

**REGULAR MEETING of the Board of Directors of the
Los Angeles Community Choice Energy Authority
Thursday, February 1, 2018
1:00 p.m.**

Los Angeles County Hall of Administration
Room 140
500 West Temple Street
Los Angeles, California 90012

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 Matt Skolnik, at least 2 working days before the meeting at mskolnik@ceo.lacounty.gov or (213) 893-0286. Notification in advance of the meeting will enable LACCE to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.

If you wish to speak to the Board, please fill out a speaker's slip located on the tables as you enter the Board Chambers. If you have anything that you wish to be distributed to the Board and included in the official record, please hand it to a member of LACCE staff who will distribute the information to the Board members and other staff.

Members of the public may also participate in this meeting remotely at the following addresses:

*Calabasas City Hall – Council Conference Room
100 Civic Center Way, Calabasas, CA 91301*

*Claremont City Hall – Upstairs Citrus Room
207 Harvard Avenue, Claremont, CA 91711*

*City of Paramount – Public Works Administration Office
15300 Downey Avenue, Paramount, CA 90723*

*Agoura Hills City Hall – Finance Conference Room
30001 Ladyface Court, Agoura Hills, CA 91301*

*Downey City Hall – City Council Conference Room, 3rd Floor
11111 Brookshire Ave, Downey, CA 90241*

*Ojai City Hall – Conference Room
401 S. Ventura Street, Ojai, CA 93023*

IV. WELCOME AND ROLL CALL

V. PUBLIC COMMENT

This item is reserved for persons wishing to address the Board on any LACCE-related matters not on today's agenda. Public comments on matters on today's 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 requested to complete a speaker's slip and provide it to LACCE staff. Speakers are customarily limited to two minutes, but an extension can be provided at the discretion of the Board Chair.

VI. CONSENT AGENDA

1. Approve minutes from January 17, 2018 Board of Directors meeting
2. Approve contact extension for the services of Bill Carnahan
3. Approve posting of \$500,000 to the California Independent Systems Operator
4. Authorize the Chair of the Board to execute the JPA as amended on December 7, 2017
5. Approve Requests for Grace Period Extensions

VII. REGULAR AGENDA

6. Approve employment agreement with Ted Bardacke, and appoint Mr. Bardacke as Executive Director of Los Angeles Community Choice Energy
7. Adopt "Clean Power Alliance of Southern California" as the new name for the Los Angeles Community Choice Energy Authority
8. Authorize the Executive Director to negotiate a contract extension with Calpine Energy Solutions for data management for LACCE Phase 2 accounts and release an RFP for all LACCE accounts

VIII. STAFF AND BOARD ANNOUNCEMENTS**IX. CLOSED SESSION**

1. PUBLIC EMPLOYMENT
(Government Code Section 54957)
Recruitment of General Counsel
2. Consideration of potential litigation CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(Paragraph (2) of subdivision (d) of Government Code Section 54956.9)
Significant exposure to litigation (one case)

X. ADJOURN – TO MARCH 1, 2018

Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the County of Los Angeles, Chief Sustainability Office, Kenneth Hahn Hall of Administration, Room 493, 500 West Temple Street, Los Angeles, CA 90012, for the purpose of making those public records available for inspection. The documents are also available on LACCE's internet website. The website is located at: lacce.org

Meeting of the Board of Directors of the
Los Angeles Community Choice Energy Authority (LACCE)

Wednesday, January 17th, 2018, 2:00pm
Metropolitan Water District
Committee Room 2-145
700 N. Alameda Street, Los Angeles, CA 90012

MINUTES

I. WELCOME AND ROLL CALL

Acting Chair Horvath called the meeting to order at 2:00pm.

Roll Call				
1	Agoura Hills	Louis Celaya	Alternate	Calling in
2	Alhambra	Martin Ray	Alternate	Present (late)
3	Arcadia	Tom Tait	Alternate	Present
4	Beverly Hills	Robert Wunderlich	Alternate	Present (late)
5	Calabasas	John Bingham Alicia Weintraub (late)	Alternate Director	Calling in
6	Carson	Reata Kulcsar	Alternate	Present
7	Claremont	Corey Calaycay	Director	Present
8	Culver City	Meghan Sahli-Wells	Director	Present
9	Downey	Alex Saab	Director	Present
10	Hawaiian Gardens	Hank Trimble	Alternate	Present
11	Hawthorne	Angie Reyes English	Director	Present
12	Los Angeles County	Sheila Kuehl	Director	Present
13	Malibu	Craig George	Alternate	Present (late)
14	Manhattan Beach	Amy Howorth	Director	Present
15	Ojai	Johnny Johnson	Director	Calling In
16	Paramount	Chris Cash	Alternate	Present
17	Rolling Hills Estates	Steve Zuckerman	Director	Present

18	Santa Monica	Kevin McKeown	Director	Present
19	Sierra Madre	John Harabedian	Director	Present
20	South Pasadena	Diana Mahmud	Director	Present
21	Ventura County	Linda Parks	Director	Calling in
22	West Hollywood	Lindsey Horvath	Director	Present

A quorum was established.

II. PUBLIC COMMENT

Joe Sullivan (IBEW Local 11 and NECA): Made comments that Santa Monica's requests from the previous meeting were in line with creating a DER focused CCA and that he was supportive of that direction.

III. REGULAR AGENDA

1. Appoint Chair and Vice-Chair, Establish a Finance Committee and Appoint a Committee Chair, and Consider Options for an Executive Committee

Interim Executive Director Bill Carnahan gave the staff report for the item. He reminded the Board that it has been rotating Chair and Vice Chair until full Board was formed.

Acting Chair Horvath opened nominations for Chair.

Acting Vice Chair Kuehl nominated Director Diana Mahmud for Chair. Director Calaycay seconded. The nomination was accepted by Director Mahmud. All Directors present and on the phone voted unanimously in favor.

Chair Mahmud opened nominations for Vice-Chair.

Director Howorth nominated Director Horvath. Director Horvath expressed gratitude for the nomination, although she did not accept, instead nominating Director Kuehl as Vice-Chair. All Directors present and on the phone voted unanimously in favor.

Finance Committee discussion: Mr. Carnahan noted that the Banking and Credit services RFP was currently open, and that staff would like to ask for volunteers for the Finance Committee in the near term to help evaluate those RFP responses. Director Horvath noted that Director Gold

has expressed interest, and Director Horvath volunteered her service on this committee as well.

Chair Mahmud reiterated the importance of the Finance Committee and asked Board members to think about volunteering and let Board Secretary Julie Gomez know if they are interested. Clarified that Secretary Gomez would also be the point person going forward for Board communications.

Director Calaycay asked Mr. Carnahan about the time commitment for this committee. He replied the committee would most likely meet once per month by phone, and noted that the committee would also be involved in drafting the budget. Director Calaycay then volunteered to be on the Finance Committee. Director Howorth volunteered as well.

Director Calaycay moved to create the Finance Committee with Claremont, West Hollywood, Beverly Hills and Manhattan Beach as members, as well as being open to any others who may want to join in the future. Motion was seconded by Director Reyes English. The motion passed unanimously.

Consideration of options for Executive Committee: Mr. Carnahan noted staff had looked at best practices of other CCAs and JPAs for Executive Committee best practices. Staff put forth a straw proposal that the Executive Committee could be populated with Board officers, with 3 at-large seats to satisfy diversity of size and geography and to get balanced input from the committee.

The Board commenced discussion of the staff proposal, with many stating they felt the proposed committee was too small.

Director Calaycay moved that staff take the feedback received from the Board discussion and bring a hybrid proposal back with some options to the overall Board at the March 1 meeting. Director Howorth seconded.

The motion passed unanimously.

Mr. Carnahan announced that all additional suggestions for Committee formation were welcome and could be emailed to him.

At this time Director McKeown suggested that future meetings be live streamed and archived for the public. Chair Mahmud noted that staff had tried to find a location that could accommodate but was unable to this month. Director Calaycay noted that staff might reach out to County library to inquire about their system Spark, where video conferencing could be set up between county libraries.

2. Approval of minutes from the December 7, 2017 and December 19, 2017 Board Meetings

Chair Mahmud asked to take the approval of each meeting's minutes separately.

Approval of December 7, 2017 minutes:

Director Sahli-Wells moved to approve. Vice Chair Kuehl seconded.

Corrections:

Director Bingham asked that the minutes reflect Director Weintraub attempted to join the meeting via phone but was unable due to technical problems.

Director Calaycay noted that in the roll call for Items 3 and 5 that the Directors for Downey and Claremont were switched and should be corrected.

Director Horvath asked as a matter of clarification if Item 5 should reflect Phase 1 power supply as 25% carbon free as it is currently stated in the minutes, or 85% carbon free as stated in staff update. Mr. Gero clarified that the 25% referred to non-renewable carbon free, with the total power mix being 85% carbon free which includes 60% renewables. He confirmed that staff would clarify in the minutes.

Director McKeown requested to have Item 6 updated to show his comments urging staff to include the Community Advisory Committee in the naming process. He also requested Staff and Board Announcements be updated to reflect his comments urging staff to solicit bids for data and billing serves that can support Distributed Energy Resources (DER), and that LACCE also hire staff with DER and energy risk management experience.

Vice Chair Kuehl noted that Director Schwarz's name appeared in the minutes with an incorrect spelling, and asked for this correction.

The motion to approve the December 7, 2017 minutes as amended passed with Directors English and Cash, and Chair Mahmud abstaining.

Approval of December 19, 2017 minutes:

No proposed corrections. Director Mahmud entertained a motion to approve the December 19 minutes. Motion was approved unanimously.

3. Adopt Resolution Adjusting Rate Schedules for Phase 1 Accounts

Mr. Carnahan gave the staff presentation in which he explained there was a small error in the original Phase 1 rate schedules that were approved by the Board at its December 7 meeting.

Director McKeown moved to approve the correction.

Chair Mahmud recommended that it be specified in the text of the resolution itself the particular rate schedule being amended rather than referencing an attachment, in the event the attachment is not available. She requested to amend the resolution to show that the rate being adjusted is TOU-GS-2-R.

Director McKeown accepted the amendment. The amended motion was approved unanimously.

4. Approve Mid-Year Budget Adjustments

Mr. Carnahan gave the staff presentation explaining the proposed budget adjustments to the Board and noting that because LACCE now has more detailed load information, it has reduced projected revenues and the projected loan. Also added smaller line items like temporary staff and Board travel on LACCE's behalf.

Board commenced discussion of the item.

Rachelle Anema from the LA County Auditor Controller was present and provided clarification on a question of why the power supply cash collateral was shown as an expenditure in the budget. She noted in financial statements at the end of the year that the cash collateral would be shown as an asset but noted that the budget is not a financial statement and is purely for informational purposes so including it as an expenditure was reasonable and appropriate.

Director Zuckerman asked to consider including a specific line item for PCIA reserve adequacy in the budget.

Director Harabedian moved to approve the budget adjustment and Director Horvath seconded.

The motion passed unanimously.

5. Approve Grace Period Extension and Related Requests

Mr. Gero gave the staff presentation. Two grace-period extension requests to join LACCE at no cost due to the wildfire exception were received by LACCE: one from Camarillo and one from Simi Valley. Similarly, although at the discretion of the Board, Mr. Gero noted that the City of Redondo Beach had voted to adopt the ordinance on both first and second reading, and adopted the Joint Powers Agreement by the December 27 deadline. However, he stated that their Mayor vetoed those items and the City Council was scheduled to consider overriding that veto. Since the Council's intent was to join by the deadline, staff's recommendation is for the Board to approve the no-cost grace period for all three cities.

Board commenced discussion of the item.

In light of Board discussion of the item, Chair Mahmud recommended that the Board take two votes, one on the issue of Simi Valley and Camarillo joining, and a second on Redondo Beach.

Chair Mahmud entertained a motion to approve a waiver of any costs that might be incurred for Camarillo and Simi Valley joining after the cutoff date due to extenuating circumstances related to the recent wildfires. Director Parks asked if this motion could be amended to include the City of Moorpark since they faced similar circumstances with regards to the fires. Chair Mahmud accepted the amendment. Vice Chair Kuehl seconded. The motion passed unanimously.

Director Howorth made a motion to defer a decision on Redondo Beach until the March 1st Board meeting. Director Kuehl seconded.

Director McKeown made a substitute motion that in order to help encourage Redondo Beach City Council, that they be offered the no cost grace period if they decide to override the mayoral veto at their February 13th City Council meeting. Director Howorth seconded the substitute motion.

The motion passed with two nays and no abstentions, with Claremont and Hawaiian Gardens voting nay.

6. Approve Power Procurement Approach for 2018

Mr. Carnahan introduced the item. He noted that LACCE went with a bundled procurement approach for Phase 1 but that for Phase 2 LACCE would likely want to unbundle the various energy products to have more control over the portfolio and take advantage of lower costs. Staff is proposing working with The Energy Authority (TEA), with whom LACCE is

already under contract for many related portfolio management services, to tailor an approach for Phase 2. Jeff Fuller of TEA gave the presentation.

Board commenced discussion of the item.

Vice Chair Kuehl requested to move on staff's recommendation for Phase 2 procurement only. Director Zuckerman seconded. The motion passed unanimously.

Chair Mahmud then asked if Board wanted to continue discussions on Phase 3 procurement approach. Director Horvath suggested to table the discussion for Phase 3 and perhaps involve the future Community Advisory Committee in the discussion to give opportunity for more community engagement.

Public Comment:

Joe Sullivan speaking on behalf of Jennifer Kropke of IBEW Local 11): Mr. Sullivan stated that Ms. Kropke is extremely encouraged by IBEW's working relationship with LACCE and that she is in support of TEA and LACCE staff in their suggested approach for Phase 2. She also heavily supports preference for power resources located in LA County and California and wants to work with staff to flesh out policies on local hire, veteran hire, and disadvantaged communities. Ms. Kropke also supports LACCE's commitments to no coal, no nuclear, and no unspecified resources.

Chair Mahmud asked the record to show that the vote for Phase 2 procurement approach was a vote for Option 2 outlined in the staff report.

Director Parks made note to ensure Ventura County is included in any definitions of local generation.

7. Adopt Proposal to Establish a Community Advisory Committee

Mr. Carnahan gave staff report. He noted that staff had prepared a straw proposal for Board consideration and discussion, and that staff would like to solicit input from the Board.

Board commenced discussion of the item.

Public Comment:

Veronica Soto (Emerald Cities Collaborative): Ms. Soto gave comment that she thought the proposal was moving the right direction but has recommendations for additional consideration. She felt the mission statement needs to be more specific, and that the Advisory Committee

should be able to advise the Board. She also wants to ensure that the Committee is used as a tool to educate members in their own communities and include underrepresented groups. Ms. Soto made additional comments regarding the selection process for committee members, stating she felt the current proposal was too focused on individuals rather than groups. She stated that she looks forward to engaging further with staff.

Joe Sullivan (IBEW Local 11 and NECA): Mr. Sullivan thanked staff for being open to communicating about the Community Advisory Committee, but feels current proposal lacks a clear charter and role for the Committee, and that LACCE needs a ratepayer advocacy group. Mr. Sullivan thinks the committee needs to have real access to documents as well as have ex-officio member of the board.

Director Zuckerman noted that LACCE still does not have a permanent Executive Director, and that the Executive Director may want to have a role in shaping the Community Advisory Committee. In light of that, Director Zuckerman moved to continue the item until the March meeting. Director Johnson seconded.

Director Howorth requested that staff take all input received and return to the Board with an updated proposal or recommendation, and noted that the Board needs to carefully consider and understand what the authority and purpose of the committee will be.

Director Parks and Director Horvath also made comments supporting the deferment of the item specifically so that more outreach could be conducted.

Chair Mahmud asked if the motion to defer consideration of the item also meant that the opening of the application would be deferred as well. The Board confirmed that the application should also be deferred.

Director English introduced the friendly amendment that in the interim until the item comes back to the Board for consideration, that Board members go out into their respective communities and notify constituents of the impending formation of the committee. The amendment was accepted.

The motion passed unanimously.

8. Legislative and Regulatory Update

Mr. Carnahan noted that due to the late hour he would give an abbreviated version of the staff report. He noted that the most important

regulatory update was that the CPUC had held a PCIA workshop the day prior, and that Cal CCA's comments were very well prepared. Mr. Carnahan feels that LACCE and the CCA community are well postured in the PCIA proceedings. Chair Mahmud was present at the workshop and provided additional details regarding the current PCIA proceedings.

Director Horvath commented on the fact that the League of California Cities is tracking CCA legislation and is defending CCA on the basis of protecting local control.

Chair Mahmud emphasized the importance of forming the Regulatory and Legislative Committee as soon as possible, as it would likely be another busy year for CCA in the legislature.

IV. STAFF AND BOARD ANNOUNCEMENTS

Chair Mahmud continued with a discussion of Board committees, noting the importance of forming a Procurement Committee as soon as possible. Chair Mahmud additionally raised the issue of the need for a Personnel ad-hoc committee to develop personnel policies and benefits as well as a Bylaws ad-hoc committee to form operating policies and procedures. Chair Mahmud also stated her hope that the name change ad-hoc committee would be bringing options to the Board for consideration by the February 1 meeting.

Vice Chair Kuehl noted it may be very difficult to have the next meeting in two weeks, as the February Board meeting is scheduled for February 1st, and that skipping February's meeting would give staff the opportunity to communicate with every Board member about committees. Vice Chair Kuehl volunteered to work with staff on committee communications to find out who might like to serve on which committees.

Staff reminded the Board that it does have to consider the name change and the approval of the Executive Director contract at the February meeting, but noted the meeting could be kept very short.

Mr. Carnahan announced that Cal CCA would be holding a two-day legislative rally in Sacramento and stated he would share all the materials with board.

Chair Mahmud moved to adjourn to closed session.

V. CLOSED SESSION

The Board entered closed session. No action was taken.

VI. ADJOURN

The meeting was adjourned at 5:25pm.

Staff Report – Item 2

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Item: Approve the Extension of the Contract for BD Carnahan Management Services to June 30, 2018

Date: February 1, 2018

RECOMMENDATION:

Approve the extension of the contract for BD Carnahan Management Services, to June 30, 2018.

BACKGROUND AND DISCUSSION:

On April 28, 2017, the County executed a contract with Bill D. Carnahan, President of BD Carnahan Management Services, to provide executive level support as the County implements the LACCE program. The contract sum is a not to exceed \$230,880, and was set to expire on January 19, 2018. In order to not let Mr. Carnahan's services to the LACCE Authority lapse, the Chair signed the extension to Mr. Carnahan's contract to June 30, 2018 and is asking the Board to approve the extension. The extension will not increase the contract sum for the contract, given there remains funds in the designated contracted amount. Mr. Carnahan will act as Interim Executive Director until the Board appointed Executive Director starts his position LACCE. At such time, Mr. Carnahan will stay on as a consultant to LACCE and provide the Executive Director support and background during the transition.

Attachments:

Attachment 1 – Amendment No. 2 BD Carnahan Management Services Contract

**DELEGATED AUTHORITY AGREEMENT FOR
EXECUTIVE MANAGEMENT CONSULTING SERVICES**

Delegated Authority Agreement No. AO-17-053

AMENDMENT NO. 2

THIS AMENDMENT is made and entered into this 19th day of January 2018 [REDACTED]

by and between Los Angeles Community Choice Energy Authority
(hereinafter "LACCE"),

and BD Carnahan
Management Services
(hereafter "CONTRACTOR" or
"CONSULTANT")

Business Address:
1775 Paseo Verano
San Dimas, CA 91773

WHEREAS, reference is made to that certain document entitled "DELEGATED AUTHORITY AGREEMENT FOR EXECUTIVE MANAGEMENT CONSULTING SERVICES", dated April 28, 2017, and further identified as County Delegated Authority Agreement No. AO-17-053, and any amendments thereto (all hereafter referred to as "Agreement" or "Contract"); and

WHEREAS, on April 28, 2017, the County of Los Angeles' Chief Executive Officer, in accordance with Government Code Sections 23005 and 31000, entered into an Agreement with BD Carnahan Management Services to provide Executive Management Consulting Services to the COUNTY; and

WHEREAS, the COUNTY and CONSULTANT mutually agree that the COUNTY shall have the authority to assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of CONTRACTOR, to another public agency or joint powers agency; and

WHEREAS, on August 4, 2017, the County assigned its rights and duties under this Agreement, in whole, to LACCE.

NOW, THEREFORE, in consideration of the mutual benefits derived there from, it is agreed between the parties that Agreement No. AO-17-053 shall be amended as follows:

1. This Amendment No. 2 shall commence on the date of execution.
2. Section 4.0, Term, is deleted in its entirety and replaced as follows:

The term of this Contract shall commence upon the date of approval by the County, and shall expire on June 30, 2018, subject to LACCE's right to terminate earlier for convenience, nonappropriation of funds, default of CONTRACTOR, substandard performance of CONTRACTOR, nonresponsibility of CONTRACTOR, and improper

DELEGATED AUTHORITY AGREEMENT FOR CONSULTING SERVICES
DELEGATED AUTHORITY AGREEMENT NO. AO-17-038 AMENDMENT NO. 2
consideration given/offered to LACCE with respect to the award of this Contract.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2:

LOS ANGELES COMMUNITY CHOICE ENERGY

By *Diana Mahmud* Date January 19, 2018
Chair

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____
Senior Deputy County Counsel

By *[Signature]*
BD Carnahan Management Services

Taxpayer Identification

Staff Report – Item 3

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: **Posting of \$500,000 to complete Congestion Revenue Right (CRR) Holder Registration**

Date: February 1, 2018

RECOMMENDATION

Authorize staff to post \$500,000 with the California Independent System Operator (CAISO) in February to complete Congestion Revenue Right (CRR) Holder Registration.

BACKGROUND AND DISCUSSION

As a wholesale energy market participant that serves load, LACCE is eligible to receive allocations of Congestion Revenue Rights (CRRs) that can provide value ranging from \$0.25/MWh up to as much as \$2/MWh of load served. Based on forecasted June load (>500,000 MWh), the value of the CRR allocations could range in value from \$125,000 up to as much as \$1,000,000 for June 2018. In order to receive its allocations starting in June, LACCE must register as a CRR holder with the California Independent System Operator (CAISO) by the end of February. Registration requires that LACCE meet one of the following criteria:

1. A net worth of \$1 million;
2. Total assets of \$10 million; or
3. Credit support equaling \$500,000 in the form of a guaranty or Letter of Credit from another entity that qualifies as an “appropriate person”

Of the three criteria, LACCE currently can only meet the third and would need to post \$500,000. Given the opportunity for significant CRR revenue, we recommend the Board authorize LACCE staff to post the required funds with the CAISO to assure that we receive our June CRR allocations.

Once LACCE has been operating for several months, it is expected that we will meet criteria (1) and can request the \$500,000 be returned.

Staff Report – Item 4

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: **Request Chair to execute Amendment Number 1 to the Los Angeles Community Choice Energy (LACCE) Authority Joint Powers Agreement**

Date: February 1, 2018

RECOMMENDATION

Delegate authority to the Chair of the LACCE Board, or her designee, to execute the Amendment Number 1 to the Joint Powers Agreement (JPA) that was approved by the LACCE Board on December 7, 2017.

BACKGROUND

On December 7, 2017, the Board approved Amendment No. 1 to the JPA, which made explicit the LACCE's Authority's obligation to use its best efforts to sell a member's pro rata share of energy and the obligation of the departing member to pay any marginal difference between the purchase and sale price for such power, if any.

In order to streamline the process, we are requesting the Board to delegate authority to the Chair to execute the Amendment No. 1.

Attachments

1. Amendment No.1 to the LACCE Joint Powers Agreement.

**AMENDMENT NUMBER ONE TO
THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY
JOINT POWERS AGREEMENT**

This Amendment Number One to the Los Angeles Community Choice Energy Authority ("Authority") Joint Powers Agreement ("Agreement") is made and entered into this ____ day of December, 2017, by and between the County of Los Angeles, a body corporate and politic and political subdivision of the State of California (the "County"), the City of Rolling Hills Estates, a municipal corporation, the City of South Pasadena, a municipal corporation, the City of Calabasas, a municipal corporation, the City of West Hollywood, a municipal corporation, the City of Alhambra, a municipal corporation, and the City of Sierra Madre, a municipal corporation.

RECITALS

1. The Authority's Joint Powers Agreement was executed on June 27, 2017 between the County and the City of Rolling Hills Estates in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
2. The cities of South Pasadena, Calabasas, West Hollywood, Alhambra and Sierra Madre have subsequently joined the Authority and are parties to this Agreement.
3. The parties wish to amend this Agreement for the purposes clarifying the obligations of the Authority and a withdrawing member under Section 8.1.3 of the Agreement.

NOW THEREFORE, it is mutually agreed by and between the parties hereto to amend the Joint Powers Agreement

1. Section 8.1.3 of the Agreement shall be deleted in its entirety and read as follows:

8.1.3 Party that withdraws its membership in the Authority may be subject to certain continuing liabilities, as described in Section 8.4 (Continuing Liability; Refund) of this Agreement, including, but not limited to, Power Purchase Agreements. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. The Operating Policies and Procedures shall prescribe the rights if any of a withdrawn Party to continue to participate in those Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party. Notwithstanding the foregoing, the Authority shall use best efforts to sell the withdrawing party's pro rata share of the liability under its Power Purchase Agreement(s) within the 180 days. In the event the Authority sells the withdrawing member's share or a portion thereof, the withdrawing party will pay the difference between the liability under the Power Purchase Agreement and the liability sold to the other party, if any.

2. All other terms and conditions of the Agreement shall remain in effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment One to be executed as of the date first above written.

Staff Report – Item 5

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: Grace Period Requests for Approval

Date: February 1, 2018

RECOMMENDATION:

It is recommended that the Board approve requests from the City of Santa Paula and the City of Ventura to join the LACCE program at no cost due to delays in City Council consideration caused by the wildfires of December 2017.

BACKGROUND AND DISCUSSION:

At the December 7, 2017 meeting of the LACCE Board, the Board considered and adopted a New Entrant's Policy that guides how LACCE will evaluate and approve cities seeking to join LACCE after the initial "open enrollment" period that ended on December 27, 2017. The Board amended the policy to recognize the impact that wildfires in Los Angeles and Ventura counties were having on cities and their ability to meet the December 27th deadline. This amendment offered a 90-day grace period for cities affected by the wildfires to join at no cost.

Staff advised cities of the amended policy and indicated to cities that such requests would be granted at the discretion of the LACCE Board. The cities of Santa Paula and Ventura have requested to join LACCE at no cost and their requests are included as an attachment to this report.

Timing of New Entrants Beginning of Electric Service

As directed by the LACCE Board in adopting the New Entrant's Policy, staff will file amendments to the Implementation Plans on a quarterly basis (as needed) to bring new cities into the program. Amendment #1 to the LACCE Implementation Plan was filed on December 29, 2017 to include the 21 jurisdictions that joined LACCE in 2017 after the initial Implementation Plan filing of August 15, 2017.

Therefore, cities that join in the first quarter of 2018 – whether under the no-cost grace-period extension or otherwise – will be included in Amendment #2 which will be filed in April 2018. It is anticipated that these cities will begin electric service as part of Phase 3 in December 2018, if possible, or more likely in early 2019. However, if CPUC Resolution E-4097 is adopted as currently drafted, it is possible that those cities would not be able to begin service until January 2020.

Los Angeles Community Choice Energy

Attachment:

- 1 – Email from Santa Paula City Manager Michael Rock
- 2 – Letter from Ventura Interim City Manager Dan Paranick

From: [Michael Rock](#)
To: [Gary Gero](#)
Subject: City of Santa Paula Request Extension for Joining LACCE
Date: Wednesday, January 24, 2018 8:58:48 AM

Dear Mr. Gero:

Due to my recent arrival as City Manager and the devastating Thomas Fire I respectfully request an extension to consider joining LACCE. Our City Council will have a study session in February and March and then will consider joining LACCE shortly thereafter. If the extension is granted through this email what would be the final date for our City to join LACCE without an entrance fee?

Sincerely,

Michael Rock

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CITY OF VENTURA
CITY MANAGER

Date: January 24, 2018

**To: Gary Gero, Chief Sustainability Officer
County of Ventura**

From: Dan Paranick, Interim City Manager

Subject: LACCE Extension Waiver

It is our understanding that the LACCE Board is providing a 90-day grace period for those cities impacted by the local fires. As you are aware, the City of Ventura was severely impacted during this wildfire event which began on December 4, 2017. City staff was fully engaged during this period and then during the storm preparations that followed.

If the board elects to grant the grace period, city staff would request that the City Council adopt the Joint Powers Agreement and introduce the ordinance by the March 27th deadline.

If you should have any questions, please feel free to contact me at (805) 654-7740.

Thank you for your consideration.

Staff Report – Item 6

To: Los Angeles Community Choice Energy Board of Directors

From: Ad Hoc Committee to Select an Executive Director

Subject: Appointment of an Executive Director

Date: February 1, 2018

SUBJECT

Appointment of Mr. Theodore Bardacke as the Executive Director of LACCE and approval execution of an Employment Agreement with Mr. Bardacke in substantially similar form to the attached Employment Agreement to provide services as the LACCE Executive Director.

RECOMMENDED ACTION

It is recommended that your Board:

1. Approve Resolution No. 18-002 (Attachment 1) appointing Theodore Bardacke as Executive Director of LACCE;
2. Approve the Employment Agreement (Attachment 2) with Mr. Bardacke, substantially similar in form to the attachment, at a not to exceed amount of \$220,000 annually, starting February 26, 2018, for a period of two years, unless terminated earlier.
3. Delegate authority to the Chair of the LACCE Board, or her designee, to execute the Employment Agreement with Mr. Bardacke, as approved as to form by the General Counsel.
4. Delegate authority to the Interim Executive Director, or his designee, to enter into an agreement with a payroll processing agreement with a qualified firm to allow for implementation of the Employment Agreement for a not to exceed amount of \$5,000 annually.

BACKGROUND

Following an extensive recruitment and vetting process, the Ad Hoc Committee is recommending that Mr. Bardacke be appointed to serve as the LACCE Executive Director. Mr. Bardacke currently serves as the Director of Infrastructure in the Office of Los Angeles Mayor Eric Garcetti. In that capacity, he oversees on behalf of the Mayor

Los Angeles Community Choice Energy

the operations of the Los Angeles Department of Water and Power and the Department of Public Works, as well as serves as the Mayor's liaison to the city's representatives to the Metropolitan Water District. Through this and previous experience Mr. Bardacke has developed expertise in utility operations including energy planning, rate setting, power procurement contracts, customer service, and energy efficiency and renewable energy program design and implementation.

Mr. Bardacke also possesses strong financial analysis skills, has a demonstrated history of engagement with stakeholders, and is an excellent communicator. The Ad Hoc Committee strongly believes that Mr. Bardacke is an ideal candidate to build and grow the Los Angeles Community Choice Energy program. He has a unique background that includes experience as a journalist, an educator, and as a senior staff member of a national non-profit organization.

DISCUSSION

The Employment Agreement was developed after evaluation of similar contracts and a salary survey of other CCAs in California and the proposed compensation package is within LACCE's budget for this position. Mr. Bardacke will be compensated at an annual salary of \$220,000 and the Employment Agreement provides other benefits commensurate with those provided by other CCAs regarding retirement, healthcare, transportation, vacation, holidays, and severance. The Agreement details a timeline and process for the Executive Director's performance review after 6 months and annually thereafter.

In order to effectuate the Employment Agreement, it is necessary to establish a contract with a payroll processing company to ensure that LACCE is compliant with state and federal law for employee taxes and other withholdings. Such firms can also assist with the establishment of retirement accounts and healthcare benefits, if desired. Authority is sought to allow LACCE staff to enter into an agreement with such a firm prior to Mr. Bardacke's start date of February 26, 2018.

Attachments

- 1 – Resolution 18-002
- 2 – Employment Agreement
- 3 – Theodore Bardacke Resume

RESOLUTION NO. 18-002

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY APPOINTING AN EXECUTIVE DIRECTOR AND APPROVING AN EMPLOYMENT AGREEMENT BETWEEN THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY AND THEODORE BARDACKE

THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

WHEREAS, the Los Angeles Community Choice Energy Authority (“Authority”) was formed on June 27, 2017 pursuant to a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy programs in Southern California;

WHEREAS, as of December 31, 2017 the Los Angeles County Board of Supervisors, the Ventura County Board of Supervisors, and the City Councils of twenty two cities, including Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Rolling Hills Estates, Santa Monica, Sierra Madre, South Pasadena, Temple City, Thousand Oaks, and West Hollywood (respectively, "Participant City"; or collectively, "Participant Cities"), adopted ordinances authorizing the implementation of a Community Choice Aggregation Program ("CCA Program") to be operated by LACCE, pursuant to California Public Utilities Code Section 366.2(c)(12);

WHEREAS, prior to December 31, 2017, the Participant Cities and County entered into Los Angeles Community Choice Energy Authority Joint Powers Agreement (the "JPA Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (the "Act") to operate and administer the CCA Program;

WHEREAS, Section 4.10 of the JPA Agreement provides that the LACCE Board of Directors (“Board”) shall appoint an Executive Director for LACCE, who shall be responsible for the day-to-day operation and management of LACCE, and provides for the powers and authority of the Executive Director;

WHEREAS, Theodore Bardacke possesses the skill, experience, ability, background and knowledge to perform the duties and services provided by this Agreement as the Executive Director of LACCE; and

WHEREAS, the LACCE Authority Board of Directors desires to appoint and employ Theodore Bardacke as its Executive Director pursuant to the terms provided by this Agreement.

NOW THEREFORE BE IT RESOLVED that the Chair of the Board is hereby directed to execute the Employment Agreement for Executive Director with Theodore Bardacke, in substantially similar form as attached to the Agenda Report, with any non-substantive revisions approved by the Chair and General Counsel, that accompanied this Resolution, on behalf of LACCE, and is authorized to take all other actions necessary to implement the Agreement.

PASSED AND ADOPTED this First Day of February, 2018

Chair
Los Angeles Community Choice Energy Authority

Attest:

Secretary
Los Angeles Community Choice Energy Authority

EMPLOYMENT AGREEMENT – LACCE EXECUTIVE DIRECTOR

THIS EMPLOYMENT AGREEMENT ("Agreement") is entered into by and between the Los Angeles Community Choice Energy Authority, also known as "LACCE" and Theodore Bardacke, an individual ("EMPLOYEE"). LACCE and EMPLOYEE are sometimes collectively referred to herein as the "PARTIES." For identification purposes, this Agreement is dated February 1, 2018.

RECITALS

This Employment Agreement is entered into based on the following facts, understandings and intentions of the PARTIES:

A. The Los Angeles County Board of Supervisors, the Ventura County Board of Supervisors, and the City Councils of twenty two cities, including Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Ojai, Paramount, Rolling Hills Estates, Santa Monica, Sierra Madre, South Pasadena, Temple City, Thousand Oaks, and West Hollywood (respectively, "Participant City"; or collectively, "Participant Cities"), adopted ordinances authorizing the implementation of a Community Choice Aggregation Program ("CCA Program") as of December 31, 2017 to be operated by LACCE, pursuant to California Public Utilities Code Section 366.2(c)(12).

B. Prior to December 31, 2017, the Participant Cities and County entered into Los Angeles Community Choice Energy Authority Joint Powers Agreement (the "JPA Agreement") pursuant to the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (the "Act") to operate and administer the CCA Program.

C. Section 4.10 of the JPA Agreement provides that the LACCE Board of Directors ("Board") shall appoint an Executive Director for the LACCE, who shall be responsible for the day-to-day operation and management of the LACCE and the CCA Program, and provides for the powers and authority of the Executive Director.

D. EMPLOYEE possesses the skill, experience, ability, background and knowledge to perform the duties and services provided by this Agreement as the Executive Director of LACCE.

E. LACCE desires to appoint and employ EMPLOYEE as its Executive Director on the terms provided by this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual promises and conditions in this Agreement, it is agreed as follows:

1. **Duties and Authority of the Executive Director.** LACCE shall employ

EMPLOYEE as the Executive Director of LACCE, with the full power and authority to perform all of the duties of the Executive Director, as provided in the JPA Agreement. The Board may from time to time fix other terms and conditions of employment relating to the performance of Employee provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, or other applicable law.

2. **Term.** Unless earlier terminated as provided in this Agreement, the term of this Agreement shall be for two years, commencing on the date EMPLOYEE reports for work and assumes duties of Executive Director (the "Term"). In the event this does not occur by March 1, 2018 this Agreement shall be considered null and void, unless the PARTIES mutually agree to a later start date.
3. **Compensation.** Effective on the commencement of employment, LACCE shall pay EMPLOYEE an annual base salary of \$220,000 prorated and paid on LACCE's normal paydays, subject to legally permissible or required deductions. EMPLOYEE's salary is compensation for all hours worked and for all services under this Agreement. EMPLOYEE shall be exempt from overtime pay provisions of California law (if any) and federal law. EMPLOYEE's salary may be adjusted periodically to reflect cost of living increases and merit increases.
4. **Benefits.** During the Term of this Agreement, EMPLOYEE shall be entitled to participate in any group insurance plan (including medical, dental, vision, life and disability), retirement program or similar plan or program of LACCE established by the Board during the term of this Agreement to the extent EMPLOYEE is eligible under its provisions. In the event LACCE establishes a separate benefit program for executive and management employees, EMPLOYEE shall be entitled to only participate in such benefit program. LACCE may establish additional benefit programs and may modify, reduce or eliminate any benefit plan or program in its discretion, in accordance with applicable law. In addition, EMPLOYEE shall be entitled to the following benefits:
 - a. **Health Benefit.** EMPLOYEE agrees to forego health coverage and any associated cash-in-lieu payment from LACCE for a period of one-year from the start of his employment. After this period, EMPLOYEE will be eligible to participate in any LACCE group health program for which LACCE employees are eligible. EMPLOYEE will have an option to receive cash in lieu of participation in the LACCE group health program at a rate equivalent to LACCE's per employee cost for such program.
 - b. **Vacation.** EMPLOYEE will accrue vacation leave at the rate of 120 hours (3 weeks) annually, prorated and credited each pay period. EMPLOYEE may accrue vacation to a limit of 15 times the annual accrual. Once EMPLOYEE reaches the maximum accrual limit he will not accrue any additional vacation time until his accrued balance falls below the maximum limit. Except as otherwise provided in this Agreement, vacation leave shall be subject to any LACCE vacation policy applicable to employees generally.

- c. Sick Leave. EMPLOYEE shall be entitled to sick leave in the amount of one day per month, a total of 96 hours annually, prorated and credited each pay period. Except as otherwise provided in this Agreement, sick leave shall be subject to any LACCE sick leave policy applicable to full-time employees generally. This benefit will be interpreted and applied consistent with the minimum requirements of California law requiring paid sick leave.

- d. Holiday Leave. EMPLOYEE shall be entitled to the following paid holidays: New Year's Day, Martin Luther King Jr.'s Birthday, Presidents' Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Indigenous People's (previously Columbus) Day, Veteran's Day, Thanksgiving, Friday after Thanksgiving, Christmas Day. If a holiday falls on a weekend or another question arises in the administration of a holiday, the holiday will be administered in a manner similar to the benefit applied to employees in Los Angeles County until LACCE adopts its own holiday policy applicable to employees generally. In addition, on July 1 of each year, EMPLOYEE will be credited with four floating holidays for use during the year from July 1-June 30. EMPLOYEE must be employed on July 1 to be eligible to receive any floating holidays, floating holidays are not prorated.

- e. Retirement. EMPLOYEE will be eligible to participate in any public retirement program or similar plan which LACCE establishes for its employees. Until the time that such a program or plan is established, LACCE will provide EMPLOYEE with the opportunity to participate in a 401(a) or similar type plan. Once LACCE establishes its employee retirement program, EMPLOYEE will receive a one-time contribution of \$25,000 toward such plan. Additionally, EMPLOYEE will be eligible for ongoing employer matching contributions of 50%, up to 6% of EMPLOYEE's salary (subject to IRS limits). In the event a 401(a) plan is not immediately available, EMPLOYEE will be included in mandatory Social Security, per the requirements of federal law.

- f. Car Allowance. EMPLOYEE's duties require that he have available exclusive and unrestricted use of an automobile for business purposes and EMPLOYEE agrees to have a personal vehicle available for such use. In consideration of this, LACCE agrees to pay to EMPLOYEE, during the term of this Agreement and in addition to other salary and benefits, a car allowance of Three Hundred Fifty Dollars (\$350.00) per month. The car allowance includes reimbursement for an appropriate allocation of vehicle insurance and all other expenses of vehicle ownership, maintenance and operation. EMPLOYEE shall maintain automobile liability insurance limit of at least \$250,000 per person and \$500,000 per accident. EMPLOYEE shall submit proof of insurance on request.

- g. Professional Organizations. Subject to availability of funds and with prior Board approval, LACCE agrees to pay or to reimburse EMPLOYEE for any budgeted, reasonable and necessary membership dues in professional organizations.

5. **Expenses.** During the employment term., and subject to the availability of funds, LACCE shall reimburse EMPLOYEE for budgeted and reasonable out-of-pocket expenses incurred in connection with LACCE's business, including reasonable expenses for travel, food, and lodging while away from home, subject to such policies as LACCE may from time-to-time reasonably establish for its employees. Additionally, EMPLOYEE shall be entitled to Board-approved or budgeted and reasonable reimbursement for continuing education expenses, and for attendance at conventions, and conferences.
6. **Evaluation of Performance.** During the first thirty (30) days of employment, EMPLOYEE and the Board will meet to develop an initial performance plan, which will be the basis for the EMPLOYEE's initial performance evaluation. EMPLOYEE shall initiate and schedule an initial performance evaluation to take place six months after EMPLOYEE's services for LACCE begins ("Initial Performance Evaluation"). At the Initial Performance Evaluation, the Board shall develop mutually agreeable performance goals and criteria which the Board shall use in evaluating the performance of EMPLOYEE at the first annual performance evaluation in 2019.
7. **Restrictions on Outside Business Activities and Conflicts.** During his employment, EMPLOYEE shall devote his full energies, interest, abilities, and productive time to the performance of the Agreement and shall not, without LACCE's prior written consent, tender to other entities or individuals services of any kind for compensation, or engage in any other business activity. In addition, EMPLOYEE shall not engage in any activity, for compensation or otherwise, that would interfere or conflict with the performance of his duties under this Agreement, including activities that may reasonably be expected to conflict with the Executive Director's duties. Notwithstanding the foregoing, EMPLOYEE is authorized to fulfill his existing contractual agreement as a Continuing Lecturer at the University of California, Los Angeles. Without limitation to the foregoing, a conflict includes, but is not limited to, a conflict of interest under the California Political Reform Act, Government Code Section 1090 or other state or federal laws.
8. **Termination of Agreement.**
 - a. Termination by LACCE. EMPLOYEE is employed at the pleasure of the Board, and is thus an at-will employee. The Board may terminate this Agreement and the employment relationship at any time with or without cause, and with or without prior notice.
 - b. Termination on Resignation. EMPLOYEE may terminate the Agreement by giving LACCE at least sixty (60) days (or more if possible) prior written notice. LACCE may accelerate the effective date of resignation to any date after the receipt of written notice or, upon request, may reduce the notice period, at its discretion.
 - c. Termination on Death. If EMPLOYEE dies during the term of this Agreement, this Agreement shall be terminated on the date of EMPLOYEE's death. All warrants or checks for accrued salary, accrued vacation or other items shall be released to the person designated in writing by EMPLOYEE pursuant to Government Code Section 53245 or, if no designation is made, to EMPLOYEE's estate.

9. **Severance.** LACCE shall pay EMPLOYEE for all services through the effective date of termination. EMPLOYEE shall have no right to any additional compensation or payment, except as provided below and except for any accrued and vested benefits.
- a. If LACCE terminates this Agreement (thereby terminating- EMPLOYEE's employment) without cause, LACCE shall pay EMPLOYEE a lump sum severance benefit equal to three (3) months of his then applicable base salary.
 - b. If LACCE terminates this Agreement (thereby terminating EMPLOYEE's employment) with cause, EMPLOYEE shall not be entitled to any severance. As used in this Agreement, cause shall mean termination due to:
 - (1) A conviction, plea bargain, judgment or adverse determination by any court, the State Attorney General, a grand jury, or the California Fair Political Practices Commission involving any felony, intentional tort, crime of moral turpitude or violation of any statute or law constituting misconduct in office, misuse of public funds or conflict of interest;
 - (2) Conviction of a felony;
 - (3) Conviction of a misdemeanor arising out of EMPLOYEE's duties under this Agreement and involving a willful or intentional violation of law;
 - (4) Willful abandonment of duties;
 - (5) A pattern of repeated, willful and intentional failure to carry out materially significant and legally constituted policy decisions of the Board made by the Board as a body or persistent and willful violation of properly established rules and procedures; and
 - (6) Any other action or inaction by EMPLOYEE that materially and substantially harms LACCE's interests, materially and substantially impedes or disrupts the performance of LACCE or that is detrimental to employee safety or public safety.
 - c. If EMPLOYEE terminates this Agreement (thereby terminating EMPLOYEE's employment), EMPLOYEE shall not be entitled to any severance.
 - d. Any other term of this Agreement notwithstanding, the maximum severance that EMPLOYEE may receive under this Agreement shall not exceed the limitations provided in Government Code Sections 53260 - 53264, or other applicable law. Further, in the event EMPLOYEE is convicted of a crime involving an abuse of office or position, EMPLOYEE shall reimburse the LACCE for any paid leave or cash settlement (including severance), as provided by Government Code Sections 53243 - 53243.4.

10. Reimbursement to LACCE required

The following limitations apply to LACCE's obligation to EMPLOYEE pursuant to paragraph 9 above:

- a. Paid Leave. Pursuant to Cal. Government Code Section 53243, in the event the EMPLOYEE is placed on paid leave pending an investigation, EMPLOYEE shall reimburse LACCE if he is subsequently convicted of a crime of moral turpitude or that constitutes "abuse of office or position," as that is defined by Government Code Section 53242.4;
- b. Legal Defense. Pursuant to Government Code Section 53243.1, in the event LACCE pays for EMPLOYEE's legal criminal defense, he shall fully reimburse such funds to LACCE if he is subsequently convicted of a crime of moral turpitude that constitutes "abuse of office or position;"
- c. Severance. Pursuant to Government Code Section 53243. 2, if this Agreement is terminated, any cash settlement related to the termination that Employee may receive from LACCE, including any severance paid under Paragraph 13 must be fully reimbursed to LACCE if he is subsequently convicted of a crime of moral turpitude or that constitutes "abuse of office or position."

11. Miscellaneous Provisions.

- a. Integration. Subject to all applicable Government code sections, the Agreement contains the entire agreement between the PARTIES and supersedes all prior oral and written agreements, understandings, commitments and practices between the PARTIES before the date of this Agreement. No amendments to this Agreement may be made except in writing signed by the PARTIES.
- b. Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder of the Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances it shall nevertheless remain in full force and effect in all other circumstances.
- c. Notices. Any notices required or permitted under this Agreement must be in writing and shall be deemed effective on the earlier of personal delivery (including personal delivery by facsimile or similar means intended to provide actual delivery on the same day) or the third day following mailing by first class mail to the recipient. Notice to LACCE shall be addressed to the Secretary of the Board at the LACCE's then principal place of business. Notice to EMPLOYEE shall be addressed to his home address, as then shown in LACCE's files.
- d. Agreement is Binding. This Agreement shall be binding upon and inure to the benefit of LACCE, its successor and assigns, and shall be binding upon

EMPLOYEE, his administrators, executors, legatees, heirs, and assigns.

- e. Waiver. The failure of either PARTY to insist on strict compliance with any of the terms, covenants or conditions of this Agreement by the other PARTY shall not be deemed a waiver of that term, covenant or condition, nor a waiver or relinquishment of any right or power.

IN WITNESS WHEREOF, the PARTIES have executed this Agreement.

LOS ANGELES COMMUNITY CHOICE ENERGY

By _____

Date _____

Chair

By _____

Theodore Bardacke

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____

Senior Deputy County Counsel

Ted Bardacke, AICP, LEED AP



PUBLIC SECTOR EXPERIENCE

Office of Mayor Eric Garcetti, Los Angeles, CA

Director of Infrastructure

April 2015 – Present

Chief policy liaison to the Department of Water and Power and the five Bureaus of the Department of Public Works, totaling 14,000 employees and combined annual budgets of \$7 billion. Responsible for developing and implementing Mayor Garcetti's agenda in the areas of energy, integrated water management, and public infrastructure such as streets, sidewalks, and urban forestry. Supervise a staff of four policy analysts and directly report to a Deputy Mayor and Chief of Staff. Work closely with a policy-making board (LADWP), a management board (Public Works), and the Mayor's appointees to the Board of the Metropolitan Water District.

Coordinate policy initiatives and key project development with Chief of Legislative and External Affairs, Chief of State and Federal Affairs, Director of Communications, Chief Sustainability Officer and six Department General Managers. Key initiatives and projects have included:

- Securing a 5-year water and power rate increase to fund a transition of 75% the city's energy mix to low carbon resources and reducing purchases of imported water by 50%
- Supervising major energy planning initiatives, including 2016 Integrated Resources Plan, a multi-year study to define pathways to reach 100% Renewables, and scenario analysis/procurement strategy for alternatives to local natural gas power plants in wake of Aliso Canyon leak
- Doubling local solar capacity through development of new offerings in the Solar Feed-in-Tariff, Community Solar, and net metering solar programs.
- Coordinating between multiple city, regional and state agencies to increase recycled water production towards a goal of eliminating ocean water discharge and increase local water sources
- Developing LADWP Customer "Bill of Rights" and a series of performance metrics on customer service during and after transition to new Customer Care and Billing system
- Managing State of Emergency Declaration and subsequent operations in Owens Valley as a result of historic Eastern Sierra snowfall and runoff in Winter of 2017
- Launching a \$1.3 billion sidewalk repair and program, involving eight different City departments

Office of Mayor Eric Garcetti, Los Angeles, CA

Deputy Director, Sustainability Office

August 2013 – April 2015

Crafted Los Angeles first-ever Sustainability Plan, which lays out long-term goals, and specific policy measures to achieve them, in the areas of environment, economy, and equity. Managed internal staff and outside consultants, ran internal and external stakeholder consultation processes, and forged cross-departmental collaborations. Grew office from two people to seven people in under two years. In addition to Sustainability Plan development, key initiatives and projects included:

- Achieving state-leading 15% energy efficiency goal through full suite of policies and programs, including annual building energy and water use disclosure program for municipal and private sector buildings, expansion of residential and commercial PACE financing availability, and securing contracts with outside vendors for faster project delivery
- Implementing on-line residential solar permitting system and reducing solar interconnection times from two months to less than 10 days
- Drafting and implementing Executive Directive #5, the City's 2103 emergency drought response and long term water conservation and supply goals
- Establishing Mayor's 100,000 housing units in 10 years goal

NON-PROFIT EXPERIENCE

Global Green USA, Santa Monica, CA

Senior Program Associate, Green Urbanism Program

July 2003 – July 2013

Responsible for providing energy efficiency, renewable energy, and greenhouse gas reduction program development, along with green building and neighborhood planning technical assistance for public

agencies, real estate professionals, design and construction organizations, financial institutions and affordable housing developers. Key projects included:

- 98 units of Zero Energy Affordable Housing units under contract from the California Energy Commission. Projects set national precedent for combining Low Income Housing Tax Credits with Solar Business Investment Tax Credits.
- Program development for California Public Utilities Commission and California Energy Commission for state's solar rebate program for affordable housing and Virtual Net Metering program, which reduced solar installation costs on multifamily properties by 30%.
- Program design for using renewable energy, financial instruments and greenhouse gas emissions funds for grassroots community development projects in economically distressed and polluted urban areas. Principles of the program ultimately incorporated into SB 535, which directs California to spend greenhouse gas credit revenue on environmental justice and affordable housing projects near transit.
- Program implementation support to the \$19 billion green building and construction program of the Los Angeles Unified School District and post-Katrina K-12 school planning and rebuilding efforts for the Recovery School District in New Orleans.
- Cooperative program with the Local Initiatives Support Corporation, to incorporate environmental technologies into charter school campuses as a means of raising student academic performance and enhancing schools as centers of urban community development.
- US EPA-funded program providing technical assistance to 16 local governments on efforts to transform specific neighborhoods into ones that are more economically prosperous, healthy, and environmentally responsible.

Centro de Transporte Sustentable (Embarq), Mexico City, Mexico

Visiting Fellow

June 2012 – June 2103

Worked with non-profit organizations, government agencies, and affordable housing developers on policies supporting transit-oriented development, establishment of local urban growth boundaries, and development of sustainability metrics.

Lincoln Center Constituent Development Project, New York, NY

Project Manager

June 2002 – January 2003

Managed projects, from planning stages through close-out, of long-term \$1.2 billion redevelopment of the Lincoln Center performing arts complex. Major work with Boards of Directors of eleven different constituent groups and multiple consultants included forging program consensus, budget forecasting, undertaking baseline and scenario studies, and planning community relations strategies. Managed public relations in a fast-paced, diverse and competitive news environment.

JOURNALISM AND COMMUNICATIONS EXPERIENCE

The Financial Times, London, England

Southeast Asia Correspondent

April 1995-April 2000

Stationed in Bangkok. Wrote news and feature stories on Burma, Cambodia, Indonesia, Malaysia, Thailand and Vietnam. Designated lead reporter on financial crises, regional trade and diplomacy. Specialized in economic restructuring, urbanization, environmental and natural resource use issues, and cross-border movement of people, goods and capital. Covered release and re-imprisonment of Aung San Suu Kyi, violent ousters of Suharto and Anwar in 1998, and East Timor independence in 1999.

BBC World Service, London, England; **Deutsche Welle**, Cologne, Germany

Commentator

1996-2000

Analyzed current events in Southeast Asia on live television and radio programs.

The Financial Times, London, England; **The Washington Post**, Washington DC

Assistant Mexico Correspondent

March 1994-March 1995

Stationed in Mexico City. Wrote news and feature stories on Mexico, Central America and the Caribbean. Designated lead reporter on peso devaluation in 1994. Specialized in Mexican politics, US-Mexican trade relations and urban integration and environmental management on the US-Mexican border. Covered US invasion of Haiti and Zapatista Rebellion in 1994.

TEACHING EXPERIENCE

University of California at Los Angeles, Los Angeles, CA

Lecturer

2008 – Present

Teach two-class sequence for urban planning, architecture, public policy and engineering students on urban environmental issues. "Introduction to Sustainable Architecture and Community Planning" is a historic survey of the interaction between people and ecological systems and various policy and design responses to those interactions; "Green Urban Studio" is a design and quantitative analysis studio course centered around planning a net-zero energy, water self-sufficient community designed according to biophilic principles and adaptive to climate change

Universidad Iberoamericano, Mexico City, Mexico

Visiting Instructor

2010 – 2015

Taught policy and program design module for executive education course on sustainable urbanism aimed at architects, engineers, planners and real estate developers. Module taught entirely in Spanish.

Pomona College, Claremont, CA

Visiting Instructor

2005 – 2012

Taught Senior seminar on "Green Urbanism: Nature's Services and Urban Design" to Environmental Analysis majors. Course addressed urban-focused environmental analysis, systems thinking, and the design of infrastructure, neighborhoods, and buildings per ecological principles.

Economist Intelligence Unit Conferences, Southeast Asia

Lecturer

1996-2000

Gave presentations on cultural, political and economic trends in Southeast Asia to multi-day retreats for transnational business executives. Facilitated small managerial-level discussion and focus groups.

EDUCATION

Columbia University, New York, NY

M.S., Urban Planning, Graduate School of Architecture

May 2002

Specialized in project management, large-scale urban infrastructure development, and natural hazard mitigation.

Wesleyan University, Middletown, CT

B.A. with High Honors, Social Studies Major with concentration in Latin American Studies.

June 1990

PROFESSIONAL CERTIFICATIONS AND SKILLS

Member, American Institute of Certified Planners

Accredited Professional, Leadership in Energy and Environmental Design (LEED AP ND, BD&C)

Spanish, Fluent (Speaking, Reading, Writing)

BOARD AND COMMITTEE MEMBERSHIPS

Board Member, Santa Monica Bay Restoration Commission (Current)

XPrize, Future of Housing Advisory Group (Current)

Founding Chair, Location and Planning Technical Advisory Group, USGBC (Past)

Member, Green Retrofit Advisory Committee, City of Los Angeles (Past)

Member, LEED for Neighborhood Development Core Committee, USGBC (Past)

Member, Technical Committee, Collaborative for High Performance Schools (Past)

Vice President and Member of Executive Board, Foreign Correspondents Club of Thailand (Past)

HONORS AND AWARDS

Leadership Award for Advocacy, United States Green Building Council

Robert Weinberg Award for Academic Excellence in Urban Planning, American Planning Association, New York Metro Chapter

Kinne Post-Graduate Traveling Fellowship, School of Architecture, Columbia University

Grant Recipient, Dana Foundation for International Service

Staff Report – Item 7

To: Los Angeles Community Choice Energy Board of Directors
From: LACCE Staff
Item: New name for Los Angeles Community Choice Energy
Date: February 1, 2018

RECOMMENDATION:

Adopt “Clean Power Alliance of Southern California” as the new legal name for the Los Angeles Community Choice Energy Authority and use “Clean Power Alliance” in public communications.

BACKGROUND AND DISCUSSION

At its November 2, 2017 meeting, LACCE staff brought several draft logo designs for LACCE to the Board, for their consideration and approval. During the Board’s discussion, it was brought up that the membership of LACCE has expanded to jurisdictions beyond areas that are thought of as “Los Angeles,” and that prior to deciding on a logo, the Board should consider alternative, more inclusive names.

Staff worked with its branding consultant, ATAK, to develop a number of name alternatives, and presented these options to the Board at its December 7, 2017 meeting. No consensus was reached on a new name, but preferences and ideas were shared by the Board. Specifically, the Board felt that the new name should reflect the partnership and collaboration that cities displayed in forming the LACCE JPA and in administering the LACCE program. Following this discussion, staff was directed to return to the Board with recommendations at a future meeting.

At its December 19, 2017 meeting, staff requested that LACCE Board Members volunteer to serve on a name change subcommittee to assist staff in recommending a new name to the Board. The subcommittee members included Culver City, West Hollywood, Claremont, and the County of Ventura. Over the course of three weeks, the subcommittee, staff, and ATAK, met three times to develop a new name. In making the decision, close attention was paid to the input received from all Directors from previous Board discussions.

Clean Power Alliance

Regional Identifier

Los Angeles Community Choice Energy

Much of the Board and subcommittee discussion on the new name centered on the idea of deemphasizing “Los Angeles,” and developing a more inclusive regional identifier for LACCE’s members.

The subcommittee discussed these options, and ultimately decided that no one regionally identifying word fit for all LACCE’s members, and therefore names without one should be explored.

“Clean”

The subcommittee recognized the need for the name to reflect LACCE’s aspirations and one of the primary reasons that cities chose to join: its ability to deliver electricity and programs that accelerate the development of a sustainable future. With this in mind, the subcommittee decided that “Clean” best describes this aspect of LACCE, as its broader than “Green” and would better encapsulate all that LACCE hopes to achieve.

“Power”

The subcommittee also felt it was important to include a word such as “Energy” or “Power” in the new name to reflect LACCE’s primary work – generating or purchasing electricity and setting the retail rates for that electricity. “Power” was chosen over “Energy” because it was felt that “Power” was more inclusive in this regard, and it also conveys a sense of strength for the new organization.

“Alliance”

As noted above, the Board felt that the new name should reflect the partnership and collaboration that the wide diversity of cities represents in forming the LACCE JPA. The subcommittee’s discussion focused on two potential options, brought up in previous Board discussions: “Alliance,” and “Coalition.” The subcommittee decided that “Alliance” was the better fit in this instance, not least because the word “coal” is found in “Coalition.”

“Clean Power Alliance of Southern California”

Upon legal review of “Clean Power Alliance,” counsel advised that there is an existing entity with this name. It was suggested that some type of identifier be added to the end of the legal name, to eliminate any risk in potential litigation over name ownership. The subcommittee agreed it was appropriate to add “of Southern California” to the end of legal name. However, it was also recognized that this was awkward so in our public, non-legal, communications the name “Clean Power Alliance” should be used.

Website

The domains cleanpoweralliance.org and cleanpoweralliance.gov are available and our consultant, ATAK, is moving to secure them for our use. The domain

Los Angeles Community Choice Energy

cleanpoweralliance.com autorefers to a book for sale on Amazon so staff are investigating the owner of the site to determine if and what cost it can be acquired.

Other Notes

There was much subcommittee discussion about whether to include the word “Community,” as was mentioned during some of the previous Board discussion and by members of the public. “Community” was left out of the final name because it was felt that “Alliance” suitability communicated the idea of community, and the choice of communities to join the LACCE program.

Another option explored by the subcommittee was the idea of a non-acronym name for LACCE, with an attendant slogan or phrase. This was rejected due to the difficulty in coming up with one word to describe the entire LACCE program, as well as limitations in branding material associated with a logo that also requires a slogan to be communicated properly.

Staff Report – Item 8

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: Authorize the Executive Director to 1) negotiate a contract amendment with Calpine Energy Solutions for phase 2 and 2) issue an RFP for data management services for all LACCE accounts

Date: February 1, 2018

RECOMMENDATION

Authorize the Executive Director to: 1) negotiate a contract amendment with Calpine Energy Solutions for phase 2 data management for consideration at the March meeting of the Board; and 2) issue an RFP for data management services for all LACCE accounts.

BACKGROUND

Phase 2 Data Management

On September 27, 2017, and through a competitive solicitation process, the County of Los Angeles executed a Delegated Authority Agreement (Agreement) with Calpine for data management services for Phase 1, with the right to retain Calpine for subsequent phases. This Agreement was subsequently assigned to LACCE and approved by the Board on November 2, 2017 (Attachment 1).

Following the execution of the Agreement, LACCE staff has worked with Calpine on the necessary tasks to implement Phase 1. Their expertise has proved valuable, and LACCE is on track for a successful launch of Phase 1 service.

Phase 2 accounts, scheduled to begin service in June 2018, require data management service to be in place by March 2018. This allows enough time for the build-out of the data infrastructure and Customer Management Systems needed to serve the roughly 80,000 Phase 2 accounts.

As noted above, the Agreement with Calpine allows for an extension to cover phases beyond Phase 1. Due to the limited time available to secure data management for Phase 2, and staff's positive experience working with Calpine on Phase 1, staff is requesting authority to engage Calpine on an extension for Phase 2.

Los Angeles Community Choice Energy

Staff will return to the Board at its March meeting for approval of the final Agreement extension with Calpine.

Request for Proposals

Acknowledging that the Board may want to explore all of its options as it prepares for the launch of Phase 3 and beyond, staff is also requesting authorization to issue a Request for Proposals (RFP) for data management services and call center services, with full Distributed Energy Resources (DER) support, to cover all customer classes. If the Board were to select a new firm for these services, the firm would provide data management services to all LACCE accounts. It is expected that if the Board would need to consider options for data management services for Phases 3 and subsequent phases by June 2018 with a final decision by August 2018 to meet the December 2018 launch deadline.

Attachments:

1. Staff Report – November 2, 2017 – Calpine Agreement assignment

Item 8 – Attachment 1 – Staff Report from November 2, 2018

Staff Report – Item 4

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: **Approve the assignment of the contract with Calpine Energy Solutions for data management and customer call center services for Phase 1 accounts**

Date: November 2, 2017

RECOMMENDATION

1. Approve the assignment to the LACCE Authority of Los Angeles County's contract with Calpine Energy Solutions (Calpine) for data management services for Phase 1 accounts.
2. Delegate authority to the Executive Director, or designee, to take any necessary steps and execute agreements to effectuate assignment of the contract between the County of Los Angeles and Calpine to the LACCE Authority for an amount not to exceed \$10,000.
3. Delegate authority to the Executive Director, or designee, to negotiate and execute amendments provided that LACCE Authority counsel approval is obtained.
4. Delegate authority to the Executive Director, or designee, to terminate the contract as necessary provided that LACCE Authority counsel approval is obtained.

BACKGROUND

Close collaboration with the investor owned utility (IOU) is a prerequisite for the successful launch and operation of a Community Choice Aggregation (CCA) program. In particular, IOUs and CCAs must work closely to ensure that the appropriate customer electric usage data, banking remittance information, and other data, can be transferred from one entity to the other, efficiently and with minimal error. This promotes a smooth transition as customers depart the IOU and start CCA service. Furthermore, continual monitoring and maintenance of this data exchange is needed to ensure the smooth operation of the CCA program.

To date, nearly all operational CCAs have contracted for this "data management" service with the experienced energy service provider Calpine Energy Solutions (Calpine). Calpine

Item 8 – Attachment 1 – Staff Report from November 2, 2018

helped launch MCE in 2008 and continues to be their data manager. Since MCE, Calpine has helped launch seven other CCA programs in California, and is working with many other local governments who plan to launch a CCA program in the near future.

In addition to its data management services, Calpine also provides all its client CCAs with robust call center services for all customer inquiries. LACCE will require these services for the launch of Phases 2 and 3, and Calpine is ready to provide them if they remain the data manager for subsequent phases.

Calpine is currently providing services to the LACCE Authority through the Memorandum of Understanding between LACCE and the County executed on August 4, 2017.

Contracting Process

In July 2016, the County of Los Angeles issued a Request for Qualifications (RFQ) to vendors interested in providing data management services to LACCE. On May 22, 2017, a Request for Proposals (RFP) for data management services for Phase 1 of the LACCE program was issued to the most qualified vendors identified from the previous RFQ.

An expert evaluation committee was established to review the proposals, and Calpine's was selected as the most responsive. County Counsel and the County's CEO office executed the final Delegated Authority Agreement for Data Management and Customer Call Center Services on October 11, 2017 (attached). This contract will now be assigned to LACCE for data management services.

Contract Terms and Fiscal Impact

Under the terms of the contract, Calpine is to provide data management services to LACCE phase 1 accounts for one year, January 2018 – January 2019. The cost is \$0.25 per month per active account, of which there are approximately 1,700. The total cost for these services for the remainder of FY17-18 is estimated at \$2,550, which within the scope of the Board-adopted budget for the fiscal year.

Phases 2 and 3

Staff intends to work with Calpine on the successful launch of Phase 1, and return to the Board in early 2018 with a recommendation for data management for Phases 2 and 3. Potential options would include issuing a new bid for these services for those two Phases, or extending the current contract.

Attachments:

1. County's Delegated Authority Agreement with Calpine Energy Solutions

Item VIII - Staff Update

To: Los Angeles Community Choice Energy Board of Directors
From: LACCE Staff
Subject: **Staff Update**
Date: February 1, 2018

LACCE Membership Update

LACCE staff has made more than 100 presentations to city councils over the course of 2017 and the early part of 2018. The current official LACCE membership is 27. Staff has more presentations planned for February, and expects membership to continue to grow in the coming months.

Agoura Hills	Manhattan Beach
Alhambra	Moorpark
Arcadia	Ojai
Beverly Hills	Paramount
Calabasas	Rolling Hills Estates
Camarillo	Santa Monica
Carson	Sierra Madre
Claremont	South Pasadena
Culver City	Temple City
Downey	Thousand Oaks
Hawaiian Gardens	Ventura County
Hawthorne	West Hollywood
LA County	Whittier
Malibu	

Additionally, the City of Oxnard has voted to join but has yet to adopt the ordinance and JPA agreement. The City of Redondo Beach is scheduled to consider an override of a Mayoral veto on February 13, 2018.

Reminder for those Board Members, Alternates and Member Staff who have not yet had an orientation, please let us know so we can get one scheduled. We think you will find it educational and helpful and we will come to you at your convenience.

Schedule Update

Phase 1

LACCE remains on track for a successful launch of Phase 1 on February 1, 2018. Los Angeles County-owned facilities will soon be consuming power that is coal and nuclear free, 60% renewable, and 85% carbon free, which is more than double than what they are currently consuming at rates that are 2% below SCE's current rates.

Phases 2 and 3

LACCE still expects the successful launch of Phases 2 and 3 in June and December of this year, respectively. Staff is currently working on several tasks for implementation, including:

Procurement of power resources

At its meeting on January 17, the LACCE Board approved a procurement strategy for Phase 2. Following a decision on CPUC Resolution E-4907, which may affect the size of LACCE's Phase 2 load and subsequent power needs, staff will issue the power procurement documents for Phase 2, in line with the Board-adopted strategy.

Acquisition of credit facility

On January 12, 2018, LACCE staff released a Request for Proposals (Attachment 1) for the credit facility and banking services it needs for Phases 2 and 3 power procurement. The Finance Committee will assist with proposal review and evaluation. Staff anticipates returning to the Board at its March meeting with a recommended approach and final loan package.

Procurement of Communication and Outreach Services

On January 5, 2018, LACCE staff released a request for proposals (Attachment 2) for communication and outreach services, in anticipation of the launch of phases 2 and 3 in 2018. Staff intends to return to the Board at its March meeting with a recommended communication and outreach approach and vendor.

Letter of Support for Santa Monica/LA County Grant Application

Interim Executive Director has signed a letter in support of a joint grant application by the City of Santa Monica and the County of Los Angeles for an electric vehicle planning grant from the California Energy Commission.