



LOCAL AGENCY FORMATION COMMISSION CITY AND COUNTY OF SAN FRANCISCO MINUTES

**City Hall, Committee Room 263
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689**

June 1, 2017 - 1:00 PM

Special Meeting

Present: Commissioners Sandra Lee Fewer, Cynthia Pollock, and Hillary Ronen

The Local Agency Formation Commission met in regular session on Thursday, June 1, 2017, with Chair Hillary Ronen calling the meeting to order.

1. Call to Order and Roll Call

Chair Ronen called the meeting to order at 1:04 p.m. On the call of the roll, Chair Ronen, Vice Chair Pollock, and Commissioner Fewer were noted present. There was a quorum.

2. Approval of LAFCo Minutes from the March 22, 2017, Special Meeting

Chair Ronen inquired whether any Commissioner had any corrections to the minutes of the March 22, 2017, Special Meeting of the Local Agency Formation Commission. There were no corrections.

Public Comment: None.

Commissioner Pollock, seconded by Commissioner Fewer, moved to approve the minutes of the March 22, 2017, Special Meeting of the Local Agency Formation Commission. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Minutes Approved

Pursuant to the action taken during Item No. 8, which was taken out of order prior to Item No. 3 being called, Member Ronen handed the gavel to newly elected Chair Fewer who chaired the meeting beginning at 1:10 p.m.

3. Future Agenda Items

Commissioner Ronen requested the topic regarding the possibility of a San Francisco municipal bank be considered and taken up by the Commission. This issue is also being explored by the San Francisco Board of Supervisors, but the Commissioners shared in the desire to have LAFCo exploring the possibility and the scope of how to effectuate the establishment of a municipal bank.

Public Comment: Jed Holtzman (350 Bay Area); expressed support of LAFCo taking up the issue to establish a municipal bank. Eric Brooks (SF Green Party/Our City/Clean Energy Advocates/Californians for Energy Choice); expressed support of LAFCo taking up the issue to establish a municipal bank and suggested the Commission also take up local energy programs.

Commissioner Pollock, seconded by Commissioner Ronen, moved to begin the study of a municipal bank in San Francisco, what it would look like, and direct Officer Fried to provide additional information at the next meeting. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Approval to Study a Municipal Bank in San Francisco

4. Consideration and Approval of the Final LAFCo Budget for Fiscal Year 2017/2018

Jason Fried, Executive Officer (LAFCo), provided an overview of the final budget and provided additional recommendations to modify what was approved through the proposed budget during the previous meeting.

Geoff Spellberg, Legal Counsel (Renne Sloan Holtzman Sakai LLP), provided additional information and answered questions raised throughout the discussion.

Public Comment: Eric Brooks (SF Green Party/Our City/Clean Energy Advocates/Californians for Energy Choice); suggested the Commission restate the budget motion made. Jed Holtzman (350 Bay Area); provided suggestions on the budgetary motion made.

Commissioner Pollock, seconded by Commissioner Ronen, moved to approve the final Fiscal Year 2017/2018 budget at an amount of \$297,342 and, while reserving the right in future years to the full statutory amount of \$297,342 that it receives from the City and County of San Francisco, keep \$194,000 for use in the next fiscal year and return the remaining balance of \$103,342, contingent upon the approval of the Memorandum of Understanding with the San Francisco Public Utilities Commission being approved by the San Francisco Board of Supervisors. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Final Fiscal Year 2017/2018 Budget Approved

5. Amendment to the Memorandum of Understanding between the San Francisco Public Utilities Commission (SF PUC) and the San Francisco Local Agency Formation Commission (SF LAFCo) for the Power Enterprise, Community Choice Aggregation Program, to Extend the Duties and Term for an Additional Two Years

Officer Fried provided an overview of the amendment, which has already been approved by the San Francisco Public Utilities Commission. This amendment will also be considered by the San Francisco Board of Supervisors for approval.

Public Comment: Eric Brooks (SF Green Party/Our City/Clean Energy Advocates/ Californians for Energy Choice); expressed the possibility that a municipal bank would be supportive of the CleanPowerSF Program.

Commissioner Ronen, seconded by Commissioner Pollock, moved to approve the Amendment to the Memorandum of Understanding between the San Francisco Public Utilities Commission and the San Francisco Local Agency Formation Commission. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Amendment Number One to the Memorandum of Understanding Approved

6. Authorization to Amend the Legal Services Agreement with Renne Sloan Holtzman Sakai LLP, to extend the term for one year, ending June 30, 2018

Officer Fried provided an overview of the amendment to the Legal Services Agreement and the historical background of this contract, which is extended once every year.

Vice Chair Pollock indicated a desire to initiate the Request for Proposals (RFP) process to ensure the Commission has expertise on the municipal bank issue they previously approved to begin researching.

Public Comment: None.

Commissioner Pollock, seconded by Commissioner Ronen, moved to approve Amendment No. 18 to the Legal Services Agreement with Renne Sloan Holtzman Sakai LLP, to extend the term for one year, ending June 30, 2018, for a not to exceed amount of \$45,000. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Amendment No. 18 to the Legal Services Agreement Approved

Commissioner Pollock, seconded by Commissioner Ronen, moved to begin the Request for Proposals process to acquire legal counsel with expertise regarding municipal banking. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Request for Proposals (RFP) Process for Legal Services Approved

7. Community Choice Aggregation (CCA) Activities Report

A. Status update on CleanPowerSF Program

Barbara Hale, Assistant General Manager-Power (SFPUC), provided an overview of the outreach and implementation planning being done around the CleanPowerSF Program.

Michael Hyams, Director of CleanPowerSF (SFPUC), presented a power point presentation on the CleanPowerSF Program, including the current goals and objectives, the two energy products, enrollment approach and outcomes, relative scale of revenues, the growth plan, and recommendations.

Public Comment on Item 7A: Jed Holtzman (350 Bay Area); provided additional information on the advocacy groups outreach. Eric Brooks (SF Green Party/Our City/Clean Energy Advocates/ Californians for Energy Choice); requested the Commission continue to push the advocacy and outreach of the Program.

B. Status update on proceedings at the California Public Utilities Commission

AGM Hale provided an update on CPUC's issues and proposals and what SFPUC is doing to provide recommendations and feedback on their pending issues. PG&E received generation rate approvals from CPUC and SFPUC continues to monitor those approvals.

C. Status update on State legislation

AGM Hale provided an update what SFPUC's stance is on pending Senate Bills (SB) and Assembly Bills (AB), including , SB 618, SB100, AB 79 and AB 920.

Chair Fewer reopened public comment to allow members of the public a chance to additionally speak on Items 7B and 7C since additional information was provided after public comment was taken on Item 7A.

Public Comment on Items 7B and 7C: Jed Holtzman (350 Bay Area); provided suggestions on how stances are taken on various SBs and ABs. Eric Brooks (Californians for Energy Choice); provided suggestions on how feedback is being provided on various SBs and ABs to the state legislature.

Officer Fried, Director Hyams and AGM Hale provided additional information and answered questions raised throughout the discussions.

Commissioner Pollock, seconded by Commissioner Ronen, directed Jason Fried, Executive Officer, to work with Chair Fewer on letters to express the Commission's support in concept of Senate Bill 100, in opposition to AB 79 and AB 920. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Directed Letters in Support or Opposition to State Legislation be Sent

8. Election of the Chairperson for 2017

Public Comment: None.

Commissioner Ronen, seconded by Commissioner Pollock, moved to elect Commissioner Fewer as the new Chairperson for 2017. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Chairperson Fewer Elected for 2017

9. Executive Officer's Report

Officer Fried wished an early Happy Birthday to Commissioner Pollock.

Public Comment: None.

Action: No action was taken.

10. Public Comment

There was no public comment.

11. Adjournment

There being no further business, the Local Agency Formation Commission adjourned at the hour of 3:09 p.m.

N.B. The Minutes of this meeting set forth all actions taken by the Local Agency Formation Commission on the matters stated, but not necessarily in the chronological sequence in which the matters were taken up.