

PACKET MATERIALS

DATE April 27, 2012

Item No. 7

LOCAL AGENCY FORMATION COMMISSION AGENDA PACKET CONTENTS LIST *

- Memorandum from Nancy C. Miller, dtd 4/27/12
- First Amendment to Memorandum of Understanding
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** Exceeds 20 pages; see file or e-version to review
Available for review at City Hall, Room 244

Completed by: Alisa Miller

Date: April 24, 2012

* This list reflects the explanatory documents provided.

San Francisco Local Agency Formation Commission

City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. 415.554.5184
Fax. 415.554.5163

TO: LAFCO Commissioners

FROM: Nancy C. Miller, Interim Executive Officer

DATE: April 27, 2012

SUBJECT: Item 7: Approval of First Amendment to Memorandum of Understanding between SF LAFCO and the SFPUC (Discussion and Possible Action Item)

Background: On April 17, 2009, the SFPUC and the SF LAFCo entered into a Memorandum of Understanding (“MOU”) to provide for the funding and activities of SF LAFCo in monitoring and advising the implementation of the CleanPowerSF Program consistent with Ordinance 0146-47. The term was for a three Fiscal Year time period.

The MOU provided that it could be extended upon agreement by the parties. At the time of execution of the MOU it was anticipated that the CleanPowerSF Program would be operational prior to the commencement of Fiscal Year 2012/2013. Due to additional staff work and consulting needs, the date of implementation is now anticipated to be during the 2012/2013 Fiscal Year. It is anticipated that upon implementation of the Program the SF LAFCo monitoring duties will be funded through the Clean Power SF Program.

Under Ordinance 0146-07, the Board of Supervisors directed SF LAFCo to assist with the implementation of the Community Choice Aggregation Program (Clean Power SF). The Board of Supervisors also adopted Ordinance 0147-07, which directed SF LAFCo to make expenditures from budgeted amounts for all purposes relating to the implementation of Clean Power SF, including staff costs, support services costs, and administrative costs such as office space, equipment, and supplies.

SF LAFCo accepted responsibility to provide monitoring and advice to the Board of Supervisors, the SFPUC, and other agencies regarding Clean Power SF. (LAFCo Resolution No. 2007-01.) SF LAFCo further authorized the Executive Officer to hire and/or independently contract for personnel to assist LAFCo with its Clean Power SF responsibilities. (LAFCo Resolution No. 2007-03.)

In April 2009, SFPUC confirmed that certain reserves were set aside in SFPUC accounts specifically for reimbursement of LAFCo Clean Power SF activities. SF LAFCo directed the Executive Officer to seek reimbursement from the SFPUC from the reserve funds "through the ordinary and usual processes utilized by the City and County of San Francisco for the transfer of funds between departments." (LAFCo Resolution No. 2007-03.) Reimbursement has occurred through the process set up by the Clerk to the Board of Supervisors.

The Proposed Contract with the Energy Service Provider has been forwarded to the Board of Supervisors for hearing. It is appropriate to extend the term of the MOU to continue the monitoring and advice of the SF LAFCo to the SFPUC for implementation of the Clean Power SF Program. Funds exist to pay the budgeted amounts for such services through Fiscal Year 2012-2013.

RECOMMENDATION:

The Interim Executive Officer recommends that the Commission approve the First Amendment to the MOU subject to changes as may be requested by the SFPUC/CCSF City Attorney and approved by the Chair and Interim Executive Officer.

Attachment

**First Amendment to
Memorandum of Understanding Between
The San Francisco Public Utilities Commission and
The San Francisco Local Agency Formation Commission
Regarding the Community Choice Aggregation Program**

THIS FIRST AMENDMENT MEMORANDUM OF UNDERSTANDING (“MOU”) is effective as of the ___ day of _____, 2012, by and between the SAN FRANCISCO PUBLIC UTILITIES COMMISSION (“SFPUC”) and the SAN FRANCISCO LOCAL AGENCY FORMATION COMMISSION (“SF LAFCo”).

1. SFPUC and SF LAFCo entered into a MOU on April, 17, 2009.
2. The parties intend by this Amendment to extend the term of this MOU through Fiscal Year 2012-2013.

San Francisco Local Agency Formation Commission,

Date: _____

Nancy Miller, Interim Executive Director,
San Francisco LAFCo

San Francisco Public Utilities Commission,

Date: _____

Ed Harrington, General Manager
San Francisco Public Utilities Commission

Approved as to Form

Deputy City Attorney