ITEM 4A

Desert Community Energy Board
Meeting Minutes
June 24, 2026

The audio file for this meeting can be found at: http://www.desertcommunityenergy.org

1. CALL TO ORDER

The meeting of the DCE Board was called to order by Chair Jeffrey Bernstein at 11 a.m. at Palm Springs City Hall, Large Conference Room, 3200 E. Tahquitz Canyon Way, Palm Springs, CA 92262.

Roll call was taken, and it was determined that a quorum was present.

Members Present	Member Jurisdiction
Councilmember Jeffrey Bernstein, *Chair*	City of Palm Springs
Finance Director Veronica Chavez, *Vice Chair*	City of Palm Desert

There were no agenda modifications. The Board and audience members recited the Pledge of Allegiance.

2. PUBLIC COMMENTS ON AGENDA ITEMS

None.

3. BOARD MEMBER/EXECUTIVE DIRECTOR COMMENTS

Director of Energy & Sustainability Lisa McNeilly announced that the DCE Community Advisory Committee will begin its new term in July and has vacancies available. Interested individuals may apply on the DCE website. Ms. McNeilly also reported that the DCE 2025 Supplier Diversity Program was approved at a recent DCE meeting and noted that minor cosmetic changes have since been made.

4. CONSENT CALENDAR

Prior to the vote, Vice Chair Chavez requested to pull item 4G from the Consent Calendar for discussion.

IT WAS MOVED BY VICE CHAIR CHAVEZ AND SECONDED BY CHAIR BERNSTEIN TO:

A. Approve the minutes of the September 15, 2025 meeting

B. Approve the minutes of the November 20, 2025 special meeting

C. Approve the minutes of the March 23, 2026 special meeting

D. Authorize the Executive Director to execute a termination agreement with Desert Sands Energy Storage II, LLC, ending the 2023 Energy Storage Agreement

E. Adopt Resolution 2026-02, approving the 2025 Power Source Disclosure Annual Report and affirming the Executive Director's authority to complete all actions necessary for submittal to the California Energy Commission, including attesting to its veracity

F. Adopt Resolution No. 2026-03, authorizing the Executive Director to prepare and approve DCE's 2026 Integrated Resource Plan and complete all actions necessary for submittal to the California Public Utilities Commission

THE MOTION CARRIED WITH 2 AYES.

Chair Jeffrey Bernstein	**Aye**
Vice Chair Veronica Chavez	**Aye**

Item 4G was presented to the Board for discussion. Director of Finance Claude Kilgore answered questions regarding the timing of moving a policy forward in the future.

IT WAS MOVED BY CHAIR BERNSTEIN AND SECONDED BY VICE CHAIR CHAVEZ TO:

G. Authorize the classification of all fiscal year 2025-26 revenue above a 2.0x fixed charge coverage ratio to the Stabilization Special Reserves Fund, in accordance with Governmental Accounting Standards Board Statement No. 62, with the final deferred revenue amount to be determined based on final fiscal year-end operating results

THE MOTION CARRIED WITH 2 AYES.

Chair Jeffrey Bernstein	**Aye**
Vice Chair Veronica Chavez	**Aye**

5. DISCUSSION / ACTION

A. DCE Fiscal Year 2026-27 Budget

Mr. Kilgore presented the budget and detailed the projections for two decreases on generation rates. Member discussion ensued.

Robust member discussion ensued with Mr. Kilgore and Ms. McNeilly answering questions regarding reserves and other items presented in the report.

IT WAS MOVED BY VICE CHAIR CHAVEZ AND SECONDED BY CHAIR BERNSTEIN TO ADOPT RESOLUTION 2026-04, APPROVING DCE'S FISCAL YEAR 2026-27 BUDGET AND APPROVE A 4 PERCENT GENERATION RATE

DECREASE FOR CARBON FREE CUSTOMERS EFFECTIVE JULY 1, 2026 AND A SECOND GENERATION RATE DECREASE FOR CARBON FREE CUSTOMERS EFFECTIVE JANUARY 1, 2027, CURRENTLY BUDGETED AT 6.7 PERCENT, PENDING OPERATING RESULTS DURING THE FISCAL YEAR

THE MOTION CARRIED WITH 2 AYES.

Chair Jeffrey Bernstein	**Aye**
Vice Chair Veronica Chavez	**Aye**

B. Final Authorizations for Pre-Pay Bond Financing

Ms. McNeilly introduced the item and provided an overview of the next steps for the pre-pay bond financing.

Member discussion ensued with Michael Fleshman, advisor with Goldman Sachs, joining the meeting via Zoom, to help answer questions regarding market conditions for this type of bond.

IT WAS MOVED BY VICE CHAIR CHAVEZ AND SECONDED BY CHAIR BERNSTEIN TO AUTHORIZE THE ADDITIONAL STEPS TO ESTABLISH PRE-PAYMENT BOND FINANCING INCLUDING: 1.) AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE THE NECESSARY STEPS TO FINALIZE AND EXECUTE LIMITED ASSIGNMENT AGREEMENTS (LAAS) AMONG DCE, J. ARON & COMPANY (A SUBSIDIARY OF GOLDMAN SACHS), AND FOUR SELLERS IDENTIFIED IN EXISTING POWER PURCHASE AGREEMENTS (COACHELLA WIND HOLDINGS, SAN GORGONIO II WESTWINDS/ALTWIND, SAN GORGONIO II WESTWINDS/EAST WIND, AND SAN GORGONIO WESTWINDS II); 2.) AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE THE NECESSARY STEPS TO FINALIZE AND EXECUTE THE PROPOSED EDISON ELECTRIC INSTITUTE MASTER AGREEMENT AND CONFIRMATION WITH CLEAN ENERGY ALLIANCE, ALONG WITH A CORRESPONDING LAA; 3.) ADOPT RESOLUTION NO. 2026-05 AUTHORIZING THE EXECUTION AND DELIVERY OF A CLEAN ENERGY PURCHASE CONTRACT AND CERTAIN OTHER DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY CLEAN ENERGY PROJECT REVENUE BONDS; AND CERTAIN OTHER ACTIONS REQUIRED TO ENSURE THE REDUCTION IN THE COST OF RENEWABLE ENERGY THEREWITH; AND 4.) AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ANY FURTHER STEPS NECESSARY TO FULLY EXECUTE THE PRE-PAY TRANSACTION

THE MOTION CARRIED WITH 2 AYES.

Chair Jeffrey Bernstein	**Aye**
Vice Chair Veronica Chavez	**Aye**

6. <u>INFORMATION</u>

A) Attendance Record

B) Assignment Agreement for Resi Station Contract

C) Community Advisory Committee Update

D) Unaudited Year-to-Year Financial Report as of March 31, 2026

E) DCE's Quarterly Investment Report through March 31, 2026

F) Governmental Accounting Standards Board's (GASB) Video Series

G) Coachella Valley Association of Governments' annual meeting calendar

H) Calpine Community Energy's Community Benefits Grant Program

These items were placed in the agenda packet for members' information.

7. PUBLIC COMMENT ON NON-AGENDA ITEMS

Donald Zeigler, a resident of the City of Palm Desert, addressed the Board and requested that a future agenda item be considered regarding the City of Palm Desert's status in joining Desert Community Energy (DCE).

8. ANNOUNCEMENTS

Chair Bernstein announced that the previously scheduled September DCE Board meeting date conflicts with another commitment. As a result, the next **DCE Board meeting** will be held in September at a date, time, and location to be determined.

The next meeting of the Coachella Valley Association of Governments' **General Assembly** will be held on Monday, June 29, 2026, at 6 p.m. at Fantasy Springs Resort's Special Events Center, 84-245 Indio Springs Parkway, Indio, 92203.

8. ADJOURNMENT

There being no further business, Chair Bernstein adjourned the meeting at 11:54 a.m.

Respectfully submitted,

Elysia Regalado
Deputy Clerk