

## SAN DIEGO REGIONAL COMMUNITY CHOICE ENERGY AUTHORITY

### Staff Report – Item 6

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To: SDRCCEA Board of Directors

From: Cody Hooven, SDRCCEA Interim Executive Officer  
Director/Chief Sustainability Officer, City of San Diego

Subject: SDRCCEA Operations and Administration Report – Informational Only

Date: November 21, 2019

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#### **Recommendation**

Receive update on various start up activities described in this report.

#### **Background**

Staff will provide regular updates to the Board of Directors regarding the San Diego Regional Community Choice Energy Authority (SDRCCEA or Authority) organizational development, administration and start-up activities. The following is a brief overview of this month's discussion items, which are informational only.

#### **Update**

##### **A) Board of Director Next Steps and Reminders**

In order to provide support for the selection of SDRCCEA's credit and banking services partner, an interim Treasurer may be recommended at an upcoming Board meeting.. This will be determined by the selection of credit and banking services, and any additional City of San Diego staff support that may require that appointment . We will keep the Board informed if the need arises.

Form 700s are due November 30<sup>th</sup> (within 30 days of being sworn in to office). Please submit your form 700's to our interim Secretary, Megan Wiegelman, by the end of this month.

##### **B) Vendor RFPs**

Several proposals for credit and banking services were received through which to secure approximately \$40M in working capital to support SDRCCEA implementation and program launch, including power procurement. We are working with our financial advisory consultant, Public Financial Management (PFM), on bid review and selection. Staff anticipates seeking Board approval to move forward with a credit and banking partner at its December meeting. Staff is also working on an RFP for power and energy services which it expects to release in November. This will be followed in the new year by RFPs for data management and call center services, as well as marketing and communications services.

### **C) JPA Amendments and Board Policies**

Staff anticipates bringing recommended changes to the JPA Agreement to the Board in the first quarter of 2020. Near-term Board actions will focus on filing an Implementation Plan and other start-up activities through the end of this year. The Board workshop on November 16, 2019 will also provide key insights and background for the Board from which to make informed amendments going forward.

Policies of the Board will need to be developed and adopted as another important activity of our new organization. These will relate to Authority operations such as personnel matters and a Code of Conduct, to fiscal policies, customer policies and procurement policies. Staff will develop and present policy recommendations to the Board beginning in the first quarter of 2020.

### **D) Committees**

SDRCCEA standing committee formation will be addressed in the first quarter of 2020 to allow the Board to maintain focus on development of the Authority's Implementation Plan and other organizational logistics through the remainder of 2019.

Ad hoc committees were discussed by the Board at the last meeting and two were formed. The first was to provide input on the legal support needed by SDRCCCEA and included Board members Montgomery and Padilla. As this issue is addressed on the current agenda, this ad hoc committee will not need to meet further at this time.

The second ad hoc committee will focus on SDRCCCEA partnership logistics with San Diego Gas & Electric (SDG&E). Board member Mosca volunteered to serve on that ad hoc committee with the possible addition of another Board member, and it is anticipated that this committee will meet several times beginning this month through 2020 to address program launch timing and other partnership logistics with the SDG&E team. The first meeting with SDG&E is expected to be on November 20, 2019 so an update can be share verbally with the Board at the November 21<sup>st</sup> Board meeting.

Ad hoc committees are informal and temporary in nature, and will sunset once the issue they were formed to address is resolved or the committee is no longer necessary.

### **E) Interim Staff Support**

Staff continues to work on a plan for interim staff support to be provided by City of San Diego staff and/or member city staff in the roles of project management and administration, financial services/treasury, interim secretary, and potentially others until such time that permanent staff is hired in 2020. We will return to the Board with a detailed MOU/cooperative services agreement codifying the interim roles and plans for reimbursement at an upcoming Board meeting.

Interim staff will also present a recommendation for Chief Executive Officer (CEO) recruitment and hiring process in early 2020. Once hired, the CEO will assume responsibility for hiring additional Authority staff throughout the remainder of 2020 and 2021.

The Board has indicated an interest in prioritizing hiring General Counsel and energy regulatory support right away. General Counsel will provide additional support for the other start up activities as we move forward.