



City of San Antonio

Agenda Memorandum

File Number:18-2724

Agenda Item Number: 4.

Agenda Date: 4/5/2018

In Control: City Council A Session

DEPARTMENT: Office of the City Clerk

DEPARTMENT HEAD: Leticia M. Vacek (OCC)

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Appointment to the CPS Energy Board of Trustees and SA Energy Acquisition Public Facility Corporation

SUMMARY:

A Resolution confirming the nomination of Dr. Willis Mackey by the City Public Service (CPS) Energy Board of Trustees to serve as Trustee of the Southeast Quadrant for a term commencing April 6, 2018 and expiring January 31, 2023; and approving the appointment of Dr. Willis Mackey to the Board of Directors of the SA Energy Acquisition Public Facility Corporation for a term commencing April 6, 2018 and expiring January 31, 2020.

BACKGROUND INFORMATION:

The CPS Energy Board of Trustees is made up of five citizens, one of whom is the Mayor. The Mayor is a voting member of the Board, and is charged with keeping the City Council advised and informed of any actions, deliberations and decisions of the Board. Other than the Mayor, the remaining Board members are selected from geographic quadrants of the City (NE, NW, SE and SW Quadrants). City ordinances and related CPS Energy bond covenants dictate how bond funds may be used, dictate how revenues generated by CPS Energy are allocated, and grants the Board of Trustees control, management, and operation of CPS Energy systems. Ordinances related to CPS Energy bonds require that nominees for vacancies on the CPS Energy Board of Trustees be elected by a majority of the remaining members of the Board of Trustees, to include the vote of the Mayor as a member of the Board, and that those nominees be submitted to the City Council for confirmation or rejection.

In Resolution No. 2007R-04-19-0455, approved on April 19, 2007, the City Council approved the creation of the SA Energy Acquisition Public Facility Corporation, which articles of incorporation and by-laws require the City Council appoint the members of the CPS Energy Board of Trustees along with the General Manager and CEO and the Chief Financial Officer of CPS Energy to the board of the new public facility corporation. The SA Energy Acquisition Public Facility Corporation was created for the purpose of financing and acquiring electric energy and power, oil, gas, coal, and other liquid, gaseous or solid hydrocarbon fuels for use by CPS Energy in operating its generation plants and in providing service to its customers. SA Energy Acquisition Public Facility Corporation Board of Directors serve for a term of two years.

At their March 6, 2018 Special Meeting, the CPS Energy Board of Trustees elected Dr. Willis Mackey as nominee for Trustee of the CPS Energy Board representing the Southeast Quadrant. Dr. Mackey's term will begin on April 6, 2018 and end February 28, 2023. The CPS Energy Board of Trustees also requested that Dr. Willis Mackey be appointed to the SA Energy Acquisition Public Facility Corporation Board of Directors for a term to begin on April 6, 2018 and end January 31, 2020.

ISSUE:

Pursuant to Ordinance No. 83050 and later ordinances and bond covenants approved by City Council, a nominee for the CPS Energy Board shall be elected by the majority vote of the CPS Energy Board. The nomination is submitted to the City Council for confirmation.

ALTERNATIVES:

In the event the City Council rejects Dr. Mackey's nomination, another nominee must be elected by the CPS Energy Board of Trustees for City Council consideration.

FISCAL IMPACT:

There is no fiscal impact.

RECOMMENDATION:

The nomination of Dr. Willis Mackey was received by the CPS Energy Board of Trustees and coordinated with the Mayor's Office, the Office of the City Attorney, and the Office of Public Utilities. The Office of the City Clerk recommends confirmation.