

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Richard Doyle
City Attorney

SUBJECT: Appointments to the Clean
Energy Community Advisory
Commission

DATE: November 30, 2017

I. BACKGROUND

This Office routinely reviews applications for appointment to City boards and commissions. The applications generally do not provide complete information; however, they do occasionally disclose potential conflicts of interest or incompatible offices. The purpose of this memorandum is to highlight major areas of known potential conflicts that are disclosed by the applications.

II. COMMISSION DUTIES

The commission has the following functions, powers and duties:

- A. Advise and make recommendations to the City Council, the City Manager and the Director of Community Energy on all aspects of San Jose clean Energy start up and operations.
- B. Provide feedback and input on the development of clean energy program strategy and operating principles or models.
- C. Inform the prioritization and development of energy programs.
- D. Identify areas of concern and innovative opportunities for reducing carbon emissions.
- E. Monitor best practices of other community choice energy programs, legislative and regulatory issues, and new energy developments.
- F. Be liaisons to the community for purpose of advocacy and outreach.

III. COMMISSIONS COMPOSITION

This is a new nine-member commission that will support and advise San Jose Clean Energy. The Council Appointment Advisory Commission will nominate six members

and the Mayor will nominate an additional three members. The City Council must approve all members.

IV. LEGAL CONFLICTS THAT MAY PRECLUDE VOTE OR PARTICIPATION

Certain positions may preclude a commissioner from participating in a commission discussion or from voting if a matter involving the entity comes before the commission. While this list is not complete, these types of conflicts generally fall within one or more of the following situations:

- An application shows entities that are “sources of income” to a potential commissioner within the 12 months preceding the start of the commission term, as defined under the Political Reform Act.
- An application shows sources of income to a Spouse or Domestic Partner of a potential commissioner within the 12 months preceding the start of the commission term.
- An applicant or the Spouse or Domestic Partner of an applicant is an Officer or Board Member of an entity and it is foreseeable that the entity could be involved in a matter coming before the commission.

V. APPEARANCE OF BIAS

There may be facts which would not amount to a legal conflict of interest requiring a commissioner to recuse him or herself from a commission vote or discussion but the relationship could create an appearance of bias on the part of the commissioner. City Council policy requires commissions to be free from bias in their decision making and may require a commissioner to recuse him/herself if the facts could reasonably lead one to conclude that the applicant would be biased for or against an entity or entities.

VI. APPLICANTS

1. Bill Bach: This applicant works with YGREEN Energy Fund as a Regional Account Manager where he enrolls and trains contractors in the use of PACE financing. Mr. Bach’s spouse works with Fireside Realty. Neither his or his spouses’ employment, nor his application, identify or disclose incompatible offices or apparent conflicts of interest.
2. Kevin Armstrong: This applicant works with Santa Clara County as a Sustainability Manager and his spouse is a Division Manager for the Policy and Planning with the City of San Jose Department of Transportation. Nothing else in

the Mr. Armstrong's application identities or discloses incompatible offices or an apparent conflict of interest.

3. Aloke Gupta: This applicant and spouse are self-employed as an independent contractor and a special education instructional aide with the Evergreen School District respectively. While the employment with the Evergreen School District does not pose an apparent conflict, the application does not reveal the specific kind of independent contractor work. Accordingly, there is a potential conflict of interest if the independent contractor work is in the energy field for clients that may be before the commission or may enter into contracts with San Jose Clean Energy. The application does not disclose incompatible offices.
4. Matt Mahan: This applicant is CEO and Co-founder of Brigade Group, Inc. that develops nonpartisan civic technology applications on various platforms. His spouse works with Innovate Public Schools as a Director of Communications. Neither his or his spouses' employment, nor his application, identify or disclose incompatible offices or apparent conflicts of interest.
5. Amrutha Ragavan: This applicant works with Kaal Labs, LLC as an IT consultant and his spouse is not currently employed. Neither his or his spouses' employment, nor his application, identify or disclose incompatible offices or apparent conflicts of interest.
6. Mohammed Alrai: This applicant is CEO of RAI Energy International, Inc., a renewable energy company. His spouse is an accounting manager for RAIE & Company, which is a CPA firm. Should Mr. Alrai's company seek to do business with San Jose Clean Energy, this would pose a conflict of interest. Other than this potential conflict, which if it materializes might disqualify RAI as a potential vender, his application does not identify any incompatible offices.
7. Daniel Zazueta: This applicant currently works as a Deputy City Attorney for the City of Santa Clara and his spouse is a Spokesperson for Airbnb. Prior to working with the City of Santa Clara, Mr. Zazueta volunteered in the City Attorney's office in San Jose. City Policy 0-4 precludes current City employees from serving on City boards or commissions. Likewise, former or retired City employees are prohibited from serving on the Civil Service Commission. Based on this policy, former City employees can be appointed to any board or commission other than the Civil Service Commission and Mr. Zazueta is not conflicted out from serving on this Commission. Nothing else in his application discloses incompatible offices or apparent conflicts of interest.
8. Katy Nomura: This applicant is the Acting Sustainability Manager for the City of Cupertino and her spouse works as an Associate with JC Penny. Neither her or her spouses' employment, nor her application, identify or disclose incompatible offices or apparent conflicts of interest.

9. Richard Zahner: This applicant is retired from his self-employment as an energy industry consultant. His spouse is a Chaplain at El Camino Hospital. Neither his spouses' employment, nor his application, identify or disclose incompatible offices or apparent conflicts of interest.
10. Anthony Strawa: This applicant works as the Chief of the Technology Transfer office for NASA and his spouse works as a nurse for the San Jose Job Corps. Neither his or his spouses' employment, nor his application, identify or disclose incompatible offices or apparent conflicts of interest.
11. Michael Smith: This applicant is retired and receives a pension from General Electric. His spouse is likewise retired, although the application does not specify the company or the nature of his spouse's former work. Mr. Smith's application does not identify or disclose incompatible offices or apparent conflicts of interest.
12. Karen Nelson: This applicant is CEO of Pacific Media. In this capacity, she provides pro bono services to a start-up clean energy company located in Texas. Her spouse is retired and receives pensions from the City of San Jose and PERS. In the event that any of Ms. Nelson's clients are before the Commission or seek contracts with San Jose Clean Energy, Ms. Nelson will be obligated to recuse herself. And the City may be precluded from contracting with Pacific Media as well. Nothing in Ms. Nelson's application reveals incompatible offices.
13. Ruth Merino: This applicant is retired from the City of San Jose. She currently serves as Chair of San Jose Community Energy which is a community group that advocated for the establishment of San Jose Clean Energy. Her spouse is also retired, although the application does not reveal the place or nature of her spouse's former work. Ms. Merino would be required to recuse herself if San Jose Community Energy comes before the Commission. Ms. Merino's application does not disclose incompatible offices.
14. Mark Bachman: This applicant works as Accounts Manager for Monterey Clean Energy and serves on the Board of and hold equity in Solar.ai, a solar company. Mr. Bachman's spouse works as Director of Policy and Education Programs for the Silicon Valley Leadership Group. In the event that Solar.ai or the Silicon Valley Leadership Group are before the Commission, Mr. Bachman would be required to recuse himself. Mr. Bachman's application does not disclose incompatible offices.
15. Cheryl McGovern: This applicant is retired from the U.S. Environmental Protection Agency and her spouse is self employed as a psychotherapist. Neither her or her spouses' employment, nor her application, identify or disclose incompatible offices or apparent conflicts of interest.

16. Reza Sadeghian: This applicant is self-employed as a Board Advisor to start-ups but the application does not identify his clients or the nature of the companies he advises. Mr. Sadeghian would be required to recuse himself if any of his clients appear before the Commission. Mr. Sadeghian's application does not disclose incompatible offices.
17. Benjamin Foster: This applicant runs his own consulting business called Fosterra, LLC. His spouse is Director of Healthcare for BSI. Mr. Foster completed an economic analysis of San Jose Clean Energy for the Center for Climate Protection. Fosterra, LLC would be precluded from seeking any business from San Jose Clean Energy or the Community Energy Department. Moreover, Mr. Foster would have a conflict to the extent that the Commission looks to or relies upon the report Mr. Foster prepared for San Jose Community Energy. And finally, Mr. Foster will be required to recuse himself if any of his other clients come before the Commission. Mr. Foster's application does not disclose incompatible offices.
18. Marta Martinez: This applicant and her spouse both work for Elite Recycling Services as COO and President respectively. Neither her or her spouses' employment, nor her application, identify or disclose incompatible offices or apparent conflicts of interest.
19. Martin Delson: This applicant and his spouse are both retired. While working Mr. Delson served as a consultant to electric companies. The application does not contain any information about his spouse's former position. Mr. Delson's application does not identify or disclose incompatible offices or apparent conflicts of interest.
20. Paul Katawicz: This applicant is Associate General Counsel at Plantronics, Inc and his spouse works as a special aide for the Los Gatos Unified School District. Neither his or his spouses' employment, nor his application, identify or disclose incompatible offices or apparent conflicts of interest.
21. Stephanie Gutowski: This applicant works as an administrative analyst for Silicon Valley Clean Energy and her spouse is disabled. Nothing in her application, identifies or discloses incompatible offices or apparent conflicts of interest.
22. Gary Zollweg: This applicant and his spouse are retired. The application does not provide any information on the positions or companies/organizations from which they retired. Nothing in his application, identifies or discloses incompatible offices or apparent conflicts of interest.
23. Charlotte Bear: The applicant is Director of Social Services at Suncrest and her spouse is a Chaplain at Kaiser in San Jose. Neither her or her spouses'

employment, nor her application, identify or disclose incompatible offices or apparent conflicts of interest.

24. Serena Zhao: The applicant and her spouse both work for Adobe Systems as Senior Program Managers. Neither her or her spouses' employment, nor her application, identify or disclose incompatible offices or apparent conflicts of interest.
25. Michael Gross: This applicant works as the Director of Sustainability for Zanker Recycling and his spouse is self-employed but there is no information in the application respecting his spouse's occupation. There are several things in this application that raise potential conflict concerns. First, Mr. Gross is a registered lobbyist with the City. Second, the City may have active contracts in place with Zanker Recycling. Third, Zanker Recycling produces and sells energy to PG&E which will be a direct competitor to San Jose Clean Energy. Finally, Zanker Recycling also sells biomass energy to various energy users. Mr. Gross would be conflicted out if there is a discussion of buying biomass energy. The application does not disclose incompatible offices.
26. Keelikolani Ho: This applicant and her spouse both work for VTA as an environmental planner and a management analyst respectively. Neither her or her spouses' employment, nor her application, identify or disclose incompatible offices or apparent conflicts of interest.
27. Chris Dier: The applicant and his spouse are both retired. The applicant was previously CFO for Nextracker and his spouse is retired although the application does not specify the type of work the spouse was engaged in. The applicant disclosed that the applicant has a money manager managing his investments and the manager buys stock in public companies which could include energy productions companies or PG&E. This raises a potential conflict in that he could own stock in companies that seek to do business with San Jose Clean Energy. This applicant would have to keep a close eye on his stock portfolio and excuse himself when the companies in which he owns stock are before the Commission. The application does not identify or disclose incompatible offices.
28. Gerald Gottheil: This applicant is self-employed in corporate and marketing communications. The application does not indicate who Mr. Gottheil's clients are. In the event that any of Mr. Gottheil's clients are before the Commission or seek contracts with San Jose Clean Energy, the applicant will be obligated to recuse herself. The application does not identify or disclose incompatible offices.

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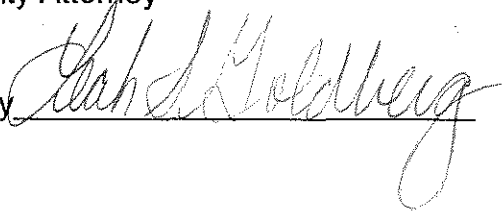
VII. CONCLUSION

None of these applicants have any incompatible offices that would preclude them from serving on the Clean Energy Community Advisory Commission. The Council may wish to consider the comments above regarding potential conflicts in making its appointments to this Commission.

RICHARD DOYLE

City Attorney

By

A handwritten signature in dark ink, appearing to read "Richard Doyle", is written over a horizontal line. The signature is cursive and stylized.