

**Virginia Energy Purchasing Governmental Association
(VEPGA)**

County Manager's Conference Room
Henrico County Administration Building
4301 East Parham Road
February 7, 2014
9:30 A.M.

Approved Minutes

Present were board members Steve Sinclair, Fairfax County; David Baker, Fredericksburg Schools; Michael Barancewicz, Loudoun County Schools; Matt Groff, Prince William County; Wayne Lassiter, City of Richmond; Jim Morris, Virginia Beach Public Schools; Rick Raike, Hampton Roads Sanitation District; Tom Reinsel, Fairfax County Schools; Najib Salehi, Loudoun County; Dave Simmons, Gloucester County Schools; Jerry Spivey, City of Norfolk; Mark Tschirhart, York County Schools; and Jerry Walker, Henrico County.

Also present were VEPGA member representatives Seth Austin, Chesterfield County Schools; Leo Blades, City of Hampton; Larry Burkett, City of Richmond; Susan Hafeli, Fairfax County; Veronica Meade, City of Hampton; John Morrill, Arlington County; John Ohanian, Metropolitan Washington Airports Authority; Julia Reynolds, Chesterfield County; Jerry Riddick, City of Norfolk; Howard Stone, Fairfax County; and Aida Velasquez, Metropolitan Washington Airports Authority.

Also present were VEPGA counsel Cliona Robb and Louis Monacell with Christian & Barton, Glenn Watkins VEPGA consultant with TAI, and VEPGA Secretary/Treasurer Joe Lerch with the Virginia Municipal League.

I. Call to Order

Mr. Sinclair called the meeting to order at 9:41 a.m.

II. Approval of Minutes of Previous Meeting (11/1/13)

A motion to approve the minutes from November 1, 2013 meeting was made by Mr. Reinsel and seconded by Mr. Salehi. The motion passed unanimously.

III. Additions to the Agenda

There were no additions to the agenda.

IV. Committee Updates

A. Budget & Finance Committee

David Baker reviewed the financial statements with the board. He also presented the proposed budget as recommended by the committee on January 10th at their meeting in Fredericksburg. He noted a new allocation of \$1,000 for advertising for the fiscal year starting July 1. This reflects expenditures in previous years for booths at conferences and

printing of VEPGA brochures. A motion to approve the budget was made by Mr. Sinclair and seconded by Mr. Baker. The motion passed unanimously.

B. Energy Efficiency & Conservation Committee

Susan Hafeli reported on the January 8th meeting of the committee. Topics covered were managing consumption of plug-load electrical devices, CO2 sensors, legal update, and annual meeting preparations.

Regarding plug-load devices, the presenter Sam Oldak from ThinkEco, said that while his company has focused on room ACs their modlet (short for modern outlet) can also be utilized for other plug in devices.

In regards to CO2 sensors Tom Reinsel said that they are being used to determine occupancy levels at Oakton High School.

The annual meeting will be May 8th at the Virginia Beach Convention Center with a tour of the HRSD Atlantic treatment plant the prior afternoon. The meeting will start at 10 a.m. and conclude at 2:45 p.m. The agenda will include an update from Cliona Robb on General Assembly and VEPGA contract, member report from Steve Sinclair, Glenn Watkins presentation on VEPGA rates, and an update on LED technology.

For the keynote address the board decided to invite Steve Haner from Black Walnut Strategies.

C. Joint Action Committee (JAC)

Jerry Riddick reported that Fred Howe will give an update at the March meeting of the JAC on the pilot program for design and construction. He also said that Johnny Harris is preparing a FAQ sheet on terms and conditions to be posted on the VEPGA website.

Steve Sinclair noted that participation in the JAC is made easier by video conferencing in four locations throughout the state.

V. Legal Update

A. (closed executive session) Report on 7/1/2014 Riders

B. (closed executive session) Report on status of negotiations with Virginia Power for 7/1/2014 contract

At 10:07 a.m. Mr. Groff made a motion seconded by Mr. Simmons to enter into a closed meeting under Code of Va. § 2.2-3711(A)(7) to consult with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. The motion passed unanimously.

Mr. Groff made another motion seconded by Mr. Salehi to permit non board member VEPGA member representatives to attend, as their presence will reasonably aid the board in its consideration of the bargaining position and negotiating strategy as allowed under Code of Va. § 2.2-3712(F).

At 11:20 a.m. the board came out of executive session and took a roll call vote to certify that (i) only business matters lawfully exempted from open meeting requirements under these chapters and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting of the public body.

Roll Call

<i>Mr. Baker</i>	<i>Aye</i>
<i>Mr. Barancewicz</i>	<i>Aye</i>
<i>Mr. Groff</i>	<i>Aye</i>
<i>Mr. Lassiter</i>	<i>Aye</i>
<i>Mr. Raike</i>	<i>Aye</i>
<i>Mr. Reinsel</i>	<i>Aye</i>
<i>Mr. Salehi</i>	<i>Aye</i>
<i>Mr. Simmons</i>	<i>Aye</i>
<i>Mr. Sinclair</i>	<i>Aye</i>
<i>Mr. Spivey</i>	<i>Aye</i>
<i>Mr. Tschirhart</i>	<i>Aye</i>
<i>Mr. Walker</i>	<i>Aye</i>

C. Update for VEPGA materials for booth at VCU Energy & Sustainability Conference

Steve Sinclair noted that 4 to 5 board members will be attending the conference and that he will be making a presentation on the “good use of tax dollars” on behalf of VEPGA.

D. Report on General Assembly bills

Cliona Robb reported on HB 1059 (Kilgore) that limits SCC in rate making cases. While the bill was improved from its original draft, Louis Monacell noted that Senators Saslaw and Norment, in speeches on the senate floor, said that the legislation was the result of the SCC exceeding its authority. Steve Sinclair observed that the SCC was not consulted in the drafting of the legislation and that the General Assembly is effectively deciding rate making cases.

Cliona also reported on the municipal net metering bill (SB 350) which was referred to the 2015 session. She added that net metering was going to be addressed in the new VEPGA contract.

Legislation to make the SCC subject to FOIA (HB 937) failed.

The board adjourned for lunch at 12:15 p.m.

The board reconvened at 12:52 p.m.

E. Report on Dominion Virginia Power 2013 biennial review case

Louis Monacell said that this update was already covered under the General Assembly report as it related to HB 1059.

F. Report on other SCC proceedings

Louis Monacell reported in the Integrated Resource Plan (IRP) noting that Dominion Virginia Power has spent \$600 million in "soft costs" for the new nuclear reactor at North Anna. This indicates they are still moving forward with new generation.

G. Report on Virginia Power comparison for switching rate schedules

Cliona Robb said that she will draft cover memo to be sent to those members whose rate schedules were identified by Dominion Virginia Power as potential savings by switching to another rate.

VI. Financial Statements

These were previously reviewed under item IV C.

VII. Next Meeting Date(s)

The next board meeting will coincide with the annual meeting on May 8th.

VIII. Adjournment

The meeting adjourned at 2:26 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Joe Lerch', written in a cursive style.

Joe Lerch
Secretary