



BOARD OF DIRECTORS MEETING MINUTES

**Humboldt Bay Municipal Water District Office
828 7th Street, Eureka, CA 95501**

**September 26, 2019
Thursday, 3:30 p.m.**

Chair Michael Winkler called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:29 p.m. Notice of this meeting was posted on September 20, 2019. PRESENT: Vice Chair Austin Allison, Alternate Director Stephen Avis, Summer Daugherty, Estelle Fennell, Alternate Director Barbara Hecathorn, Dwight Miller, Chair Michael Winkler. ABSENT: Dean Glaser, Frank Wilson. STAFF PRESENT: General Counsel Nancy Diamond, Executive Director Matthew Marshall, Community Strategies Manager Nancy Stephenson, Clerk of the Board Lori Taketa.

REPORTS FROM MEMBER ENTITIES

Chair Winkler reported that hundreds of people gathered in Arcata on September 20 for the International Climate Strike and expressed hope that the event would generate ongoing enthusiasm for local sustainable energy initiatives.

CONSENT CALENDAR

- 3.1 Approve Minutes of August 22, 2019, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Authorize the Executive Director to Execute an Amendment to the Power Purchase Agreement with DG Fairhaven Power LLC Renewing the Agreement for a 10-month Period Beginning March 1, 2020, Along with Any Associated Documents.

No items were removed from the consent calendar by directors or any public participants.

M/S: Fennell, Miller: Approve consent calendar items.

The motion passed on a unanimous voice vote. Ayes: Allison, Avis, Daugherty, Fennell, Hecathorn, Miller, Winkler. Absent: Glaser, Wilson.

OLD BUSINESS

5.1 Comprehensive Action Plan for Energy Update (Information only)

Executive Director Marshall summarized his staff report dated September 26, 2019, adding that 56 people attended and provided input during the first round of public workshops, 61 written comments were received and 45 people attended the offshore wind workshop. While attendance at the Orleans and Redway workshops was sparse, Mr. Marshall stated that the rural participants uniformly supported biomass, in contrast with participants from more populated areas. Summarized comments will be available online and at the next Board meeting.

Mr. Marshall summarized public opinion gathered at the workshops prioritizing agency work in: Planning and Regional Coordination, Integrated Demand-Side Management, Transportation, and the Community Choice Aggregation Power Mix. Written comments received primarily focused on biomass and the Terra-Gen onshore wind project.

The directors requested analysis of public comment to aid in decision making and discussed public opinion on prioritizing local energy generation, the lack of modern nuclear power emphasis because of the unlikelihood of local development, how local biomass and feed-in tariff distributed medium-scale solar are currently more expensive than non-local wind energy, and how, if approved, the long-term onshore wind contract price would be competitive with non-local wind energy.

Chair Winkler invited public comment.

Deborah Dukes of 350 Humboldt and the Eureka Energy Committee noted that people who usually attend energy events went to the Eureka CAPE meetings and asked whether it was possible to encourage more diverse participation. Staff described publicity efforts and feedback received that people were aware of the meetings but not motivated to attend. Directors praised staff's outreach efforts and described more active community involvement when facing contentious issues rather than when making long-range plans.

Chair Winkler closed public comment.

5.2 Redwood Coast Airport Microgrid Project Site Fence Request for Proposals

Executive Director Marshall summarized a staff report citing timing and cost reasons for obtaining site control from the County, removing fence construction from the Tesla contract scope of work and issuing a request for proposals for a fence around the solar array and battery system at the County Airport.

The directors discussed how the project would be funded from the reduced cost of the amended Tesla contract, costly FAA requirements for escorted workers until the project area is enclosed by a fence, Tesla's willingness to change the contract, other project FAA requirements such as glare analysis, and how fence construction and ensuing tree removal this fall and winter avoids raptor nesting season impacts.

Chair Winkler invited public comment. No one came forward to speak. Chair Winkler closed public comment.

Alternate Director Avis moved and Director Miller seconded authorizing staff to obtain site control from the County and issue a request for proposals for new fence installation at the Humboldt County airport. Discussion ensued about adding negotiation and execution of a Tesla contract change order to the same motion. The motion was amended thus:

M/S: Avis, Miller: 1) Authorize staff to obtain site control from the County and issue a request for proposals for installation of a new fence at the California Redwood Coast - Humboldt County Airport, and 2) Direct Executive Director to negotiate and execute a

change order to remove fence installation and the associated costs from the contract with Tesla, and any associated documents.

The motion passed on a unanimous voice vote. Ayes: Allison, Avis, Daugherty, Fennell, Hecathorn, Miller, Winkler. Absent: Glaser, Wilson.

5.3 Renewal of RCEA Office Lease, 633 3rd Street, Eureka

Executive Director Marshall reviewed the staff report, adding that staff is seeking to either buy or lease office space in the Eureka area to remain centrally located and to address a shortage of appropriately configured space following agency expansion with the launch of the Community Choice Energy program.

Discussion ensued on the rent increase, the landlord's previous accommodations and renter's market conditions when the original building lease was signed, current Eureka office space rents, the possibility of sharing office space with the County should a larger-than-needed space be found, and the use of a conventional loan to finance any potential building purchase until the agency cash reserve is larger. The directors requested a financial analysis of potential rental, purchase and remodeling costs.

Chair Winkler invited public comment. No one came forward to speak. Chair Winkler closed public comment.

M/S: Fennell, Daugherty: Authorize Executive Director and legal counsel to negotiate, finalize, and execute a building lease renewal for 633 3rd Street, Eureka, CA, and any associated documents.

The motion passed on a unanimous voice vote. Ayes: Allison, Avis, Daugherty, Fennell, Hecathorn, Miller, Winkler. Absent: Glaser, Wilson.

CLOSED SESSION

Chair Winkler invited public comment on the closed session item. No one came forward to speak. Chair Winkler closed public comment.

The directors adjourned to closed session at 4:14 p.m. to meet with legal counsel per Government Code Section 54956.9(d)(4), in re PG&E, Bankruptcy Court, 19-30088, Northern District of California.

The directors reconvened to open session at 4:39 p.m. Chair Winkler stated there was nothing to report out.

Chair Winkler adjourned the meeting at 4:39 p.m.

Respectfully submitted,

Lori Taketa
Clerk of the Board