

**1. CALL TO ORDER**

The Joint Meeting of the Board of Directors and Technical Advisory Committee was called to order at 1:28 p.m. by Chair Todd Rigby on the Zoom platform.

**2. PLEDGE OF ALLEGIANCE**

Chair Rigby led members and guests in the Pledge of Allegiance.

**3. ROLL CALL**

**Board of Directors present:**

Todd Rigby, City of Eastvale (Chair)  
Russ Brown, City of Hemet  
Chris Barajas, City of Jurupa Valley (1:44 p.m. arrival)  
Ted Hoffman, City of Norco  
Rita Rogers, City of Perris (1:44 p.m. arrival)  
Ben Benoit, City of Wildomar (1:43 p.m. arrival)

**Technical Advisory Committee Members present:**

Bryan Jones, City of Eastvale  
Rod Butler, City of Jurupa Valley  
Clara Miramontes, City of Perris  
Gary Nordquist, City of Wildomar

**4. PUBLIC COMMENTS**

There were no public comments.

**5. CONSENT CALENDAR** – (Wildomar / Jurupa Valley) 6 yes; 0 no; 0 abstention. Items 5.A through 5.H were approved. A representative from the City of Canyon Lake was not present. Note that this item was taken out of order due to lack of quorum at start of meeting.

**A. Summary Minutes from the March 10, 2021, Joint Meeting of the Board of Directors and Technical Advisory Committee**

**Action:**            1.        Approved the Summary Minutes from the March 10, 2021, Joint Meeting of the Board of Directors and Technical Advisory Committee.

**B. Regulatory and Legislative Activities Update**

**Action:**            1.        Received and filed.

**C. WCE Participation Statistics and Non-residential Client Engagement Update**

**Action:**            1.        Received and filed.

**D. Marketing and Outreach Activities Update**

**Action:**        *I.       Received and filed.*

**E. Financial Report Summary Update**

**Action:**        *I.       Received and filed.*

**F. Amendment to the Delinquent Accounts, Collections, and Bad Debt Policy**

**Action:**        *I.       Adopted Resolution No. 2021-05; A Resolution of the Board of Directors of Western Community Energy adopting an amended Policy No. 013: Delinquent Accounts, Collections, and Bad Debt Policy related to COVID-19.*

**G. Amendment to the WRCOG / WCE Management Services Agreement**

**Action:**        *I.       Approved the First Amendment to the WRCOG / WCE Management Services Agreement governing financial transfers between WRCOG and WCE.*

**H. Single Signature Authority Report**

**Action:**        *I.       Received and filed.*

**6. REPORTS / DISCUSSION**

**A. Preliminary Operational Assessment of WCE**

Chris Gray, WRCOG Deputy Executive Director, reported that WRCOG has contracted with consultant David Wright who has a long history of utility experience and could bring expertise to WCE that WRCOG staff does not have. Mr. Wright was tasked to complete an independent review of WCE operations.

Mr. Gray introduced Mr. Wright, who presented the findings of a preliminary assessment and evaluation of WCE operations and administrative structure.

WCE needs to increase its staffing levels to approximately 10 - 12 FTE experienced staff with industry-specific knowledge instead of operating by consultants. While WCE currently has several years of significant cash flow challenges, there is a path forward and opportunity that within a few years WCE will begin to build and get closer to its reserve targets.

WCE rates were originally set too low and did not meet challenges, such as the summer heat storm and a global pandemic; adjustments need to be made until WCE reaches greater financial stability. Most utilities will have to perform incremental rate increases to meet their cash flow challenges over the next couple of years.

Mr. Wright provided information on organizational structures of other CCAs with various budgets. WCE is a large CCA and requires higher staffing levels.

**Action:**        *I.       Received and filed.*

**B. WCE Rate Stabilization Adjustment Policy and Schedule**

Consultant Dave Wright reported that a Rate Stabilization Adjustment (RSA) encompasses all a CCAs rates and includes a Power Cost Adjustment (PCA), a Reserve Utilization Adjustment (RUA), and an RSA Schedule. RSA protects customers from large rate increases based upon higher than anticipated, market-based power prices and related expenses.

PCA budgets are created six to 18 months in advance; weather or inadequate power supplies can significantly and immediately change market-based power prices. A PCA allows for lower reserve levels and reduced interest costs and reduces the overall cost of service to customers.

A RUA helps to build reserves to those levels established by this Board. An annual reserve target level should be set each year. Reserves are used in years when energy prices are high, and reserves are built when energy prices are as expected.

If approved, the PCA and RUA will become effective July 1, 2021.

**Action:**           1.       *Adopted Resolution No. 2021-06; A Resolution of the Board of Directors of Western Community Energy adopting a Rate Stabilization Policy No. 016 and Rate Stabilization Adjustment Schedule.*

*(Norco / Hemet) 6 yes; 0 no; 0 abstention. Item 6.B was approved. A representative from the City of Canyon Lake was not present.*

## **7. REPORT FROM THE DEPUTY EXECUTIVE DIRECTOR**

Chris Gray, WRCOG Deputy Executive Director, reported that Board members will have the option of attending the next Board meeting in person. Staff sent a poll to the WCE Technical Advisory Committee members requesting input on a new meeting schedule for that Committee.

## **8. ITEMS FOR FUTURE AGENDAS**

There were no items for future agendas.

## **9. GENERAL ANNOUNCEMENTS**

There were no general announcements.

## **10. CLOSED SESSION**

Closed Session items consisted of existing and anticipated litigation; there were no reportable actions.

**11. NEXT MEETING:**       **The next Joint Meeting of the Board of Directors and Technical Advisory Committee is scheduled for Wednesday, May 12, 2021, at 1:15 p.m., on the Zoom platform. Committee members will have the option of attending this meeting in person.**

**12. ADJOURNMENT:**       **The Joint Meeting of the Board of Directors and Technical Advisory Committee adjourned from Closed Session at 3:23 p.m.**