

**MINUTES
FINANCE COMMISSION
ADJOURNED REGULAR MEETING
January 21, 2015**

City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER – 5:30 p.m.

ROLL CALL

PRESENT: 5	Commissioner:	Dressler
	Commissioner:	Reyno
	Commissioner:	Stein
	Commissioner:	Wong
	Vice Chair:	Bartlett

PLEDGE OF ALLEGIANCE

Commissioner Stein led the Pledge of Allegiance.

INTRODUCTIONS

Councilwoman Schott introduced Don Dressler as her new appointee to the Finance Commission and thanked him for agreeing to serve.

Ken Brown, Director of Administrative Services, introduced and provided background on David Reyno, Mayor Pro Tem Lalloway's appointee to the Finance Commission.

PRESENTATIONS

There were no presentations.

COMMITTEE REPORTS

There were no committee reports.

ADDITIONS AND DELETIONS TO THE AGENDA

There were no additions and deletions to the agenda.

PUBLIC COMMENTS

There were no public comments.

REORGANIZATION OF THE FINANCE COMMISSION

- 1) Ken Brown, Director of Administrative Services, declared the nominations open for Chairperson and called for the Commission vote. Commissioner Stein nominated Vice Chair Bartlett as Chairperson of the Finance Commission.

ACTON: By roll call vote, it was unanimously carried to elect Vice Chair Bartlett as Chair of the Finance Commission.

- 2) Newly elected Chair Bartlett declared nominations open for Vice Chair and called for the Commission vote. Chair Bartlett nominated Commissioner Stein.

ACTION: By roll call vote, it was unanimously carried to elect Commissioner Stein as Vice Chair of the Finance Commission.

- 3) Selection of Finance Commission representative to City Committee: Newly elected Chair Bartlett declared nominations open for a representative to the City's Investment Advisory Committee and called for the Commission vote. Chair Bartlett nominated Commissioner Dressler.

ACTION: By roll call vote, it was unanimously carried to elect Commissioner Dressler as representative to the Investment Advisory Committee.

RECESS THE FINANCE COMMISSION MEETING TO THE IRVINE PUBLIC FACILITIES CORPORATION ANNUAL MEETING

Chair Bartlett recessed the Finance Commission meeting at 5:39 p.m.

RECONVENE THE FINANCE COMMISSION MEETING

Chair Bartlett reconvened the Finance Commission meeting at 5:42 p.m.

COMMISSION BUSINESS

1. MINUTES

ACTION: Moved by Commissioner Dressler, seconded by Vice Chair Stein, and unanimously carried to:

Approve the minutes of a regular meeting of the Finance Commission held on December 15, 2014.

2. SOLAR POWER PURCHASE AGREEMENT PROPOSAL

Dori Budde, Community Services Manager, introduced the staff report and answered questions. Meredith Reynolds, Environmental Programs Administrator, presented the staff report and answered questions. Michael Sherwood, Deputy Director of Public Safety, Jacki Scott, Manager of Engineering, Mike Cribbin, Senior Management Analyst, and Robin Park, Senior Manager with SunEdison, were also present and answered questions.

Wendell Brase, Vice Chancellor with University of California Irvine, provided a brief summary of the University's power purchase agreement with SunEdison and offered to be available as a resource to answer questions.

Mark Sontag, retired manager of solar site properties for Irvine Unified School District also spoke in support of SunEdison and provided a summary of the District's savings across all facilities.

Commission discussion included: pros and cons compared to other vendors; number of RFQ responses and proposals received; estimated fair market value in 20 years; cost of ownership and key differences between power purchase and capital purchase; balance of the Infrastructure and Rehabilitation Fund; "Option R" timing; process for tracking performance and estimated production guarantees; annual facility usage and the number of meters offset; estimated cost of contract administration and project oversight; opportunity to swap panels if technology advances; feasibility for other existing facilities; 20-year contract versus 10-year; need for parking lot security camera reconfiguration; net present value analysis; the heavily subsidized nature of solar and the benefit to SunEdison; and the responsible party for owning, operating, and maintaining the solar panels.

ACTION: Moved by Vice Chair Stein seconded by Commissioner Dressler, and unanimously carried to:

- 1) Recommend the City Council approve a Solar Power Purchase Agreement for solar energy systems at the Irvine Civic Center and Train Station parking structure.
- 2) Recommend the City Council authorize the City Manager to sign a Solar Power Purchase Agreement for construction of solar energy project.
- 3) Recommend the City Council establish a new Capital Improvement Project (CIP 361515) for project management, inspection costs and

- 4) security camera reconfiguration related to the solar project. Recommend the City Council allocate \$333,000 from the Infrastructure and Rehabilitation Fund balance to the Solar Project (CIP 361515).
- 5) Recommend the City Council approve a \$333,000 budget adjustment to fund the solar project.

As amended, to include recommended action #6, as follows:

- 6) Recommend to the City Council that savings realized from the Solar Project be utilized to reimburse the Infrastructure and Rehabilitation Fund each year until expenditures in the new CIP account are repaid.

3. FISCAL YEAR 2014-15 NOVEMBER BUDGET UPDATE

Peter Hong, Management Analyst II, presented the staff report and answered questions. Ken Brown, Director of Administrative Services, and Donna Mullally, Manager of Budget & Business Planning, were also present and answered questions.

Commission discussion included: special fund balances; property tax revenue and year-to-date budget variance; expected payment for documentary transfer tax; sales tax 'catch up' months; and animal license fee revenues.


ACTION: Moved by Commissioner Dressler, seconded by Vice Chair Stein, and unanimously carried to:

Receive and file the Fiscal Year 2014-15 November Budget Update.


Commissioner Dressler expressed an interest in receiving an abbreviated version of the recent presentation provided to the City Council on upcoming major capital / public facility projects.

ADJOURNMENT

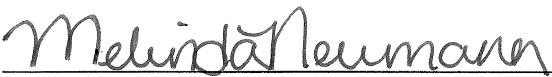
By consensus, Chair Bartlett adjourned at 7:15 p.m.



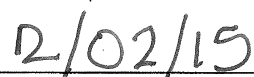
 ALLAN BARTLETT
 CHAIR



 KEN BROWN
 DIRECTOR OF ADMINISTRATIVE
 SERVICES



 MELINDA NEUMANN
 RECORDING SECRETARY



 DATE APPROVED