes from July 9, 2025 (Action Item)

Director Morada (Dublin) motioned to approve the minutes. Director Keng (Fremont) seconded the motion, which passed 6/0/0/0/0.

Yes: Morada (Dublin), Keng (Fremont), Brown (Oakland), Del Catancio (Newark), Sakakihara (Union City) and Chair Kaur (Emeryville).

No: None.

Abstain: None.

Recuse: None.

Not Present: None.

There were no speakers for public comment.

4. (2:57) Credit Card Policy Amendment (Informational Item)

Proposed amendments to the Credit Card Policy.

Jason Bartlett presented proposed updates to Ava's Credit Card Policy, recommending expanding eligibility for executive cards to SVPs and above, allowing additional cards when needed, and raising the monthly limit from \$60k to \$100k.

There were no speakers for public comment.

Selection of topics discussed by subcommittee members:

- Whether the monthly limit of \$100k is sufficient
- The Policy's cautious limits due to credit card fraud concerns
- Acknowledgement that future limit increases may be needed as operations and social media spending grow

5. (13:50) Rate Stabilization Fund (Informational Item)

Proposed Rate Stabilization Fund Policy.

Russell (Rusty) Mills reviewed Ava's budget stabilization and proposed formalizing it as a Rate Stabilization Fund with clearer policies aligned to industry standards. He highlighted the staff's recommendation to allocate the full \$107M FY24-25 surplus into the fund to prepare for the future budget pressures, particularly from the PCIA reform.

Selection of topics discussed by subcommittee members:

- Whether to adopt the policy before allocating the \$107M surplus
- Allocation options of 100% which was recommended by staff due to PCIA uncertainty, 90/10, and 80/20
- Likelihood of using funds tied to prior resolutions
 - High for clean energy PPAs and low to medium for solar/storage and budget stabilization
- Clearer mid-level policy details
- Possibly separating allocation and policy into distinct board action items
- Informal order for fund drawdowns could be codified as guidance while keeping flexibility

(50:17) Public Comment - Ann Harvey expressed concern that maintaining reserves equal to 70% of annual revenues is higher than other CCAs, which could keep customer rates elevated longer to reach those targets.

(51:26) Public Comment - Jessica Tovar urged Ava to revisit last year's request to allocate \$15M of the surplus toward community resilience hubs as a resilience stabilization fund. She also emphasized that community suggestions deserve further consideration alongside the rate stabilization fund and asked what the agency has done recently for environmental justice.

6. (53:11) Line of Credit (Informational Item)

Review of Line of Credit for Board approval.

Russell (Rusty) Mills outlined Ava's \$200M credit facility with U.S. Bank, which expires in October, and the plan to replace it with a \$300M facility to support growth, cash flow needs, and market volatility risks.

There were no speakers for public comment.

Selection of topics discussed by subcommittee members:

- Support for the selection of PNC Bank
- Whether Ava had drawn on the \$200M US Bank facility
- Clarification on a liquidity covenant vs. Debt service coverage covenant
- Whether the \$300M facility appears on the balance sheet

7. (1:03:17) Committee Member and Staff Announcements including requests to place items on future Board Agendas

- **Howard Chang** announced that all future Ava meetings will be held at its headquarters, following staff's return from the remote period during TI work.

8. Adjourned at 4:37pm.

The next Financial, Administrative and Procurement Subcommittee meeting will be held on Wednesday, November 7, 2025 at 3:30pm.

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

Minutes Written by Raïssa Ngoma

Introduction

- Every June, Ava’s Board of Directors (the “Board”) approves spending for the following fiscal year spanning from July 1st through June 30th of the following year.
- Staff reviews budget performance internally regularly and presents these results to the Board at, or about, the mid-year mark.
- Ava’s accounting cycle generally requires about 45 days to close a period to ensure all revenues and expenses are captured accurately. Thus, the close of December 31st is typically mid-February.
- Presenting the mid-year analysis in February allows a more accurate presentation on the true half year performance.
- The mid-year report presented today covers the closed months of July through November, a “soft” close estimate of December, and updated projections for the second half of the fiscal year—January through June. **These updated values will collectively be referred to as “actuals”** even though only July through November are confirmed

	FY 2026	FY 2026		
	BUDGET	ACTUAL	Delta	%D
Revenue & Other Sources				
Electricity Sales	869,170,000	909,389,000	40,219,000	4.6%
Uncollectables	(8,692,000)	(9,093,000)	(401,000)	4.6%
Other Operating Revenue	0	1,308,000	1,308,000	0.0%
GASB 62	35,327,000	0	(35,327,000)	-100.0%
Total Operating Revenue	895,805,000	901,604,000	5,799,000	0.6%
Energy Operations				
Cost of Energy	836,970,000	841,991,000	5,021,000	0.6%
Cost of Energy Services	14,056,000	14,112,000	56,000	0.4%
Total Energy Expenses	851,026,000	856,103,000	5,077,000	0.6%
Overhead Expenses				
Personnel	29,639,000	26,093,000	(3,546,000)	-12.0%
Marketing & Communication	3,875,000	3,875,000	0	0.0%
Legal, Policy, & Regulatory Affairs	4,247,000	4,247,000	0	0.0%
Other Professional Services	3,515,000	3,515,000	0	0.0%
General & Administrative	7,091,000	7,091,000	0	0.0%
Total Overhead Expenses	48,367,000	44,821,000	(3,546,000)	-7.3%
Total Operating Expenses	899,393,000	900,924,000	1,531,000	0.2%
Non-Operating Revenue				
Interest Income	15,066,000	18,407,000	3,341,000	22.2%
Grants	0	0	0	0.0%
Other Non-Operating Revenue	49,000	50,000	1,000	2.0%
Total Non-Operating Revenue	15,115,000	18,457,000	3,342,000	22.1%
Non-Operating Expenses				
Local Development Funding	10,190,000	190,000	(10,000,000)	-98.1%
Borrowing Interest	1,087,000	938,000	(149,000)	-13.7%
Capital Expenditures	250,000	524,000	274,000	109.6%
Total Non-Operating Expenses	11,527,000	1,652,000	(9,875,000)	-85.7%
NET NON-OPERATING REVENUES	3,588,000	16,805,000	13,217,000	368.4%
TOTAL NET REVENUES	0	17,485,000	17,485,000	0.0%

Ava Community Energy

Fiscal Year 2025-2026 Mid-Year Budget Update

- Expecting increase in operating revenue by \$5.8MM
 - Operating Revenue increases by \$41.1MM without use of Rate Stabilization Fund (GASB 62)
- Cost of Energy expected to increase by \$5.1MM
- Overhead expenses forecasted to be reduced by \$3.5MM
- Non-Operating activity is expected to add an addition \$13.2MM to net revenues
- Net Revenues are projected to be positive by about \$17.5MM
 - Net Revenue increases by \$52.8MM without use of Rate Stabilization Fund (GASB 62)

The following slides provide more detail on these changes

	JUL-DEC	JUL-DEC		
Revenue & Other Sources	BUDGET	ACTUAL	Delta	%D
Electricity Sales	631,109,000	590,956,000	(40,153,000)	-6.4%
Uncollectables	(6,311,000)	(5,910,000)	401,000	-6.4%
Other Operating Revenue	0	1,308,000	1,308,000	0.0%
GASB 62	0	0	0	0.0%
Total Operating Revenue	624,798,000	586,354,000	(38,444,000)	-6.2%
Energy Operations				
Cost of Energy	460,972,000	440,023,000	(20,949,000)	-4.5%
Cost of Energy Services	6,849,000	6,968,000	119,000	1.7%
Total Energy Expenses	467,821,000	446,991,000	(20,830,000)	-4.5%
Overhead Expenses				
Personnel	14,820,000	12,424,000	(2,396,000)	-16.2%
Marketing & Communication	1,938,000	1,053,000	(885,000)	-45.7%
Legal, Policy, & Regulatory Affairs	2,124,000	1,622,000	(502,000)	-23.6%
Other Professional Services	1,758,000	1,156,000	(602,000)	-34.2%
General & Administrative	3,546,000	2,846,000	(700,000)	-19.7%
Total Overhead Expenses	24,186,000	19,101,000	(5,085,000)	-21.0%
Total Operating Expenses	492,007,000	466,092,000	(25,915,000)	-5.3%
Non-Operating Revenue				
Interest Income	6,738,000	12,386,000	5,648,000	83.8%
Grants	0	0	0	0.0%
Other Non-Operating Revenue	24,000	26,000	2,000	8.3%
Total Non-Operating Revenue	6,762,000	12,412,000	5,650,000	83.6%
Non-Operating Expenses				
Local Development Funding	5,094,000	94,000	(5,000,000)	-98.2%
Borrowing Interest	511,000	414,000	(97,000)	-19.0%
Capital Expenditures	250,000	524,000	274,000	109.6%
Total Non-Operating Expenses	5,855,000	1,032,000	(4,823,000)	-82.4%
NET NON-OPERATING REVENUES	907,000	11,380,000	10,473,000	1154.7%
TOTAL NET REVENUES	133,698,000	131,642,000	(2,056,000)	-1.5%

First Half Budget to Actuals

- Revenues from sales were \$40.1MM under budget driven by lower load resulting from milder than expected weather
- Cost of Energy was \$20.9MM under budget driven by lower load/lower energy prices, higher than forecasted RA sales, and higher than forecasted large hydro production. This was partially offset by higher REC costs as a result of higher market price benchmarks.
- Overhead expenses are \$5.1MM below budget due to cost reductions, deferred hiring, and deferred functional area costs
- Non-Operating activity increased net revenues by \$10.5MM from higher interest rates on investments and reduced Local Development funding from the December Board decision
- Net revenues were \$2MM below expected budget

	JAN-JUN	JAN-JUN		
	ORIGINAL	UPDATED	Delta	%D
Revenue & Other Sources				
Electricity Sales	238,061,000	318,433,000	80,372,000	33.8%
Uncollectables	(2,381,000)	(3,183,000)	(802,000)	33.7%
Other Operating Revenue	0	0	0	0.0%
GASB 62	35,327,000	0	(35,327,000)	-100.0%
Total Operating Revenue	271,007,000	315,250,000	44,243,000	16.3%
Energy Operations				
Cost of Energy	375,998,000	401,968,000	25,970,000	6.9%
Cost of Energy Services	7,207,000	7,144,000	(63,000)	-0.9%
Total Energy Expenses	383,205,000	409,112,000	25,907,000	6.8%
Overhead Expenses				
Personnel	14,819,000	13,669,000	(1,150,000)	-7.8%
Marketing & Communication	1,937,000	2,822,000	885,000	45.7%
Legal, Policy, & Regulatory Affairs	2,123,000	2,625,000	502,000	23.6%
Other Professional Services	1,757,000	2,359,000	602,000	34.3%
General & Administrative	3,545,000	4,245,000	700,000	19.7%
Total Overhead Expenses	24,181,000	25,720,000	1,539,000	6.4%
Total Operating Expenses	407,386,000	434,832,000	27,446,000	6.7%
Non-Operating Revenue				
Interest Income	8,328,000	6,021,000	(2,307,000)	-27.7%
Grants	0	0	0	0.0%
Other Non-Operating Revenue	25,000	24,000	(1,000)	-4.0%
Total Non-Operating Revenue	8,353,000	6,045,000	(2,308,000)	-27.6%
Non-Operating Expenses				
Local Development Funding	5,096,000	96,000	(5,000,000)	-98.1%
Borrowing Interest	576,000	526,000	(50,000)	-8.7%
Capital Expenditures	0	0	0	0.0%
Total Non-Operating Expenses	5,672,000	622,000	(5,050,000)	-89.0%
NET NON-OPERATING REVENUES	2,681,000	5,423,000	2,742,000	102.3%
TOTAL NET REVENUES	(133,698,000)	(114,159,000)	19,539,000	-14.6%

Second Half Original Budget to Updated Budget

- Revenues from electricity sales is forecasted to increase by \$44.2MM driven by changes in value proposition, higher than forecasted 2026 rates, and SJ County enrollment in May
 - Operating Revenue increases by \$79.6MM when excluding RSF (GASB62)
- Cost of Energy is forecasted to increase by \$26MM relative to budget driven by higher energy prices and higher REC costs due to increased market price benchmarks
 - Note: Dec update forecasted lower energy prices for 2026 relative to budget. Between Dec to Jan energy costs increased by \$16MM due to the extreme cold conditions throughout the country, outside of CA.
- In Overhead, continued savings from deferred hiring for open positions while deferred costs from the first half in other functional areas are back half weighted
- Non-Operating Expenses includes reduced Local Development Funding
- Net Revenues are expected to increase by \$19.5MM from the original budget
 - Net Revenues increase by \$54.9MM without use of RSF GASB62



Staff Report Item 5

To:	Ava Community Energy Authority
From:	John Perkins, Legal Director & Deputy General Counsel
Subject:	Providing an overview of the Contracts Entered Into item of the Board agenda.
Date:	January 28, 2026

Summary/Recommendation

At each Board meeting, Staff presents to the Board a list of contracts entered into for products and services related to the Administrative Procurement Policy and this Staff Report provides an informational discussion of the current structure of that presentation. This is informational and no action is required.

Financial Impact

The report of contracts entered into does not have a financial impact, however it does present the Contract Value of recent contracts, which reflects the committed spend for the next year (or a diligent estimate thereof for contracts with variable fees).

Analysis and Context

The Contracts Entered Into item of each Board agenda is intended to alert the Board to Ava's spending on goods and services outside of Power Resources commodities. It does not replace a request for Board approval for those agreements that require it, but keeps the Board current on all of Ava's transactions for goods and services. It provides the following information:

Counterparty Name	Identifies the vendor of goods and/or services.
Record Name	Provides the name of the Agreement.
Contract Purpose	Provides a brief summary of the Agreement for quick reference.
Contract Value	Provides the committed spend for the next year (or a diligent estimate thereof for contracts with variable fees).

Not to Exceed	Provides the maximum financial obligation of Ava over the life of the Agreement.
Expiration Date	Identifies the last day of the Term of the Agreement.
City	Identifies the headquarters or relevant domicile of operations of the Agreement, providing insight into where Ava engages vendors.
State	Identifies the US State of the above.
Ironclad ID	Provides the dynamically-allocated unique identifier for the Agreement for easy access in Ava's Contract Management System.

Attachments (if applicable)

Example (Attached)

EXAMPLE



Consent Item 5

To:	Ava Community Energy Authority
From:	Howard Chang, Chief Executive Officer
Subject:	Contracts Entered Into
Date:	December 17, 2025

RECOMMENDATION

Accept the CEO's report on contracts that Ava Community Energy has entered into, as required by the Administrative Procurement Policy, from November 12th, 2025 through December 12th.

Counterparty Name	Record Name	Contract Purpose	Contract Value	Not To Exceed	Expiration Date	City	State	Ironclad Id
ICF Resources	September 2025 Amendment to the Consulting Services Agreement	Extend Term and increase NTE.	\$166,000	\$312,000	2027-05-31	Reston	Virginia	IC-2055
Alameda County Transportation Commission	Amendment No. 1 to Project Funding Agreement between Alameda County Transportation Commission and the Ava Community Energy Authority for the Ride Electric Program	Extend expiration date and update appendices accordingly.	N/A	N/A	2027-12-31	Oakland	California	IC-2056
Sacramento Municipal Utility District (SMUD)	AMENDMENT 10 TO EXHIBIT A: SCOPE OF SERVICES Task Order 3 - Data Management and Call Center Services	Add additional services and enhancements.	\$12,070	N/A	N/A	Sacramento	California	IC-2105

Sacramento Municipal Utility District (SMUD)	AMENDMENT 9 TO EXHIBIT A: SCOPE OF SERVICES Task Order 3 - Data Management and Call Center Services	Add additional services and enhancements.	\$11,240	N/A	N/A	Sacramento	California	IC-2106
Merrimack Energy Group, Inc.	November 2025 Consulting Services Agreement	Ava is contracting with Consultant to provide a one-time initial review and assessment of the reasonableness of Ava's Confidential Benchmark Value Reference Price (CBVRP) and associated workpapers prior to launching future DAC-GT solicitations.	\$15,000	\$15,000	2027-05-05	Charlestown	Massachusetts	IC-2110
Paul Tuller	November 2025 Consulting	Provides graphic design services	\$99,999	\$99,999	2026-06-30	Oakland	California	IC-2116

	Services Agreement	to the Ava Marketing team.						
Jewell Stewart Pratt Beckerson & Carr PC	November 2025 Amendment to the Consulting Services Agreement	Extend the Term.	N/A	N/A	2027-07- 01	San Francisco	California	IC-2118
EcoMotion	November 2025 Amendment to the Consulting Services Agreement	Extend the Term and increase the NTE.	\$20,000	\$491,755	2026-05- 19	Glendale	California	IC-2128
The Collaborative	First Amendment to the Consulting Services Agreement for Services By And Between Ava Community Energy Authority and The Collaborative, LLC	Extend the Term.	N/A	N/A	2026-03- 31	Portland	Oregon	IC-2241



Raïssa Arielle Ngoma <rngoma@avaenergy.org>

Comment Financial, Administrative and Procurement Subcommittee Meeting –

1/28/26

1 message

Mary Elizabeth <mebeth@outlook.com>
To: "cob@avaenergy.org" <cob@avaenergy.org>

Wed, Jan 28, 2026 at 7:45 AM

Greetings,

The residents in Stockton have lots of questions about their bills which I hear on a weekly basis. I know you all have had a few pop-ups during working hours but many people are not available and the representative when I stopped by one in Stockton in the last year could not help me with my solar bill and directed me to call someone. I think the bills have become so complicated with all the charges that folks are overwhelmed. To ensure that AVA does not lose Stockton customers more education is necessary.

Procuring energy from biomass is polluting even though the state classifies as a renewable energy source. The number one stationary source of air pollution in Stockton is DTE a biomass combustion power plant. Our air quality this winter has been particularly bad reminding me of the days when toxic fog was in the news. Please consider plans to phase out biomass combustion.

Sincerely,

Mary Elizabeth, M.S., R.E.H.S.