



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**

July 20, 2017 - 10:30 AM

Regular Meeting

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

The Local Agency Formation Commission met in regular session on Thursday, July 20, 2017, with Chair Sandra Lee Fewer calling the meeting to order.

1. Call to Order and Roll Call

Chair Fewer called the meeting to order at 10:36 a.m. On the call of the roll, Chair Fewer, Vice Chair Pollock, and Commissioner Ronen were noted present. There was a quorum.

2. Approval of LAFCo Minutes from the June 1, 2017, Special Meeting

Chair Fewer inquired whether any Commissioner had any corrections to the minutes of the June 1, 2017, Special Meeting of the Local Agency Formation Commission. There were no corrections.

Public Comment: None.

Commissioner Ronen, seconded by Commissioner Pollock, moved to approve the minutes of the June 1, 2017, Special Meeting of the Local Agency Formation Commission. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Minutes Approved

3. Community Choice Aggregation (CCA) Activities Report

Jason Fried, Executive Officer (LAFCo), provided brief opening remarks.

A. Status update on CleanPowerSF Program

Barbara Hale, Assistant General Manager-Power (San Francisco Public Utilities Commission (SF PUC)) provided an update on the enrollment figures for the CleanPowerSF Program and indicated the wait list for additional enrollment continues to grow. On June 22, 2017, the SF PUC approved a request for bids to solicit power providers for terms ranging from 1 to 25 years. A pre-bid conference was held and there was good participation and interest expressed. AGM Hale also updated the Commission on the outreach and marketing for the CleanPowerSF Program, which has been supported by an outside firm since the beginning of the launch and the SF PUC extended that contract for an additional four years.

Executive Officer Fried informed the Commission that the Memorandum of Understanding (MOU) between the SF PUC and LAFCo is being considered by the Budget and Finance Committee today and is expected to be forwarded to the full Board of Supervisors for approval. He also informed the Commission that July 24, 2017, is the cutoff date to sign for "Super Green."

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

AGM Hale informed the CPUC that on June 10, 2017, they opened a new rule making to consider a new power charge adjustment.

C. Status update on State legislation

Public Comment: Eric Brooks; shared his suggestions on the work plan and expressed the need to expeditiously work on the local and regional network buildout plan.

No action was taken.

Chair Fewer requested Item Nos. 4 and 5 be called and heard together.

Executive Officer Fried recused himself from Item Nos. 4 and 5 due to a possible conflict of interest.

4. Potential Issuance of a Request for Proposals (RFP) or Other Process for Selection of an Executive Officer

Teresa Stricker, Legal Counsel (Renne Sloan Holtzman Sakai LLP), provided a synopsis for the Board of Supervisors' Budget and Finance Committee's recommendation to eliminate the two LAFCo staff positions, which has passed on First Reading by the full Board on July 18, 2017, and will be considered on Final Reading on July 25, 2017, as part of the City's budget. If the positions are not added back, the current Executive Officer position will be eliminated.

Ms. Stricker provided the following options for the Commission to consider in the event the Executive Officer position is eliminated:

- Option 1.** Continuation of the 9775 Executive Officer staff position: Since it is likely the Board of Supervisors will be going forward with eliminating this position

from the City budget, this option is likely not available for further consideration.

- Option 2.** Staff position in another public agency: LAFCo could contract with another public agency to provide Executive Officer services.
- Option 3.** Issuance of a Request for Proposals (RFP) for Executive Director Services: LAFCo could issue an RFP that is consistent with contracting policies and the terms of contract would be subject to negotiation.
- Option 4.** Competitive process working with the City and County of San Francisco: A competitive process similar to an RFP could be initiated that would be a hybrid of Options 2 and 3 above. The compensation package would mirror the current staff position, but in lieu of benefits it would provide a cash equivalent.

After further discussions, the Commission and Ms. Stricker formulated two more options that could be available for consideration:

- Option 5.** Sole source: A sole source policy to temporarily hire an Executive Officer in the short term until the long term options are explored, vetted and completed.
- Option 6.** LAFCo employed staff: LAFCo would directly employ a staff person with benefits provided through a Human Resources agency and it would be hired through a competitive process.

Angela Calvillo, Clerk of the Board (Board of Supervisors), expressed her willingness to provide administrative duties for the Commission, but requested that the additional duties be approved by the Board of Supervisors through a Motion due to language in San Francisco Charter, Section 2.117, that the Clerk shall have additional duties as the Board prescribes. Clerk Calvillo provided a handout of the administrative duties that would be provided by the Office of the Clerk of the Board, such as clerking, video streaming, archive hosting and closed captioning, accounting, budgeting, human resources, payroll, IT support and services, and risk management.

Upon the Commission's inquiry, Ms. Stricker indicated that legal counsel could provide the Administrative Officer duties, if the commission desired, but it would not be cost effective and would greatly impact the current budget.

All Commissioners expressed and reiterated their interest in having LAFCo become independent from the Board of Supervisors.

Public Comment: Eric Brooks; expressed support of the Clerk of the Board providing duties as the Interim Administrative Officer, expressed opposition to the amendment language provided by the legal counsel for the Resolution in Item No. 5, and expressed support of the additional Options 5 and 6.

Commissioner Pollock, seconded by Commissioner Ronen, moved to direct legal counsel to explore the option establishing a sole source policy and retaining an Executive Officer through that policy as a short term solution, and explore the long term options of (1) issuing a Request for Proposals for Executive Officer services, (2) exploring contracting with another public entity for Executive Officer services and (3) directly employing an Executive Officer

and contracting with a human resources entity for benefits. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Approval to direct legal counsel to explore short and long term solutions for Executive Officer services and report back to the Commission.

5. Potential Appointment of Interim Administrative Officer

Ms. Stricker explained that passage of this Resolution would be a temporary fix and the Clerk of the Board of Supervisors would be appointed as the Interim Administrative Officer to provide administrative but not policy support services.

Public Comment: Eric Brooks; expressed support of the Clerk of the Board providing duties as the Interim Administrative Officer, expressed opposition to the amendment language provided by the legal counsel for the Resolution in Item No. 5, and expressed support of the additional Options 5 and 6.

Commissioner Pollock, seconded by Commissioner Ronen, moved that this Resolution be AMENDED on Page 2, Line 3, by adding 'FURTHER RESOLVED, That the Local Agency Formation Commission of the City and County of San Francisco hereby directs its general legal counsel to provide written notice to LAFCo's Executive Officer that (1) if and when the City and County of San Francisco eliminates the LAFCo Executive Officer staff position, his duties with LAFCo will end, and (2) LAFCo is exploring various options for retaining Executive Officer services in the future; and, be it FURTHER RESOLVED, That the Local Agency Formation Commission of the City and County of San Francisco hereby directs its general legal counsel to work with the Clerk of the Board of Supervisors to fulfill the administrative functions of LAFCo, should the City and County of San Francisco not authorize the Clerk of the Board of Supervisors to serve as the Interim Administrative Officer for LAFCo.' The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Commissioner Ronen, seconded by Commissioner Pollock, moved that this Resolution be APPROVED AS AMENDED. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Resolution Approved as Amended

6. Executive Officer's Report

Officer Fried shared a possible conflict for the Regular Meeting scheduled for September since it falls on Rosh Hashanah. An update will be provided on alternative dates at a later time.

A. Update on Legal Counsel Request for Proposals (RFP)

Ms. Stricker recused herself from this item due to the possible conflict of interest.

Executive Officer Fried provided an update on the RFP process and what steps have been taken and what documentation needed for next steps. Samples for similar RFPs have been collected from other LAFCOs and staff will be working with the Office of the City Attorney on drafting a final RFP for the Commission's consideration.

Vice Chair Pollock suggested further consideration be postponed until the next LAFCo meeting since it is not time sensitive.

Chair Fewer, Vice Chair Pollock and Commissioner Ronen thanked Executive Officer Fried for all his work on LAFCo.

Public Comment: Eric Brooks; expressed thanks for Executive Officer Fried's indispensable work and shared concerns regarding the current legal counsel.

Commission Pollock, seconded by Commissioner Ronen, moved to postpone this discussion to the call of the Chair. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Action: Continued to the Call of the Chair

7. Public Comment

None.

8. Future Agenda Items

Vice Chair Pollock reiterated the Commission's desire to create an independence from the Board of Supervisors while being able to partner with them to remove any friction or overlap between the two bodies. All Commissioners shared in this desire.

Commissioner Pollock, seconded by Commissioner Ronen, moved to schedule a workshop or off-site retreat with California Association Local Agency Formation Commission (CALAFCO). The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Commissioner Ronen, seconded by Commissioner Pollock, moved to rescind the previous vote to allow public comment be taken. The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Public Comment: Eric Brooks; expressed his support of LAFCo carving out their independence from the Board of Supervisors.

Commissioner Pollock, seconded by Commissioner Ronen, moved to schedule a workshop or off-site retreat with California Association Local Agency Formation Commission (CALAFCO). The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Commissioner Fewer, seconded by Commissioner Ronen, moved to direct the Clerk of the Board to report on a clear accounting of the LAFCo budget - considering the actions taken during today's LAFCo meeting - once the Board of Supervisors finalizes the City budget.

The motion carried by the following vote:

Ayes: 3 - Fewer, Pollock, Ronen

Public Comment on Commissioner Fewer's motion: None.

Action: Approval of Future Agenda Items.

9. Adjournment

There being no further business, the Local Agency Formation Commission adjourned at the hour of 11:55 a.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.