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BOARD OF DIRECTORS MEETING MINUTES

June 24, 2021 - Thursday, 3:30 p.m.

Notice of this meeting was posted on June 21, 2021. Chair Sheri Woo called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:32 p.m., stating that the teleconference meeting was being conducted pursuant to Brown Act waivers included in Governor Newsom's COVID-19 State of Emergency Executive Order N-29-20 of March 17, 2020, and the Humboldt County Health Officer's March 30, 2020, Shelter-in-Place Order. Chair Woo stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Vice Chair Stephen Avis, Scott Bauer, Chris Curran, David Grover, Mike Losey, Sarah Schaefer, Frank Wilson, Mike Wilson, Chair Sheri Woo. ABSENT: None. STAFF AND OTHERS PRESENT: Business Planning and Finance Director Lori Biondini, Infrastructure Planning and Operations Director Dana Boudreau, Power Resources Director Richard Engel, Community Advisory Committee Nominee Ethan Lawton, Community Strategies Manager Nancy Stephenson, Clerk of the Board Lori Taketa.

REPORTS FROM MEMBER ENTITIES

Director Grover reported that the Trinidad Town Hall solar panels had been installed.

Director Losey reported on FEMA-funded emergency generator installation at Fortuna pump stations and Tesla battery power pack installation progress at a Fortuna water booster station and the municipal well that are scheduled to be brought online soon or that have been added to the city's design schedule.

ORAL COMMUNICATIONS

There were no oral communications from the public on matters not on the agenda. Chair Woo closed the public comment period.

CONSENT CALENDAR

3.1 Approve Minutes of May 27, 2021, Board Meeting.

3.2 Approve Disbursements Report.

3.3 Accept Financial Reports.

3.4 Adopt Resolution No. 2021-3, A Resolution of the Board of Directors of the Redwood Coast Energy Authority to Partner with the Humboldt Transit Authority on a U.S. Department of Transportation Equitable and Sustainable Public Transit Planning for Rural America Project Grant Application.

3.5 Authorize the Executive Director to Execute a Legal Services Agreement with Braun Blaising Smith Wynne, P.C. for Regulatory Support and Legal Services Through June 2024, Subject to Sufficient Budgetary Allocations and Pending RCEA General Counsel Review.

3.6 Appoint Ethan Lawton to the Community Advisory Committee for the Remainder of a Term Ending on April 12, 2022.

Chair Woo pulled item 3.6 from the consent calendar. Director Bauer arrived at 3:42 p.m.

M/S: Losey, Grover: Approve all consent calendar items except item 3.6.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Grover, Losey, Schaefer, F. Wilson, M. Wilson, Woo. Noes: None. Absent: None. Abstentions: None.

REMOVED FROM CONSENT CALENDAR ITEMS

Community Advisory Committee (CAC) candidate Ethan Lawton introduced himself to the Board. Directors Grover, Wilson, Vice-Chair Avis and Chair Woo expressed support for Mr. Lawton's service on the CAC. There were no comments from members of the public.

M/S: Avis, Grover: Approve consent calendar item 3.6.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Grover, Losey, Schaefer, F. Wilson, M. Wilson, Woo. Noes: None. Absent: None. Abstentions: None.

There were no Community Choice Energy business items to discuss at this meeting.

OLD BUSINESS

5.1. RCEA Fiscal Year 2021-22 Budget

Business Planning and Finance Director Biondini reported on the revised draft budget which incorporated Board-approved salary schedule adjustments, addition of a new staff position and backfilling of previously ~~untilled~~ unfilled* positions. Airport microgrid grants and expenses are being moved from this fiscal year to the next due to construction delays; wholesale power costs and ~~bad customer debt~~ past due accounts* are expected to increase. The increased Power Charge Indifference Adjustment (PCIA) and COVID-related revenue impacts in 2020 continued into the 2021 calendar year. A return to positive net revenue is forecasted for the 2022 calendar year. Reserves are expected to continue increasing at a moderate rate. The possibility of recouping customer debt through federal and state relief funds was discussed. It remains uncertain how much of this funding RCEA will receive.

There was no public comment on this agenda item.

M/S: Grover, Avis: Adopt proposed RCEA Fiscal Year 2021-2022 budget.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Grover, Losey, F. Wilson, M. Wilson, Woo. Noes: None. Absent: Schaefer. Abstain: None.

STAFF REPORTS

7.1. Report by Executive Director Matthew Marshall on Board meetings post shelter-in-place

Clerk of the Board Taketa reported on current Brown Act teleconference meeting law exemptions which expire on September 30, 2021 and described meeting options and hybrid meeting solutions being explored by other local jurisdictions. The directors discussed the benefits of meeting in person again and of continuing online meetings, and expressed a reluctance to make hurried, potentially costly decisions as state meeting laws remain in flux and ramifications of hybrid meetings have not been assessed. The Board requested that staff continue to track state Brown Act legislation and meeting decisions being made by other jurisdictions, and to report back at the August meeting.

No member of the public commented.

7.2. Report by Director of Infrastructure Planning & Operations Dana Boudreau on the Redwood Coast Airport Microgrid Project

Director of Infrastructure Planning and Operations Boudreau described the airport microgrid project, its community and ratepayer benefits, and updated the Board on progress made to date. The project's lease agreement with the County, system design, and permits have been completed. Two more signatures are required for final FAA approval. Cultural monitoring has begun and there have been no findings at the project site. Hardware installation is expected to be completed in September and testing should begin in November. The microgrid is scheduled to begin operating in January 2022 and to participate in the wholesale power market in April. The Directors were invited to participate in the July 7 Take Off press event.

The directors expressed support for the microgrid's ability to keep airport "lifeline" operations continuing during emergencies and to continue operating indefinitely despite the airport's often foggy location.

FUTURE AGENDA ITEMS

There was a request for a brief report at each meeting on the offshore wind project.

CLOSED SESSION

8.1. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS Pursuant to Government Code ß 54956.8 in re: APNs 001-104-001-000 and 001-011-021-000; RCEA negotiator: Executive Director; Owner's negotiating party: Kramer Investment Corporation and the City of Eureka; Under negotiation: price and terms.

No member of the public responded to Chair Woo's invitation for comment. Chair Woo closed the public comment period. The directors adjourned to closed session at 4:53 p.m.

Directors Curran, Losey, F. Wilson, M. Wilson and Chair Woo reconvened in open session at 5:27 p.m. Chair Woo stated there was nothing to report out from closed session.

Chair Woo adjourned the meeting at 5:28 p.m.

Lori Taketa

Clerk of the Board

* Minutes of this meeting were amended at the July 22, 2021, regular Board meeting.