



**Marin Clean Energy
Executive Committee Meeting
Wednesday, January 13, 2016
10:00 A.M.**

Kathrin Sears, Chair
County of Marin

Tom Butt, Vice Chair
City of Richmond

Bob McCaskill
City of Belvedere

Alan Schwartzman
City of Benicia

Sloan C. Bailey
Town of Corte Madera

Greg Lyman
City of El Cerrito

Barbara Coler
Town of Fairfax

Kevin Haroff
City of Larkspur

Garry Lion
City of Mill Valley

Brad Wagenknecht
County of Napa

Denise Athas
City of Novato

Carla Small
Town of Ross

Ford Greene
Town of San Anselmo

Genoveva Calloway
City of San Pablo

Andrew McCullough
City of San Rafael

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

1125 Tamalpais Avenue
San Rafael, CA 94901

1 (888) 632-3674
mceCleanEnergy.org

**The Barbara George Conference Room
1125 Tamalpais Avenue, San Rafael, CA 94901**

Agenda Page 1 of 2

1. Board Announcements (Discussion)
2. Public Open Time (Discussion)
3. Report from Chief Executive Officer (Discussion)
4. Approval of 12.2.15 Meeting Minutes (Discussion/Action)
5. Proposed Budget Adjustment for FY 2015/16 (Discussion/Action)
6. MCE New Staff Legal Team Positions for 2016 (Discussion/Action)
7. Budget Management and Reporting Alternatives (Discussion / Action)
8. Overview of MCE Finance Roles (Discussion)
9. Annual Compensation Review and Compensation Guidelines (Discussion)



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10. Regulatory and Legislative Update (Discussion)

11. Review Draft 1.21.16 Board Agenda (Discussion)

12. Board Member & Staff Matters (Discussion)

13. Adjourn



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**MARIN CLEAN ENERGY
EXECUTIVE COMMITTEE MEETING
Wednesday, December 2, 2015
10:00 A.M.**

**The Barbara George Conference Room
1125 Tamalpais Avenue, San Rafael, CA 94901**

Roll Call

Present: Denise Athas, City of Novato
Sloan Bailey, Town of Corte Madera
Bob McCaskill, City of Belvedere
Kate Sears, County of Marin
Ford Greene, Town of San Anselmo

Absent: Tom Butt, City of Richmond
Kevin Haroff, City of Larkspur

Staff: Katie Gaier, Human Resources Manager
Elizabeth Kelly, Legal Director
Beckie Menten, Director of Energy Efficiency
David McNeil, Finance and Project Manager
Alice Stover, Energy Efficiency Specialist

Action Taken:

Agenda Item #3 – Approval of 11.4.15 Meeting Minutes (Discussion/Action)

M/s Greene/Bailey (passed 5-0) the approval of 11.4.15 Meeting Minutes. Director McCaskill abstained. Directors Butt and Haroff were absent.

Agenda Item #4 – MCE New Staff Positions (Discussion/Action)

M/s Bailey/Athas (passed 5-0) the approval of the position of Legal Assistant I and Legal Assistant II and related job descriptions and salary ranges. The approval of a fiscal 2015/16 expenditure of up to \$16,000 for salary and other expenses related to this hire. Recommend the same to the MCE Board for approval at its December meeting. Approved adding this item to the December Consent Calendar. Directors Butt and Haroff were absent.

Agenda Item #5 – Revised Retirement Plan Change (Discussion/Action)

M/s Bailey/McCaskill (passed 5-0) 1. Approval of the termination of the Administrative Services Agreement with PenServ Services. 2. Approval of the Request to Rescind Termination with Nationwide Retirement Solutions. Recommend the same to the MCE Board for approval at its December meeting. Directors Butt and Haroff were absent.

Kate Sears, for Tom Butt, Executive Committee Chair

ATTEST:

Dawn Weisz, Chief Executive Officer



January 13, 2016

TO: Marin Clean Energy Executive Committee

FROM: Mike Maher, Maher Accountancy
David McNeil, Project and Finance Manager

RE: Proposed Budget Amendment for FY 2015/16 (Agenda Item #05)

ATTACHMENT: Proposed Budget Amendment for FY 2015/16

SUMMARY:

Staff is recommending an Amendment to the Fiscal Year (FY) 2015/16 Budget. Proposed changes to the approved Budget are as follows:

Cost of Energy (- \$487,000, 0.4% decrease) Cost of energy for the year will end up below original projections due to lower than expected power prices in 2016, as well as the delay in the operations date for the Corcoran/Goose Lake PV generation project. The \$487,000 proposed decrease for this account is equal to the increases from other operating expenditures.

Personnel (+ \$178,000, 6.0% increase): Personnel expenditures increased from original projections due to a combination of employee hiring occurring sooner than anticipated as well as the implementation of pay increases following changes to salary ranges approved by the board.

Legal (+ \$27,000, 7.5% increase): Legal expenditures are expected to exceed the original budget as the scope of projects were beyond original projections. This includes contingencies for potential litigation.

Data Manager (+ \$6,000, 0.2% increase): These costs are based on the number of customer meters, and represent a very minor increase due to higher than expected customer enrollment.

Other Services (+ \$47,000, 11.2% increase): The increase requested is primarily driven by fees related to recent contracts for strategic planning and investment advisory services related to MCE's retirement plan. These fees were not originally anticipated.

General & Administration (+ \$15,000, 4.6% increase): The increase in this category is primarily driven by costs associated with MCE's move to a new building as well as the increase in the number of employees.

Capital Outlay (+ \$146,000, 97.3% increase): The increase in capital outlay is due to various leasehold improvements made at the MCE facilities. Certain leasehold improvements were expected to be completed within the prior 2014/15 budget year, but ended up running into 2015/16.

Debt Service (+ \$68,000, 3.3% increase): These costs are associated with the \$15,000,000 credit facility and the subsequent \$5,500,000 letter of credit opened in FY 2015/16.

FISCAL IMPACT: Reduced energy expenses offset other increases in the expenses as detailed above. There is no net impact on the Operating Fund balance

RECOMMENDATION: Approve the FY 2015/16 Budget Amendment and recommend approval by the MCE Board.

MARIN CLEAN ENERGY			
OPERATING FUND			
Proposed Budget Amendment			
Fiscal Year 2015/16			
	2015/16 Budget	2015/16 Proposed Amendment	2015/16 Proposed Amended Budget
REVENUE AND OTHER SOURCES:			
Revenue - Electricity (net of allowance)	\$ 145,933,097		\$ 145,933,097
Total sources	145,933,097	-	145,933,097
EXPENDITURES AND OTHER USES:			
CURRENT EXPENDITURES			
Cost of energy	129,522,715	\$ (487,000)	129,035,715
Personnel	2,964,000	178,000	3,142,000
Technical consultants	629,000		629,000
Legal counsel	360,000	27,000	387,000
Communications consultants and related expenses	751,000		751,000
Data manager	2,862,000	6,000	2,868,000
Service fees - PG&E	921,000		921,000
Other services	418,000	47,000	465,000
General and administration	329,000	15,000	344,000
Occupancy	260,000		260,000
Integrated demand side pilot programs	50,000		50,000
Marin County green business program	10,000		10,000
Low income solar programs	35,000		35,000
Total current expenditures	139,111,715	(214,000)	138,897,715
CAPITAL OUTLAY	150,000	146,000	296,000
DEBT SERVICE	2,080,000	68,000	2,148,000
INTERFUND TRANSFER TO:			
Renewable Energy Reserve Fund	1,000,000		1,000,000
Local Renewable Energy Development Fund	151,383		151,383
Total interfund transfers	1,151,383	-	1,151,383
Total expenditures	142,493,098	-	142,493,098
Net increase (decrease) in available fund balance	\$ 3,440,000	\$ -	\$ 3,440,000



January 13, 2016

TO: Marin Clean Energy Executive Committee

FROM: Katie Gaier, Human Resources Manager
David McNeil, Finance and Project Manager

RE: New Staff Position (Agenda Item #06)

ATTACHMENT: A. Job Description – Staff Attorney
B. Attorney Positions with Salary Ranges

SUMMARY:

Marin Clean Energy's Legal and Regulatory Team has identified a need to hire a Staff Attorney to relieve the Legal Director of the basic and advanced transactional areas of the law, including review, evaluation and finalization of contracts and related policies. The emphasis of the position will be on legal transactions between MCE and its contractors who provide a wide-range of services in support of the agency's operation and compliance with municipal and state law. The assignment of these duties to a Staff Attorney will allow the Legal Director to focus on the highest and most complex level of legal and regulatory responsibilities within MCE as well as management of the Legal and Regulatory team.

There are currently four levels of attorney positions within the Legal and Regulatory team, from Regulatory Counsel I through the Legal Director. In order to maintain adequate spreads between salary ranges based on level of responsibility, it has been determined that the salary for Staff Attorney be set at a level between Regulatory Counsel II and Regulatory & Legislative Counsel. The recommended salary, therefore, is \$105,912 - \$168,806. Non salary related expenses for FTEs in the above noted salary ranges are estimated to be 30% of salary.

It is anticipated that the position will be filled in April and the cost will be included in the Board approved budget for FYE 2017. Over the medium and long term we expect the addition of this position will allow MCE to achieve its strategic objectives and improve the cost effectiveness of the Legal Team through less reliance on outside counsel for duties that can be performed by the Staff Attorney. This position, if approved by your Committee, will be brought to the January meeting of the Board of Directors for approval along with the Legal Assistant I and II, which was approved by the Executive Committee at its December 2, 2015 meeting.

FISCAL IMPACT:

It is anticipated that the position will be filled on or after April 1, 2016. The fiscal impact on the

regular salary budget, if the position is filled at the bottom level would be \$137,686 and \$219,448 at the top level. These are fully-loaded (salary plus benefits) costs.

RECOMMENDATION:

Approve the position of Staff Attorney and related job description and salary range of \$105,912 - \$168,806. Approve the cost of the position in the FYE 2017 budget. Recommend the same to the MCE Board for approval at its January 2016 meeting.



Staff Attorney Job Description DRAFT

Summary

The MCE Staff Attorney works under direction from the Legal Director and has responsibility for a wide range of Marin Clean Energy (MCE) transactional matters, with particular emphasis on contracts and areas of municipal and state law. The Attorney reviews, evaluates and finalizes MCE contracts and related policies to ensure compliance with municipal and state law, and performs other duties as assigned.

Class Characteristics

The MCE Staff Attorney works under the general direction of the Legal Director. Incumbents are assigned to relieve the Legal Director of basic and advanced transactional areas of the law, including, but not limited to review, evaluation and finalization of contracts and related policies. The emphasis of the position is on legal transactions between MCE and its contractors who provide a wide-range of services in support of the agency's operations and compliance with municipal and state laws.

Essential Duties and Responsibilities (Illustrative Only)

Incumbents may perform some or all of the following:

- Review, evaluate and finalize various contracts;
- Develop contracts, terms and conditions, and non-disclosure agreements for ongoing energy management technology pilots and programs;
- Respond to Public Records Act requests, including review of documents related to Public Records Act requests;
- Develop policies, terms and conditions, and other materials supporting MCE functions;
- Address questions related to laws and regulations impacting MCE, including the Brown Act;
- Litigate matters or manage litigation matters for MCE;
- Assist in refining MCE's contract management processes;

- Determine criticality of contracts that may need referral to outside counsel;
- Coordinate with outside counsel to finalize referred contracts.

Supervisory Responsibilities

The Staff Attorney may provide lead work direction to Law Clerks and other Interns.

Breakdown of Time Spent on Various Work Areas

- | | |
|--------------------------|-----|
| • Contract Review | 65% |
| • Related Legal Analysis | 25% |
| • Other Analytical Tasks | 10% |

Minimum Qualifications

Education/Experience:

A law degree from an ABA approved law school and at least three (3) years of municipal law experience is required. Experience in contract law and with a public utility is preferred.

Knowledge of

- Marin Clean Energy and its mission and purpose.
- California laws governing the operation of electric utilities, in particular Community Choice Aggregation (CCA) programs, including data privacy requirements.
- Terminology typically used in the electric utility industry.
- Contract language in general and specific to the utility industry.
- Utility rate design and electric resource planning.
- Community Choice Aggregation program related issues.
- Microsoft Office Suite including Excel, Word, and PowerPoint, and Adobe Acrobat.

Ability to

- Communicate effectively in written and oral form.
- Analyze data and produce effective written reports and arguments.
- Manage multiple priorities.
- Quickly adapt to changing priorities in a fast paced, dynamic environment.
- Take responsibility and work independently, as well as coordinate team efforts.
- Be thorough and detail-oriented.
- Work accurately and swiftly under pressure.
- Demonstrate patience, tact, and courtesy.
- Establish and maintain effective working relationships with persons encountered during the performance of duties.

Language and Reasoning Skills

- Exercise exceptional analytical skills, sound judgment, creative problem solving, and commercial awareness.
- Analyze and interpret large amounts of information quickly and accurately, and make sound policy recommendations.
- Develop high-quality writing, research and communication work products.
- Deliver clear and persuasive oral communication.
- Interact effectively with administrative bodies and MCE's Legal Director, Chief Executive Officer and Board of Directors.
- Manage projects and time efficiently.

Physical Demands

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. While performing the duties of this job, the employee is frequently required to use hands to finger, handle, or feel and reach with hands and arms. The employee must occasionally lift and/or move up to 20 pounds.

Work Environment

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. The noise level in the work environment is usually moderate.

ADA Compliance

MCE will make reasonable accommodation of the known physical or mental limitations of a qualified applicant with a disability upon request.

MARIN CLEAN ENERGY

Legal & Regulatory Team – Attorney Positions

Job Title	Bottom Step of Range	Top Step of Range
Regulatory Counsel I	\$82,525	\$114,855
Regulatory Counsel II	\$94,564	\$150,720
Staff Attorney (Proposed)	\$105,912	\$168,806
Regulatory and Legislative Counsel	\$119,748	\$199,451
Legal Director	\$184,657	\$252,918



January 13, 2016

TO: Marin Clean Energy Executive Committee
FROM: David McNeil, Project and Finance Manager
RE: Budget Management and Reporting Alternatives (Agenda Item #07)
ATTACHMENT: Alternative 2015/16 Budget Format

SUMMARY:

The attached Alternative 2015/16 Budget Format provides supplemental information regarding the proposed 2015/16 Budget Amendment. The information is presented in a format that differs from MCE's standard budget format. Staff wishes to discuss the alternative format with the Executive Committee to determine if the alternative budget format structure better meets the needs of the agency. Any changes to budget reporting format could be used in the preparation and presentation of the 2016/17 budget. Staff expects to present the proposed 2016/17 Budget to the Executive Committee at its February meeting.

FISCAL IMPACT: None.

RECOMMENDATION: Discussion item only.

MARIN CLEAN ENERGY

OPERATING FUND

Proposed Budget Amendment - Summary for Management Purposes

Fiscal Year 2015/16

	2015/16 Budget	Proposed 2015/16 Budget	Variation	Variation %
Revenue - Electricity (net of allowance)	\$ 145,933,097	147,443,380	\$ 1,510,283	1.0%
Other Revenue		436,012	436,012	
ENERGY REVENUE	145,933,097	147,879,392	\$ 1,946,295	
Service fees - PG&E	921,000	882,146	(38,854)	-4.4%
Data manager	2,862,000	2,868,024	6,024	0.2%
Cost of energy	129,522,715	125,671,563	\$(3,851,151)	-3.1%
ENERGY EXPENSESES	133,305,715	129,421,733	(3,883,982)	
NET ENERGY REVENUE	12,627,383	18,021,647	5,394,265	
Personnel	2,964,000	3,141,797	177,797	5.7%
Technical consultants	629,000	638,795	9,795	1.5%
Legal counsel	360,000	386,793	26,793	6.9%
Communications consultants & related	751,000	751,000	-	0.0%
Other services	418,000	465,040	47,040	10.1%
General and administration	329,000	343,930	14,930	4.3%
Occupancy	260,000	233,706	(26,294)	-11.3%
Integrated demand side pilot programs	50,000	36,190	(13,810)	-38.2%
Marin County green business program	10,000	10,000	-	
Low income solar programs	35,000	35,000	-	
OPERATING EXPENSES	5,806,000	6,042,251	236,251	3.9%
OPERATING INCOME	6,821,383	11,979,397	5,158,014	43.1%
Interest and Financing Costs (supplemental)	55,962	123,680	67,718	54.8%
Depreciation (supplemental)	40,000	50,000	10,000	20.0%
NET OPERATING INCOME	6,725,421	11,805,717	5,080,296	43.0%
Net Position Beginning of Period	13,256,319	13,256,319	-	0.0%
Operating Income (current period)	6,725,421	11,805,717		
Total Net Position End of Period	19,981,740	25,062,036	5,080,296	20.3%
OTHER EXPENDITURES				
Capital Outlay	150,000	295,656	145,656	49.3%
Repayment of Loan Principal	2,024,038	2,024,038	-	0.0%
Transfer to the Renewable Energy Reserve Fund	1,000,000	1,000,000	-	0.0%
Transfer to the Local Renewable Energy Development Fund	151,383	151,383	-	0.0%
Total interfund transfers	1,151,383	1,151,383	-	0.0%
Net increase (decrease) in available fund balance	\$ 3,440,000	\$ 8,384,639	4,944,640	59.0%



January 13, 2016

TO: Marin Clean Energy Executive Committee
FROM: David McNeil, Project and Finance Manager
RE: Overview of Finance Roles at MCE (Agenda Item #08)

SUMMARY:

This memorandum to the Executive Committee summarizes MCE's current strategy with regard to finance functions as well as activities and future plans for transitioning key functions to a Chief Financial Officer. It outlines the key leadership role a CFO would play at MCE, details the CFO's functional responsibilities and outlines how the role would integrate with other finance related areas of the agency. This memo will be supplemented by a presentation on MCE finance roles as well as a 2 year work plan for the Finance and Project Manager, which outlines the key functions covered by that staff position.

Since inception MCE has developed and implemented planning and activities to oversee finance functions through a finance team. This approach has drawn upon strong expertise available on a contract basis to ensure a solid foundation for the growing agency. Historically, the primary finance functions for MCE have included maintenance of load forecast, rate setting, financial modeling and planning, budget development and control, finance structuring for power supply transactions, credit and collateral postings, financial reporting to the Board, public and counterparties.

The bulk of MCE's finance functions have been overseen by John Dalessi, with a primary focus on planning, structuring, and operations. These tasks require specialized expertise in regards to power markets, utility rates, forecasting, cost modeling and compliance with the myriad of complex regulations affecting MCE's power supply operations. Financial accounting, reporting and controls have been conducted by Maher Accountancy. Historically, these tasks have required strong and specialized expertise, but have not required a full time finance professional on staff. Workload in the traditional finance areas related to debt management, cash management, credit and financial risk management are growing as the organization matures and as the scope of its operations expands. As MCE grew in 2015, the position of Finance and Project Manager was created to provide more staff support in the area of finance and plans were presented to grow this role internally into a Chief Financial Officer (CFO) role in the future.

Finance roles and the finance staff position were initially discussed by the Executive Committee in the fall of 2014, and were further discussed and refined in Committee meetings in 2015. Currently, the Finance and Project Manager position is filled by David McNeil. Future finance functions may include the financing of owned generation assets. The first buyout option on

Power Purchase Agreements occurs in 2022 and it may be necessary to arrange long term financing to acquire related assets at that time. Financing options include conventional bank financing, financing arranged through a Joint Power Authority such as the Association of Bay Area Governments and the issuance of a bond. MCE is also exploring obtaining a bond rating to reduce costs associated with PPAs and to support an eventual bond issuance. As MCE begins to take on finance activities related to asset ownership additional in-house finance expertise may become necessary.

Staff expects that there will be a need to create a CFO position within the next two years to play a key leadership role at MCE in helping to drive performance and innovation while ensuring the prudent stewardship of agency resources. Reporting to the CEO, the CFO would owe a fiduciary responsibility to MCE offering leadership to the board and management in the areas of finance, accounting, strategic planning, risk management and business optimization. The CFO would help ensure MCE operations are coordinated and consistent with the strategic plan and sound business and financial principles. In fulfilling this role the CFO would balance the need to partner with and support the operating units of the agency with the need to guide the agency in a financially prudent and ethical manner.

Potential Roles of a CFO

Leadership Role

1. Demonstrate effective organizational leadership as a key member of senior management
2. Balance the responsibilities of stewardship with business partnership
3. Act as an integrator and navigator for the organization
4. Be an effective leader of the finance and accounting function
5. Bring professional and ethical qualities to the role and the organization

Functional Responsibilities

1. Support for the CEO and Management
 - a. The CFO will be a trusted advisor to the CEO and be ready to support and challenge her/him in leading the business
 - b. The CFO will advise and support the Directors helping them to improve performance
2. Support for the Board
 - a. Support the board in providing financial oversight and direction to the firm
 - b. Assist the Board with the annual audit process
 - c. Report regularly to the board concerning budgets, financial results and key finance and performance drivers
3. Oversee accounting function
 - a. Oversee cash flow management and transactional accounting
 - b. Plan and oversee the provision of timely, accurate and useful reporting and performance measurement information
 - c. Develop and oversee accounting policy, controls and regulatory compliance on finance related matters
4. Plan and Oversee Capital and Operating Budget Process

- a. Ensure that resources are allocated in manner consistent with the strategic objectives of MCE an in accordance with sound financial and managerial principles
- 5. Financing
 - a. Negotiate and manage banking relationship(s)
 - b. Ensure collateral and LOC support for PPAs as needed
 - c. Explore and optimize alternative financing arrangements
- 6. Strategic Planning
 - a. Coordinate on going strategic planning
 - b. Ensure enterprise wide business decisions agree with strategic plan
 - c. Contribute Financial and Business perspective to the Strategic Plan
- 7. Risk Management
 - a. Manage and Oversee the Risk Management Plan
 - b. Coordinate on going risk management using the COSO framework
 - c. Develop and Implement Data Security Strategies
- 8. Business optimization
 - a. Support capital assets purchase planning including power generating assets
 - b. Support financial review and structuring of power purchase agreements
 - c. Assist with departmental expense planning, oversight and control
 - d. Manage and optimize insurance policies and coverage
 - e. Supporting third party financing arrangements for DSM & EE projects
 - f. Regulatory support on for finance and economic Issues
 - g. Assume fiduciary responsibility for employee retirement plan
 - h. Support HR policy development including salary guideline
- 9. Public Representation
 - a. Represent MCE in its relationship with key finance related stakeholders such as banks, financial institutions, regulators, rating agencies and other community stakeholders
- 10. Staff reporting and leadership
 - a. TBD

Teams and Roles complimenting and supporting the CFO

- 1. CEO
 - o Provides guidance to and oversight of the CFO and prioritizes his /her activities
- 2. MCE Board and Executive Committee
 - o Provides CFO with clear, regular and informed direction on the financial direction of the firm. An open and frank working relationship between the board and CFO is a key to organizational success.
- 3. Pacific Energy Advisors
 - o Load monitoring, modeling and forecasting
 - o Scheduling Coordinator and CAISO invoice review
 - o Energy supply planning, cost modelling and projections
 - o Revenue and cash flow projections
 - o Rate modelling and setting

- Finance structuring for power supply transactions including collateral obligations
- Reporting to compliance agencies, counterparties, the Board and the public
- 4. Human Resources
 - Salary, benefit and HR policy development
 - Retirement plan administration (in house)
- 5. Maher Accountancy
 - Undertakes the accounting function
 - Prepares budgets and financial reports
 - Advises on accounting software / technology optimization
 - Advises on financial and accounting policies and controls

RECOMMENDATION: Discussion item only.



COMPENSATION OVERVIEW AND GUIDELINES

1. Competitive Pay

While maintaining fiscal responsibility, MCE is committed to compensating staff in a manner that is fair, consistent, reflective of the external market, and provides recognition for the achievement of individual goals, agency objectives and professional competency. MCE is committed to providing its employees with competitive compensation, based upon labor market standards within similar public agencies with similarly situated positions. Also factored into establishing compensation levels is the cost of living index.

2. Job Classes and Pay Ranges

MCE uses Board approved job classes and pay ranges for all positions, with the exception of intern or temporary hire assignments. There can be more than one employee in each job class and the same job class can be used by different departments. MCE will periodically review pay ranges to ensure ranges are competitive with the market (“market equity”), and proposed changes will be presented to the Board for approval. Following Board approval for a pay range adjustment, any staff pay that is below the bottom of the range will be brought up to the lower limit of the range in the pay period following the revision.

3. Cost of Living Adjustment (COLA) increases

Pay ranges and employee pay are increased by the annual cost of living increase, effective on January 1st of each year. The COLA is based on the Bureau of Labor Statistics (Department of Labor) bimonthly Consumer Price Index for all Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose region. The bi-monthly indices used are December (previous year), February, April, June, August and October. COLA increases greater than 4% require Board approval.

4. Pay Increases

All individual employee pay increases are subject to departmental need and budgetary availability and require approval of the CEO. Pay changes typically follow the standards below:

- a. Performance Based: Employees are typically provided an evaluation after the first 3 months of employment. A pay increase may be provided at the discretion of management. After the initial evaluation, MCE employees are reviewed on an annual basis. A merit increase may be applied beginning in the pay period following the evaluation. The amount of the increase is recommended by the supervisor and/or Department Director and must be approved by the CEO. The annual performance increases range from 0-5% with 3% being the average. The

annual performance increases do not exceed 5%, except in cases of extraordinary merit, in order to provide consistency and equity in pay increases across MCE.

- b. Market Based: Supervisors may make a competitive market adjustment to pay of up to 5% per annum to bring an employee up to the appropriate point in the pay range following the adjustment of a pay range by Board. Employees that begin work at MCE after a pay range adjustment are typically not eligible for a market based increase. Competitive market adjustments are made considering the performance, skills and experience of a staff member in the context of the Job Description for their position. Competitive market adjustments are typically made at the time of the annual performance review.

5. Board Review and Approval

All new job classes (with the exception of temporary hires and intern positions) and any changes in pay ranges are required to have Board approval. Ideally, this process aligns with the preparation and the submittal of the annual budget. In addition, compensation guidelines could be updated on an annual basis in alignment with the budget process.



DRAFT

**Marin Clean Energy
Board of Directors Meeting
Thursday, January 21, 2016
7:00 P.M.**

**The Charles F. McGlashan Board Room
1125 Tamalpais Avenue, San Rafael, CA 94901**

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Kathrin Sears, Chair
County of Marin

Tom Butt, Vice Chair
City of Richmond

Bob McCaskill
City of Belvedere

Alan Schwartzman
City of Benicia

Sloan C. Bailey
Town of Corte Madera

Greg Lyman
City of El Cerrito

Barbara Coler
Town of Fairfax

Kevin Haroff
City of Larkspur

Garry Lion
City of Mill Valley

Brad Wagenknecht
County of Napa

Denise Athas
City of Novato

Carla Small
Town of Ross

Ford Greene
Town of San Anselmo

Genoveva Calloway
City of San Pablo

Andrew McCullough
City of San Rafael

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

1125 Tamalpais Avenue
San Rafael, CA 94901

1 (888) 632-3674
mceCleanEnergy.org

1. Board Announcements (Discussion)
2. Public Open Time (Discussion)
3. Report from Chief Executive Officer (Discussion)
4. Board Introductions for 2016 (Discussion)
5. Consent Calendar (Discussion/Action)
 - C.1 12.17.15 Meeting Minutes
 - C.2 Approved Contracts Update
 - C.3 Monthly Budget Report
 - C.4 MCE On-Bill Repayment Program 2nd Operating Agreement with River City Bank
 - C.5 MCE New Staff Legal Team Positions for 2016
 - C.6 1st Addendum to 2nd Agreement with Rincon Consultants
6. Update Voting Shares for MCE Service Area Communities (Discussion/Action)
7. Budget Adjustment for FY15/16 (Discussion/Action)



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DRAFT
Marin Clean Energy
Board of Directors Meeting
Thursday, January 21, 2016
7:00 P.M.

Kathrin Sears, Chair
County of Marin

Tom Butt, Vice Chair
City of Richmond

Bob McCaskill
City of Belvedere

Alan Schwartzman
City of Benicia

Sloan C. Bailey
Town of Corte Madera

Greg Lyman
City of El Cerrito

Barbara Coler
Town of Fairfax

Kevin Haroff
City of Larkspur

Garry Lion
City of Mill Valley

Brad Wagenknecht
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The Charles F. McGlashan Board Room
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- 8. Rates Update (Discussion)**
- 9. Energy Efficiency Update (Discussion)**
- 10. Communications Update (Discussion)**
- 11. Board Member & Staff Matters (Discussion)**
- 12. Adjourn**



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