



# City of San Antonio

## Agenda Memorandum

**File Number:**19-1417

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**Agenda Item Number:** 5.

**Agenda Date:** 1/31/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Office of the City Clerk

**DEPARTMENT HEAD:** Leticia M. Vacek (OCC)

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

Confirmation to the CPS Energy Board of Trustees and SA Energy Acquisition Public Facility Corporation (PFC)

**SUMMARY:**

Approving the following appointments relating to CPS Energy: [Leticia M. Vacek, City Clerk]

- A) Resolution confirming the nomination of Juanita (Janie) Gonzalez by CPS Energy Board of Trustees to serve as Trustee of the Southwest Quadrant on the CPS Energy Board of Trustees for a term through January 31, 2024.
- B) Resolution approving the appointment of Juanita (Janie) Gonzalez and the reappointment of Mayor Ron Nirenberg, Edward B. Kelley, John T. Steen, and Paula Gold - Williams to the SA Energy Acquisition Public Facility Corporation for terms through January 31, 2021.

**BACKGROUND INFORMATION:**

The CPS Energy Board of Trustees is comprised 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 PFC, which articles of incorporation and by-laws require the City Council appoint the members of the CPS Energy Board of Trustees along with the President and CEO and the Chief Financial Officer of CPS Energy to the Board of the new public facility corporation. The PFC 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. The PFC Board of Directors serve for a term of two years.

At their December 28, 2018 Special Meeting, the CPS Energy Board of Trustees elected Ms. Janie Gonzalez as nominee for Trustee of the CPS Energy Board representing the Southwest Quadrant. Ms. Gonzalez' term will begin on February 1, 2019 and end January 31, 2024. The CPS Energy Board of Trustees also requested that Ms. Gonzalez be appointed to the PFC Board of Directors for a term to begin on February 1, 2019 and end January 31, 2021.

Additionally, CPS Energy requests the reappointment of the following members to the PFC Board of Directors whose term of office expire on January 31, 2019 for additional two-year terms.

Mayor Ron Nirenberg  
Mr. Ed Kelley  
Mr. John T. Steen  
Ms. Paula Gold - Williams

Each of these terms of office will be from February 1, 2019 through January 31, 2021.

**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.

Pursuant to Resolution No. 2007R-04-19-0455, City Council appoints the members of the CPS Energy Board of Trustees along with the President and CEO and the Chief Financial Officer of CPS Energy to the board of the PFC.

**ALTERNATIVES:**

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

If current PFC Board members are not reappointed, PFC bylaws approved in Resolution No. 2007R-04-19-0455 provide that current Board members continue to serve until successors are appointed.

**FISCAL IMPACT:**

There is no fiscal impact.

**RECOMMENDATION:**

The nomination of Ms. Janie Gonzalez 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.