



Monterey County Board of Supervisors

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Board Order

Upon motion of Supervisor Salinas, seconded by Supervisor Phillips and carried by those members present, the Board of Supervisors hereby:

Adopted non-binding Resolution of Intent No. 16-298 to:

- a. Allow the County of Monterey's continued participation in the formation of a proposed Monterey Bay Community Power Joint Powers Authority; and
- b. Consider providing staff direction to modify the Resolution of Intent to include provision for weighted voting for specified matters.

PASSED AND ADOPTED on this 1st day of November 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 79 for the meeting on November 1, 2016.

Dated: November 1, 2016
File ID: RES 16-070

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Resolution of Intent No. 16-298

Resolution of the Board of Supervisors of)
the County of Monterey affirming the County's)
intent to participate in governance and financing)
discussions for the proposed Monterey Bay Community)
Power (MBCP) Joint Powers Authority.....)

WHEREAS, Representatives from various jurisdictions in Santa Cruz, Monterey, and San Benito counties have been meeting for the last several years to discuss forming a Joint Powers Authority (JPA), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.), to form a community choice aggregation program through which to purchase, supply, and aggregate the electrical load of their municipal, residential and commercial customer accounts.

WHEREAS, In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local governments to develop programs to reduce green-house gas emissions; and

WHEREAS, The purposes for forming the JPA include:

- A. Jointly administering a community choice aggregation (CCA) program for jurisdictions in the Monterey, Santa Cruz and San Benito County region;
- B. Reducing greenhouse gas emissions related to the use of power in the Monterey, Santa Cruz, and San Benito County region;
- C. Providing electric power and other forms of energy to customers at a competitive cost;
- D. Carrying out programs to reduce energy consumption;
- E. Stimulating and sustaining the local economy by developing local jobs in renewable energy and other energy related initiatives; and
- F. Promoting long-term electric rate stability, energy security, and reliability for residents through local control of electric generation resources.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Supervisors of the County of Monterey does hereby affirm its intent to participate in governance and financing discussions for the Monterey Bay Community Power Joint Powers Authority (referred to herein as "JPA," "MBCP JPA," or "Agency") under the following general terms:

- (1) The Monterey Bay Community Power JPA is planned to be formed in early 2017, and the JPA expected to begin providing electrical service to customers by spring 2018.
- (2) The Monterey Bay Community Power JPA will be composed of jurisdictions within the region of Monterey, Santa Cruz and San Benito Counties choosing to participate by passage of a JPA Agreement resolution and CCA ordinance as required by State

- (e) It is proposed that the member of the Policy Board and Operations Board shall be from the same jurisdiction.
 - (f) The Policy Board of elected officials would meet three times per year with the option for special meetings as determined by the Chief Executive Officer. It is proposed that the Policy Board would provide guidance/approval in the following areas:
 - i. Strategic planning and goal setting
 - ii. Passage of Agency budget and customer rates
 - iii. Large capital expenditures outside the typical power procurement required to provide electrical service.
 - (g) The Operations Board of appointed County Administrative Officers or City Managers from participating jurisdictions would meet no less than eight times per year and would focus on the routine operations of the Agency and provide oversight and support to the Chief Executive Officer on matters pertaining to the provision of electrical service to customers in the region.
- (5) Financial participation contemplated for members of MBCP JPA is proposed as a pro-rata share of credit support to guarantee a seed capital loan of up to three million dollars (\$3,000,000) to implement the program and cover the costs of Agency start up.
- (a) The County of Santa Cruz on behalf of the proposed MBCP JPA will issue an RFP for banking and credit services to solicit credit and terms associated with provision of said capital
 - (b) The final amount of required credit and the level of guarantee to cover pre-revenue expenses will be confirmed once ordinances are passed and the size of the program is known
 - (c) Should the program fail to launch and the Agency were to default on the loan, the County would be required to fund its portion of any outstanding loan balance.
- (6) Any loan or capital contribution made by a member jurisdiction to the JPA is fully reimbursable through ratepayer revenues at terms mutually agreeable by the jurisdiction and JPA.
- (7) Passage of this resolution authorizes staff of the County of Monterey to participate in discussions in anticipation of MBCP JPA formation. It does not, however, bind the County of Monterey to membership in the JPA, allocation of general funds, or participation in a future CCA program. If the County of Monterey chooses to move forward, it will be required to pass a resolution for JPA membership, authorize a pro-rata share of credit support, and pass a CCA ordinance by January 31, 2017.

PASSED AND ADOPTED upon motion of Supervisor Salinas, seconded by Supervisor Phillips carried this 1st day of November 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 79 for the meeting on November 1, 2016.

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