



AGENDA
BOARD OF DIRECTORS MEETING - SPECIAL MEETING
THURSDAY, JANUARY 10, 2019
8:45 A.M.

50 Santa Rosa Avenue, Fifth Floor, Santa Rosa, California

I. CALL TO ORDER

II. BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve December 6, 2018, minutes of the SCPA Board of Directors (pg. 3)

III. BOARD OF DIRECTORS REGULAR CALENDAR

2. Appoint Chair and Vice Chair of the Board for 2019 (pg. 9)
3. Receive Internal Operations and Monthly Financial Report (pg. 10)
4. Receive Legislative and Regulatory Updates (pg. 27)
5. Approve and Authorize the CEO to Execute an Agreement with the County of Sonoma for Energy Audit Services for Commercial Customers (pg. 28)
6. Discuss Proposed Schedule and Budget for Improvements to 431 E Street and Provide Direction to Staff Regarding Proceeding With Preparation of Construction Documents (pg. 43)
7. Receive and Accept Annual Report (pg. 47)

IV. BOARD MEMBER ANNOUNCEMENTS

- V. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA** - Comments are restricted to matters within the Board jurisdiction. Please limit comments to three minutes.

VI. ADJOURN

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Clerk of the Board at (707) 890-8491, as soon as possible to ensure arrangements for accommodation.

COMMONLY USED ACRONYMS/TERMS TO KNOW

CAC	Community Advisory Committee
CAISO	California Independent Systems Operator
CAM	Cost Allocation Mechanism
CCA	Community Choice Aggregation
CEC	California Energy Commission
CleanStart	SCP's default service
CPUC	California Public Utility Commission
DriveEV	Drive EverGreen
ERRA	Energy Resource Recovery Account
EverGreen	SCP's 100% renewable, 100% local energy service
Geothermal	A locally-available, low-carbon baseload renewable resource
GHG	Greenhouse gas
IOU	Investor Owned Utility (e.g., PG&E)
JPA	Joint Powers Authority
MW	Megawatt (Power = how fast energy is being used at one moment)
MWh	Megawatt-hour (Energy = how much energy is used over time)
NEMA	Net Energy Metering Aggregation (referred to as NetGreen Aggregation for SCP customers) allows customers to share electricity production from one generation system across multiple meters and properties. This does not allow for net surplus compensation.
NEMV	Virtual Net Energy Metering (referred to as Virtual NetGreen for SCP customers) allows customers to generate and share electricity production between multiple customers on the same property.
NetGreen	SCP's net energy metering program which gives its customers financial credit for generating electricity.
PCIA	Power Charge Indifference Adjustment (<i>This fee is intended to ensure that customers who switch to SCP pay for certain costs related to energy commitments made by PG&E prior to their switch.</i>)
ProFIT	SCP's "Feed in Tariff" program for larger local renewable energy producers
PV	Photovoltaics for making electric energy from sunlight
REC	Renewable Energy Credit – used to track all renewable energy for compliance in California, but also colloquially used to refer to a specific subset of REC called an "unbundled REC" where the environmental attributes of renewable energy are sold separately from the energy. SCP does not use "unbundled RECs".
SCP	Sonoma Clean Power
SCWA	Sonoma County Water Agency
TOU	Time of Use, used to refer to rates that differ by time of day and by season



**MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, DECEMBER 6, 2018
8:45 A.M.**

50 Santa Rosa Avenue, Fifth Floor, Santa Rosa, California

I. CALL TO ORDER

Vice-Chair Landman called the meeting to order at 8:48 a.m.

Present: Vice-Chair Landman and Directors Ahanotu, Bagby, Gjerde, Harrington, Hopkins, King, Okrepkie, Peters, Slayter, and Tibbetts.

Staff present: Geof Syphers, Chief Executive Officer; Stephanie Reynolds, Director of Internal Operations; and Jessica Mullan, General Counsel.

II. BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve November 1, 2018, minutes of the SCPA Board of Directors

Public comment: None

Motion to approve the November 1, 2018, minutes of the SCPA Board of Directors by Director Harrington

Second: Director Okrepkie

Motion passed: 8-0-2 (Directors King and Tibbetts abstained).

III. BOARD OF DIRECTORS REGULAR CALENDAR

2. Receive Internal Operations and Monthly Financial Report

Director of Public Affairs & Marketing, Kate Kelly, gave an update on SCP's sponsorship of the Winterland Celebration at Santa Rosa's Courthouse Square and the City of Windsor's holiday tree lighting. She then noted that SCP staffer, Claudia Sisomphou, and Community Advisory Committee member, Mike Nicholls, were both recently elected as members of the newly-formed Lower Russian River Municipal Advisory Council. Finally, Director Kelly stated that SCP is working with a local agency to assist with updating the agency's mission statement, and that

Directors Harrington and Tibbetts are serving on an ad-hoc to assist with these efforts.

Director of Internal Operations, Stephanie Reynolds, provided an update on a pending agreement with the County of Sonoma's County Counsel for as-needed legal services.

CEO Syphers then discussed the load deviations highlighted in the budget summary financials. Revenues and energy expenses are lower than expected and staff is investigating the issue, and this is largely attributed to a significant decline in residential sector energy use which is happening throughout PG&E's service territory.

Director Hopkins arrived at 9:01 a.m.

Director of Operations Reynolds then announced that 489 vehicles were leased or sold during the final year of the DriveEV program, and that brings the 3-year vehicle total to 1,262 vehicles.

Public comment: None

3. Receive Legislative and Regulatory Updates

CEO Syphers described a bill by Assemblymember Garcia which would study removing renewable procurement from CCAs and place that responsibility with a central procurement entity; a bill concept from Senator Hill which may be introduced to split up PG&E into smaller companies; and a bill from Assemblymember Holden to further protect utility companies from bankruptcy.

Director Emerson then detailed a proposed Resource Adequacy ("RA") decision from the CPUC which was released on November 21st. Under the proposal, the CPUC would remove CCA's ability to procure resource adequacy and assign that task to a central buyer, which in the case of SCP would be PG&E. PG&E would then procure all resource adequacy products and assign those costs to SCP. SCP has already procured over \$20 million in RA and the only way to recoup these costs would be to sell to PG&E at a price PG&E agrees to, and then buy it back at a price that PG&E offers. This could be extremely costly to SCP ratepayers as PG&E would become both the seller and buyer. CEO Syphers stated his view that under the proposed decision, the CPUC only has the legal authority to procure on behalf of SCP in instances where SCP is non-compliant, as to do any additional procurement would be contrary to AB 117.

Public comment: None

4. Accept the Financial Auditor's Report for FY 2017 and FY 2018

Brett Bradford of Pimenti & Brinker LLP presented a report with the results of the audit for the fiscal years ending on June 30, 2017, and June 30, 2018. Based on the audit, Mr. Bradford stated his opinion that the statements are materially & accurately stated, complete, and free from errors.

Public comment: None

Motion to accept the Financial Auditor's Report for FY 2017 and FY 2018 by Director Ahanotu.

Second: Director Tibbetts

Motion Passed: 11-0-0

5. Resolution of the Board of Directors Setting a Date, Hour and Place for Regular Meetings

Director of Operations Stephanie Reynolds detailed this item, which updates an outdated resolution setting the date, hour, and place for regular meetings of the Sonoma Clean Power Authority Board of Directors.

Public comment: None

Motion to adopt Resolution of the Board of Directors Setting a Date, Hour and Place for Regular Meetings by Director Peters.

Second: Director King.

Motion Passed: 11-0-0

6. Discussion of EverGreen Enrollment Benefits and Costs for SCPA Member Jurisdictions

CEO Syphers introduced the item which was placed on the agenda after a request by Director Hopkins. Following this, Director Hopkins highlighted the value and ease of adopting EverGreen as a tool for local governments to use in reducing greenhouse gas emissions. Director Harrington detailed the City of Sonoma's adoption of Evergreen and how it would be valuable to demonstrate GHG reductions by jurisdiction should they adopt Evergreen. Director Tibbetts outlined the City of Santa Rosa's efforts to adopt Evergreen and this item is anticipated to be on the February 2019 City Council agenda. Vice-Chair Landman asked staff to bring concrete numbers such as GHG reductions & costs back to the Board, as that will meaningfully guide future conversations. Director Hopkins detailed how SCP staff has been working to produce these numbers, and that the County of Sonoma will likely consider on a March Board of Supervisors meeting agenda.

Public comment:

Kevin Conway, spoke about a good “domino effect” of jurisdictions adopting EverGreen and ability of SCP to meet renewable demands.

Tom Conlin, supports the EverGreen option for jurisdictions and municipalities, and noted the significant cost differential for EverGreen and areas for collaboration.

Nina Tuner from the Center for Climate Protection spoke in support of expanding EverGreen enrollment.

Mike Turgeon, Friends of the Climate Action Plan Santa Rosa, spoke in support of the item as a SCP customer.

7. Approve Contract with TLCD Architecture for Design of Building Renovation at 741 4th Street

Director Bagby recused herself on this item.

Programs Manager Chad Asay introduced the item and noted that the CAC unanimously approved.

Public comment: None

Motion to Approve Contract with TLCD Architecture for Design of Building Renovation at 741 4th Street by Director Ahanotu.

Second: Director Okrepkie

Motion Passed: 10-0-1 (Director Bagby recused herself on this item).

Chair Landman called a brief recess at 11:05am; Director Peters left at this time.

8. Approve Contract for Construction Management Services with Sixth Dimension at 431 E Street

Director Stillman detailed the competitive process for issuing the construction proposal, the subsequent evaluation of submittals, and the selection of Sixth Dimension for services.

Public comment: None

Motion to Approve Contract for Construction Management Services with Sixth Dimension at 431 E Street by Director Okrepkie

Second: Director King

Motion Passed: 10-0-0

Director Hopkins left at approximately 11:20am.

9. Ratify Prior Contract and Provide Authorization for the CEO to Negotiate and Execute Agreement with Olivine, Inc. for GridSavvy

Programs Manager Rachel Kuykendall introduced and gave background on the item, as well as current GridSavvy program efforts.

Public comment: None

Director Harrington stated that she has received feedback that customers are having challenges with obtaining rebates and difficulty choosing chargers. Programs Manager Kuykendall detailed efforts to remedy challenges for the small percentage of customers that have issues.

Motion to Ratify Prior Contract and Provide Authorization for the CEO to Negotiate and Execute Agreement with Olivine, Inc. for GridSavvy by Director Ahanotu

Second: Director King

Motion Passed: 9-0-0

10. Approve a Conditional Rate Adjustment and Provide Direction Concerning Subsequent Budget Adjustments Associated with Rate Implementation

CEO Syphers introduced the item, which asks the Board to authorize SCP to increase fees based on any future PCIA adjustments; he noted that the CAC unanimously approved this recommendation. Director Tibbetts detailed his support for the plan, although he cautioned against some of the more aggressive actions. Director Slayter stated his support for maintaining competitive rates with PG&E, and that staff's proposal is geared towards protecting customers. Several Board members expressed concern with allowing an increase as high as 4% above PG&E rates, and CEO Syphers proposed allowing an increase up to 2% higher, with the understanding that if that is insufficient to balance the budget, staff would return with a further proposal to close the remaining budget gap.

Public comment:

Dick Dowd, Chair of the SCPA CAC, detailed the CAC's recommendation to the BOD.

Director Slayter asked about implications of PG&E bankruptcy should it occur; CEO Syphers stated that this is still being evaluated by staff, and it is hard to draw parallels from previous bankruptcies as those occurred prior to formation of CCAs in California.

Motion to Approve a Conditional Rate Adjustment of up to 2% above PG&E's by Director Okrepkie

Second: Director King

Motion Passed: 8-1-0

IV. BOARD MEMBER ANNOUNCEMENTS

Director Slayter announced the City of Sebastopol purchased the 1st electric bus in the Sonoma County Transportation Authority fleet. There will be a celebration on Monday, December 10th, at 10:30am

Director Okrepkie notified the Board about the Town of Windsor Holiday celebration.

Director Ahanotu advised the Board that this is his last meeting due to increased responsibilities as he received a job promotion.

Director Tibbetts asked about adding legislative advocacy/special meeting of legislators to a future agenda.

V. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

None

VI. ADJOURN

Chair Landman adjourned at 12:19pm



Staff Report - Item 02

To: Sonoma Clean Power Authority Board of Directors
From: Stephanie Reynolds, Director of Internal Operations
Issue: Appoint Chair and Vice Chair of the Board for 2019
Date: January 10, 2019

Requested Board Action:

Nominate and approve the appointments of Chair and Vice Chair of the Sonoma Clean Power Authority Board of Directors for 2019.

Background:

There are no written materials for this item.



Staff Report – Item 03

To: Sonoma Clean Power Authority Board of Directors

From: Stephanie Reynolds, Director of Internal Operations
Geof Syphers, CEO

Issue: Receive Operations Report and provide direction as appropriate

Date: January 10, 2019

LOAD DEVIATIONS

Staff continues to research the load deviations that were noted and reported on at the last meeting. For the past several months, SCP customer load has been about 7% below forecast. This is more than normal deviation, and is occurring in other parts of PG&E territory, but apparently not in municipal utility territories in Northern California. Staff are investigating our billing process, data management, and possible metering errors. We are looking into the quality of data we are receiving from PG&E and the handling of load data in our systems. An initial review has ruled out weather related impacts, changes in numbers of customers, changes in customer-owned solar, and changes in large customer usage patterns. The deviation is largest in residential customers, which normally have good statistical diversity due to the large number of those customers. Staff will continue to report on this matter.

ProFIT

The Cloverdale 1 MW feed-in-tariff solar project began construction activities on 12/17/18. This project was one of the first profit programs and while dealing with a number of delays, is now under construction. This project is on 3.5

acres of land in Unincorporated Sonoma County near Cloverdale and is estimated to start producing energy by March 31, 2019.

MEETING PROCESS IMPROVEMENT

As SCP Board and CAC meeting agendas have become longer, staff would like to utilize the Consent Calendar to streamline meetings and allow more time for items that need detailed discussion. Items placed on the Consent Calendar would be routine and in line with Board approved policies. Staff will bring a more detailed outline of the consent calendar process at a subsequent meeting, and prior to implementation of the new consent calendar process. The consent calendar process, will among other things, outline the protocol for Directors to remove items from the consent calendar.

BILLING IMPROVEMENTS

Staff recently initiated a few upgrades to the SCP page of the bill. Attached you will find a sample page from our old bills, an updated bill, and a Spanish language bill. Previously SCP charges on the bill were presented IN ALL UPPER CASE, which was not only unappealing and hard to read, but didn't match the rest of bill. With help from Calpine and PG&E our charges now match the case structure PG&E uses for the other pages in the bill. In addition, staff worked to translate our page of the bill and worked with PG&E and Calpine so that our Spanish language customers can request their entire bill to be in Spanish. Congratulations to our Customer Service and Operations teams for making our bills easier to read and more accessible to Spanish readers!

PROGRAMS

We continue to make progress on the detailed design of improvements to 431 E Street. We have completed a geotechnical investigation of soil conditions and are planning an inspection of the sanitation lines to inform the final design. An item later in the agenda of this meeting will give an update on the schedule and budget.

Electrification of Transit Vehicles

We have cooperated with the four local transit agencies on a scope of work to determine infrastructure and planning needs to take their bus fleets to electric propulsion. An RFQ for consulting services will be released in January to select a firm to do the necessary investigations. Based on our experience with the transit agencies, we are beginning to research the possibility of engaging with school bus systems in our territory on a similar effort.

Programs Strategic Action Plan

An update to the Programs Section Strategic Action Plan will be made to the CAC later this month and to the Board at its next meeting. This update takes place every 6 months.

Do-It-Yourself Energy and Water Saving Toolkits

In Sonoma County we have 30 DIY toolkits in circulation and have seen 441 kits checked out since the program started. We expanded to Mendocino County last May with 11 DIY toolkits and have seen 39 check-outs, thus far. This brings our total number of check-outs to 480! This has been a very successful way to outreach to our communities, provide basic energy-saving tips and tools at a low-cost to SCP.

Induction Cooktops

After one full year of this program we have had a total of 87 cooktops checked out. In the beginning of December, we sent out a satisfaction survey and received some interesting results. We found that 74% of people who tried the cooktop said they would make the switch to induction cooking and 44% have already made the switch. We originally assumed the results were such a high number because of the wildfire reconstruction, but found that only 32% of the participants were actually in the rebuild process. These are amazing results that show there is a high demand in the program. This is also a program that other CCA's could easily duplicate.

Non-Profit EV

This program provides incentives to local non-profit organizations to purchase or lease an Electric Vehicle. In one year we have had 4 companies purchase or lease an EV with SCP's help: PDI Surgery Center, PEP Housing, GreenAcre Homes and School, & Mendocino Land Trust. We also have 3 more companies who are in process and have signed the contract: LandPaths, Sonoma County Medical Association and Grid Alternatives.

Drive EV

The program ended on November 16th. SCP provided \$1.026 million in incentives towards the lease or purchase of 485 vehicles. This brings our total number of vehicles to 1,258 vehicles over the last three years. A dashboard with complete data on the number of vehicles, dollars saved, and dollars incentivized will be provided by the end of January 2019. A full evaluation of the program, conducted by the Center for Sustainable Energy, is currently underway. Customers that participated in the program have been sent an evaluation survey, and to date, 33% have submitted complete responses! This is an excellent response rate. A full evaluation report is scheduled for delivery by April 1, 2019.

Advanced Energy Rebuild

In total, 150 homes have applied for Advanced Energy Rebuild, about one third of which have chosen to rebuild all-electric homes. In December, the first home participating in the program completed construction. This home, which was featured in the Press Democrat, was all-electric and featured solar PV and battery storage. In early January, SCP will be sending an Advanced Energy Rebuild mailer to approximately 2,000 customer forwarding addresses that were affected by the fires.

Low Carbon Reach Codes

Beginning this year, a statewide group of cities and counties will be leading an effort to support jurisdictions interested in implementing an "all electric" reach code to coincide with the new California Title 24 energy code in 2020. An "all electric" reach code would mandate that all new construction within that jurisdiction use high efficiency electric equipment, significantly

reducing the greenhouse gas emissions of the homes. SCP's Program Manager, Rachel Kuykendall, is helping to lead this effort and offer technical assistance. If this sounds of interest to your jurisdiction, Rachel will follow up after the board meeting to connect with your jurisdiction's appropriate staff.

Lead Locally (CEC Grant)

The Lead Locally Research Team is currently interviewing and performing site visits of 40 applicant homes to participate in the applied research experiments for advance technologies including: heat pump water heaters, radiant ceiling heating and cooling panels, residential attic phase change materials, and air to water heat pumps. Final selection of 16 viable homes will be completed by Mid-January with pre-monitoring instrumentation to be installed immediately thereafter. A Phase 2 research study on daylighting retrofits for 3 commercial properties will occur this spring. Additionally, TLCD Architecture is developing a schematic design for the renovations of the storefront at 741 4th St. An update to the renovations and design plan will be made to the CAC later this month and to the Board at its next meeting.

MONTHLY COMPILED FINANCIAL STATEMENTS

The summer rate season continues into November, a period where aggregate rates are greater than in the winter season. The year-to-date growth in net position is slightly below projections due primarily to lower than anticipated electricity sales. Year-to-date electricity sales reached \$79,141,000.

Electricity sales (as reported on the Statement of Revenues, Expenses and Changes in Net Assets) is being offset by our estimate of uncollectible accounts, which is currently set at approximately 0.5% of electricity sales. As historical data is gathered on the collection patterns specific to SCP customers, this rate will be revisited and adjusted as necessary. Note that the accounts receivable line on the Statement of Net Position is presented net of allowance for uncollectibles.

SCP continues to procure electricity from multiple sources. Net position reached a positive \$87,261,000, which indicates healthy growth as SCP continues to make progress towards its reserve goals. Of this net position,

approximately \$50,652,000, \$9,130,000, and \$1,081,000 is considered set aside for operating and project reserves, respectively.

Overall, other operating expenses continued near or slightly below planned levels for the year.

BUDGETARY COMPARISON SCHEDULE

The accompanying budgetary comparison includes the 2018/19 budget approved by the Board of Directors in May 2018.

The budget is formatted to make comparisons for both the annual and the year-to-date perspective. The first column, 2018/19 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with consideration for the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers is under the year-to-date budget by approximately 5%.

The cost of electricity is also slightly under budget-to-date by approximately 6%. Variation in this account is typically due to fluctuating market cost of energy on open position purchases.

Major operating categories of Data Management fees and PG&E Service fees are based on the customer account totals. While Data Management fees are closely aligned to the annual budgeted amount, PG&E fees exceed the year-to-date budget due to a change in the per meter rate, with an unexpected MDMA fee added. SCP intends to adjust the budget for this category in future months.

In addition to the items mentioned above, SCP continues its trend of remaining near or under budget for most of its operating expenses.



ENERGY STATEMENT

www.pge.com/MyEnergy

Account No: [REDACTED]
Statement Date: 07/09/2018
Due Date: 07/30/2018

Details of Sonoma Clean Power Electric Generation Charges

06/01/2018 - 07/01/2018 (31 billing days)

Service For: [REDACTED]
Service Agreement ID: [REDACTED] ESP Customer Number: [REDACTED]

06/01/2018 – 07/01/2018

Rate Schedule: NEM E-EV

GENERATION - OFF PEAK - SUMMER	4.648000 kWh @ \$0.02312	\$0.11
GENERATION - OFF PEAK - SUMMER	139.439000 kWh @ \$0.02468	3.44
GENERATION - PART PEAK - SUMMER	-255.409400 kWh @ \$0.07875	-20.11
GENERATION - PART PEAK - SUMMER	-8.513600 kWh @ \$0.07962	-0.68
GENERATION - ON PEAK - SUMMER	-232.914200 kWh @ \$0.19635	-45.73
GENERATION - ON PEAK - SUMMER	-7.763800 kWh @ \$0.20318	-1.58
NET GENERATION BONUS	-504.601000 kWh @ \$0.01000	-5.05
	Net Charges	-69.60
Local Utility Users Tax		0.00
Energy Commission Surcharge		0.00
CREDITED TO NETGREEN BALANCE		69.60
YOUR CUMULATIVE SCP NETGREEN CREDIT BALANCE IS NOW \$125.11.		

Total Sonoma Clean Power Electric Generation Charges \$0.00

Service Information

Total Usage -360.514000 kWh

For questions regarding charges on this page, please contact:

SONOMA CLEAN POWER
PO BOX 1030
SANTA ROSA CA 95402
1-855-202-2139
www.sonomacleanpower.org

Additional Messages

Sonoma Clean Power (SCP) is the public electric generation provider for Sonoma and Mendocino Counties. We supply electricity that is 42% renewable* and 90% carbon-free through our default service, CleanStart.

We partner with PG&E who continues to provide billing and electric delivery services to our shared customers. SCP offers customers a superior Net Energy Metering (NEM) program called NetGreen and an optional 100% local renewable* premium service called EverGreen. We invite you to contact us to learn more.

*Based on the official 2016 California Energy Commission Annual Power Content Label Calculation



ENERGY STATEMENT

www.pge.com/MyEnergy

Account No: [REDACTED]
Statement Date: 10/08/2018
Due Date: 10/29/2018

Details of Sonoma Clean Power Electric Generation Charges

08/31/2018 - 10/01/2018 (32 billing days)

Service For: [REDACTED]
Service Agreement ID: [REDACTED] ESP Customer Number: [REDACTED]

08/31/2018 – 10/01/2018

Rate Schedule: NEM E-EV	
Generation - Off Peak - Summer	189.951000 kWh @ \$0.02312 \$4.39
Generation - Part Peak - Summer	-123.848500 kWh @ \$0.07962 -9.86
Generation - On Peak - Summer	-38.979000 kWh @ \$0.20318 -7.92
Net Generation Bonus	-162.827500 kWh @ \$0.01000 -1.63
	Net Charges -15.02
Local Utility Users Tax	0.00
Energy Commission Surcharge	0.01
Credited To NetGreen Balance	15.01
Your Cumulative SCP NetGreen Credit Balance is now \$232.74.	

Total Sonoma Clean Power Electric Generation Charges \$0.00

Service Information

Total Usage 27.123500 kWh

For questions regarding charges on this page, please contact:

SONOMA CLEAN POWER
PO BOX 1030
SANTA ROSA CA 95402
1-855-202-2139
www.sonomacleanpower.org

Additional Messages

At Sonoma Clean Power, sustainable solutions mean real benefits. We source cleaner electricity and deliver programs that positively impact the lives of our customers.

Our default electricity service is 45% renewable* and 87% carbon free. We partner with PG&E, who continues to deliver your electricity, and our shared customers receive one monthly bill from PG&E.

By providing you a choice of increased renewables that reduce greenhouse gas emissions, our customers help solve the climate crisis at the local level.

*Based on the official 2017 California Energy Commission Annual Power Content Label Calculation.



ESTADO DE CUENTA DE ENERGÍA

www.pge.com/MyEnergy

No. de cuenta: [REDACTED]

Fecha de la factura: 11/29/2018

11/29/2018

Fecha límite de pago: 12/20/2018

12/20/2018

Detalles de cargos de generación de energía Sonoma Clean Power

10/24/2018 - 11/21/2018 (29 días)

Servicio para: [REDACTED]

Service Agreement ID: [REDACTED] ESP Customer Number: [REDACTED]

10/24/2018 – 11/21/2018

Programa de tarifas: E-1

Generación - total	570.000000 kWh @ \$0.06948	\$39.60
	Cargos Netos 39.60	
Sobrecargo de la Comisión de Energía		0.17

Total de cargos de generación Sonoma Clean Power \$39.77

Información del servicio

Consumo total 570.000000 kWh

Si tiene alguna pregunta sobre los cargos indicados en esta página, por favor comuníquese con:

SONOMA CLEAN POWER
PO BOX 1030
SANTA ROSA CA 95402
1-855-202-2139
www.sonomacleanpower.org

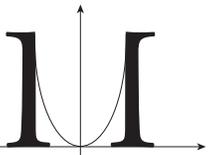
Información adicional

En Sonoma Clean Power, las soluciones sostenibles significan beneficios reales. Obtenemos electricidad más limpia y ofrecemos programas que impactan positivamente las vidas de nuestros clientes.

Nuestro servicio de electricidad predeterminado es 45% renovable * y 87% libre de carbono. Nos asociamos con PG&E, que continúa entregando su electricidad, y nuestros clientes compartidos reciben una factura mensual de PG&E.

Al proporcionarle una opción de más energías renovables que reducen las emisiones de gases de efecto invernadero, nuestros clientes ayudan a resolver la crisis climática a nivel local.

* Basado en el cálculo anual de la etiqueta de contenido de energía de la Comisión de Energía de California 2017.



ACCOUNTANTS' COMPILATION REPORT

Management
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of November 30, 2018, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
January 4, 2019



SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of November 30, 2018

ASSETS

Current assets	
Cash and cash equivalents	\$ 50,919,418
Investment in Sonoma County Investment Pool	15,243,019
Accounts receivable, net of allowance	17,692,891
Other receivables	521,531
Accrued revenue	6,838,161
Prepaid expenses	1,387,460
Deposits	748,989
Total current assets	<u>93,351,469</u>
Noncurrent assets	
Land	860,520
Capital assets, net of depreciation	2,730,602
Deposits	5,459,242
Total noncurrent assets	<u>9,050,364</u>
Total assets	<u>102,401,833</u>

LIABILITIES

Current liabilities	
Accounts payable	767,177
Accrued cost of electricity	13,056,389
Advanced from grantors	491,750
Other accrued liabilities	377,312
User taxes and energy surcharges due to other governments	448,563
Total current liabilities	<u>15,141,191</u>

NET POSITION

Investment in capital assets	3,591,122
Unrestricted	83,669,520
Total net position	<u>\$ 87,260,642</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2018 through November 30, 2018

OPERATING REVENUES

Electricity sales, net	\$ 78,964,659
Evergreen electricity premium	176,687
Grant revenue	489,072
Total operating revenues	<u>79,630,418</u>

OPERATING EXPENSES

Cost of electricity	63,154,885
Staff compensation	1,335,933
Data manager	1,313,463
Service fees - PG&E	394,272
Consultants and other professional fees	997,222
Legal	157,533
Communications	712,781
General and administration	364,444
Program rebates and incentives	1,042,951
Depreciation	24,995
Total operating expenses	<u>69,498,479</u>
Operating income	<u>10,131,939</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	<u>367,576</u>
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CHANGE IN NET POSITION

Net position at beginning of period	<u>76,761,127</u>
Net position at end of period	<u><u>\$ 87,260,642</u></u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2018 through November 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from electricity sales	\$ 82,048,663
Receipts from grantors	11,891
Receipts from supplier for security deposits	14,600
Tax and surcharge receipts from customers	1,044,380
Payments to purchase electricity	(64,035,788)
Payments for staff compensation	(1,388,241)
Payments for contract services	(2,827,605)
Payments for communications	(958,740)
Payments for general and administration	(416,749)
Payments for program rebates and incentives	(1,339,411)
Tax and surcharge payments to other governments	(1,073,508)
Deposits and collateral paid	(1,408,034)
Payments for charitable contributions	(108,000)
Net cash provided (used) by operating activities	<u>9,563,458</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition of capital assets	<u>(237,648)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	<u>388,809</u>
Net cash provided (used) by investing activities	<u>388,809</u>

Net change in cash and cash equivalents (including County Investment Pool)	9,714,619
Cash and cash equivalents at beginning of year	<u>56,447,818</u>
Cash and cash equivalents at end of year	<u>\$ 66,162,437</u>

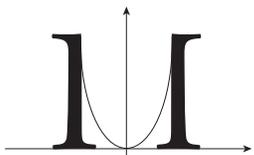
Reconciliation to the Statement of Net Position

Cash and cash equivalents	\$ 50,919,418
Investment in Sonoma County Investment Pool	<u>15,243,019</u>
Cash and cash equivalents	<u>\$ 66,162,437</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2018 through November 30, 2018

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 10,131,939
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	24,995
Revenue reduced for uncollectible accounts	397,696
Charitable contributions considered an operating activity for cash flow purposes only	(108,000)
(Increase) decrease in net accounts receivable	(226,439)
(Increase) decrease in other receivables	(360,018)
(Increase) decrease in accrued revenue	2,734,861
(Increase) decrease in prepaid expenses	(856,929)
(Increase) decrease in current deposits	(1,549,200)
Increase (decrease) in accounts payable	(244,083)
Increase (decrease) in accrued cost of electricity	(1,597,250)
Increase (decrease) in advance from grantors	(8,250)
Increase (decrease) in accrued liabilities	1,237,465
Increase (decrease) in user taxes and energy surcharges due to other governments	(27,929)
Increase (decrease) in supplier security deposits	14,600
Net cash provided (used) by operating activities	<u>\$ 9,563,458</u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Sonoma Clean Power Authority

Management is responsible for the accompanying special purpose statement of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended November 30, 2018, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of Sonoma Clean Power Authority.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the special purpose budgetary comparison statement, they might influence the user's conclusions about the Authority's results of operations. Accordingly, this special purpose budgetary comparison statement is not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
January 3, 2019



**SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
July 1, 2018 through November 30, 2018**

	<u>2018/19 YTD Budget</u>	<u>2018/19 YTD Actual</u>	<u>2018/19 YTD Budget Variance (Under) Over</u>	<u>2018/19 YTD Actual/ Budget %</u>	<u>2018/19 Budget</u>	<u>2018/19 Budget Remaining</u>
REVENUE AND OTHER SOURCES:						
Revenue - Electricity (net of allowance) *	\$ 83,457,500	\$ 78,964,659	\$ (4,492,841)	95%	\$ 182,736,000	\$ 103,771,341
Revenue - Evergreen Premium (net of allowance)	188,165	176,687	(11,478)	94%	412,000	235,313
CEC Grant Proceeds	850,000	480,822	(369,178)	57%	2,600,000	2,119,178
BAAQMD grant	-	8,250	8,250	0%	-	(8,250)
Revenue - Interest income	255,417	367,576	112,159	144%	613,000	245,424
Total revenue and other sources	<u>84,751,082</u>	<u>79,997,994</u>	<u>(4,753,088)</u>	<u>94%</u>	<u>186,361,000</u>	<u>106,363,006</u>
EXPENDITURES AND OTHER USES:						
CURRENT EXPENDITURES						
Cost of energy and scheduling	67,216,105	63,154,885	(4,061,220)	94%	154,377,000	91,222,115
Data management	1,287,083	1,313,463	26,380	102%	3,089,000	1,775,537
Service fees- PG&E	235,000	394,272	159,272	168%	564,000	169,728
Personnel	1,525,417	1,335,933	(189,484)	88%	3,661,000	2,325,067
Outreach and communications	481,667	457,580	(24,087)	95%	1,144,000	686,420
Customer service	216,000	182,068	(33,932)	84%	440,000	257,932
Legal	129,167	157,533	28,366	122%	310,000	152,467
Accounting and auditing	85,000	48,912	(36,088)	58%	204,000	155,088
Technical consultants	79,167	86,348	7,181	109%	190,000	103,652
Legislative and regulatory advocacy	53,333	32,500	(20,833)	61%	128,000	95,500
Other consultants	108,333	31,542	(76,791)	29%	260,000	228,458
Program implementation	2,295,833	1,526,958	(768,875)	67%	5,510,000	3,983,042
Program - CEC grant	1,266,667	414,163	(852,504)	33%	3,040,000	2,625,837
Program development and evaluation	72,917	-	(72,917)	0%	350,000	350,000
General and administration	251,250	212,327	(38,923)	85%	531,000	318,673
CalCCA Trade Association	125,000	125,000	-	100%	348,000	223,000
Total current expenditures	<u>75,427,939</u>	<u>69,473,484</u>	<u>(5,954,455)</u>	<u>92%</u>	<u>174,146,000</u>	<u>104,672,516</u>
OTHER USES						
Collateral deposit payments	1,000,000	1,408,034	408,034	141%	1,000,000	(408,034)
Capital outlay	83,333	283,961	200,628	341%	200,000	(83,961)
Total expenditures, Other Uses and Debt Service	<u>76,511,272</u>	<u>71,165,479</u>	<u>(5,345,793)</u>	<u>93%</u>	<u>175,346,000</u>	<u>104,180,521</u>
Net increase (decrease) in available fund balance	<u>\$ 8,239,810</u>	<u>\$ 8,832,515</u>	<u>\$ 592,705</u>	<u>107%</u>	<u>\$ 11,015,000</u>	<u>\$ 2,182,485</u>

* Represents sales of approximately 984,000 MWh for 2018/19 YTD actual.

RESERVES	<u>Balance</u>
Operating Cash Reserve	\$ 50,652,413
Program Cash Reserve	9,129,748
Collateral Cash Reserve	1,080,587
	<u>\$ 60,862,747</u>

SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
July 1, 2018 through November 30, 2018

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$ 8,832,515
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(24,995)
Add back capital asset acquisitions	283,961
Add back collateral deposits	<u>1,408,034</u>
Change in net position	<u>\$ 10,499,515</u>



Staff Report - Item 04

To: Sonoma Clean Power Authority Board of Directors
From: Geof Syphers, CEO
Issue: Receive Legislative and Regulatory Report and provide direction as appropriate
Date: January 10, 2019

A verbal update on legislative and regulatory matters will be provided in the meeting.



Staff Report – Item 05

To: Sonoma Clean Power Authority Board of Directors

From: Rachel Kuykendall, Senior Programs Manager

Item: Approve and Authorize the CEO to Execute an Agreement with the County of Sonoma for Energy Audit Services for Commercial Customers

Date: January 10, 2019

Recommendation

- Approve and Authorize the CEO to Execute an Agreement with the County of Sonoma (“County”) for Energy Audit Services for Commercial Customers.

Energy audit services will be provided by the County’s General Services Department, Energy and Sustainability Division for an amount not-to-exceed \$60,000 over a term through June 30, 2019.

Discussion

SCP Customer Service staff occasionally receive requests for reviewing energy usage or assisting with the evaluation of energy efficiency projects for our commercial customers. In order to assist with these requests, SCP staff recommend that the Board approve and authorize the CEO to execute the attached contract with the County for a not-to-exceed amount of \$60,000 through June 30, 2019. The agreement and engagement with the County will allow SCP staff to provide the necessary commercial energy auditing technical services in response to commercial customer requests. The services the County would provide to SCP were previously delivered for SCP through Gilleran Energy Management (under the direction of Frontier Energy) under a one-year contract which expired in October of 2018.

SCP’s Joint Power Agreement requires Board approval of any agreement between SCP and any of its members where the not-to-exceed amount is greater than \$50,000 in any fiscal year (JPA section 4.3(h)).

SCP staff hope to have this agreement in place quickly upon County approval of the same at a January Board of Supervisors meeting. The Community Advisory Committee did not hold a meeting in January, and as a result did not review this item at one of its meetings. SCP staff instead provided CAC members with a copy of the agreement to solicit any feedback they may have, and they will be invited to attend the Board meeting to provide any feedback.

Standard Professional Services Agreement (“PSA”) Revision G – June 2016

AGREEMENT FOR PROFESSIONAL SERVICES

This agreement ("Agreement"), dated as of _____, 20__ (“Effective Date”) is by and between the Sonoma Clean Power Authority (“SCPA”), a California joint powers authority, and the County of Sonoma a political subdivision of the State of California (hereinafter "County"). SCPA and the County may be individually referred to as a “Party” or collectively as “Parties.”

A G R E E M E N T

I. Scope of Services.

1.1 Scope of Services. County agrees to provide the services as described in Exhibit A. Notwithstanding anything to the contrary in this Agreement or Exhibit A, services shall be non-exclusive and nothing herein shall prohibit County from referring customers to or providing information regarding additional or other products or services from other entities or companies.

1.2 Performance Standard. County warrants that it possesses the necessary training, experience and skill to competently and professionally provide the services described in Exhibit A. County agrees that its work will be performed and its operations conducted in accordance with the standards of a reasonable professional having specialized knowledge and expertise in the services provided under this Agreement. County shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in County's profession. SCPA has relied upon the professional ability and training of County as a material inducement to enter into this Agreement. County hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of County's work by SCPA shall not operate as a waiver or release. If SCPA determines that any of County's work is not in accordance with such level of competency and standard of care, SCPA, in its sole discretion, shall have the right to do any or all of the following: (a) require County to meet with County to review the quality of the work and resolve matters of concern; (b) require County to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 4; or (d) pursue any and all other remedies at law or in equity.

1.3 Staffing and Coordination. County shall cooperate, and closely coordinate, with SCPA staff in providing all services under this Agreement. County General Services Energy and Sustainability Division staff are deemed by SCPA to be key people

whose services were material inducement to enter into this agreement. County General Services Energy and Sustainability staff shall oversee and manage all services performed by County. County may remove, replace, or otherwise change Key Staff subject to reasonable notice to SCPA and provision of adequately-qualified replacement personnel.

2. Payment. 2.1 Payment Terms. Time and Materials Provisions: For all services and incidental costs incurred in rendering services hereunder, SCPA shall pay County on a time and material/expense basis in accordance with the budget set forth in Exhibit A provided, however, that total payments to County shall not exceed \$60,000.

2.2 Payment. County shall submit one invoice each calendar month in which services are performed. Invoices shall be signed by Key Staff, include copies of receipts for pre-approved reimbursable expenses, and contain the following detail for each billable entry: Date

- b. Detailed description of work performed and person involved
- c. Time spent in ¼ hour increments

Upon receipt of properly prepared invoicing, SCPA shall pay County within 30 calendar days for services provided in accordance with this Agreement, applying the following rates:

- a. County's standard rates for the staff assigned
- b. Reimbursable expenses must be pre-approved by SCPA

In no event shall the amount payable for services performed during this Agreement exceed **\$60,000**.

3. Term of Agreement. The term of this Agreement shall be from the Effective Date to June 30, 2019 unless terminated earlier in accordance with the provisions of Article 4 below or amended by a written, executed amendment to the Agreement.

4. Termination: Notwithstanding any other provision of this Agreement, at any time and without cause, the Parties shall have the unequivocal right to terminate this Agreement by giving thirty (30) calendar days written notice to the other Party. Notwithstanding any other provisions of this Agreement, should County fail to perform any of its obligations or violate any of the terms of this Agreement (Termination for Cause), SCPA may, upon providing County written notice stating the reason for termination, immediately terminate this Agreement. In the event of termination, County, within fourteen (14) calendar days following the date of termination, shall deliver to SCPA all materials and work product subject to Section 1 and shall submit to SCPA a final invoice for all outstanding payments.

5. Indemnification. Each party shall indemnify, defend, protect, hold harmless, and release the other, its officers, agents, and employees, from and against any actions, and all claims, loss, proceedings, damages, liabilities, disabilities, costs or expenses

(including attorney's fees and witness costs) arising from or in connection with, or caused by any act, omission, or negligence of such indemnifying party or its agents, employees, contractors, subcontractors, or invitees. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for the indemnifying party or its agents, employees, contractors, subcontractors, or invitees under workers' compensation acts, disability benefits acts, or other employee benefit acts.

6. Insurance. County shall maintain insurance and/or self-insurance as described below unless such insurance has been expressly waived in writing by SCPA.

a. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California, and Employers Liability with minimum limits of \$1,000,000 per accident; \$1,000,000 disease per employee; \$1,000,000 disease per policy.

b. Commercial General Liability Insurance with Minimum Limits: \$1,000,000 per occurrence; \$2,000,000 general aggregate; \$2,000,000 products/completed operations aggregate. The required limits may be provided by a combination of General Liability Insurance and Commercial Umbrella Liability Insurance.

1. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. County is responsible for any deductible or self-insured retention and shall fund it upon SCPA's written request, regardless of whether County has a claim against the insurance or is named as a party in any action involving SCPA.

2. SCPA shall be an additional insured for liability arising out of operations by, or on behalf of, County in the performance of this Agreement.

3. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.

4. The policy shall cover inter-insured suits between the additional insureds and County and include a "separation of insureds" or "severability" clause which treats each insured separately.

c. Automobile Liability Insurance with Minimum Limit of \$1,000,000 combined single limit per accident. Automobile Insurance shall apply to all owned autos.

d. Professional Liability/Errors and Omissions Insurance with Minimum Limit of \$1,000,000 per claim or per occurrence. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the insurance is on a Claims Made basis, the retroactive date shall be no later than the commencement of the work. Coverage applicable to the work performed under this Agreement shall be continued for two (2) years after completion of the work. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.

e. The Certificate of Insurance must include the following reference: Sonoma Clean Power Authority.

f. All required Evidence of Insurance shall be submitted to SCPA within 3 business days of the Effective Date. County agrees to maintain current Evidence of

Insurance on file with SCPA for the entire term of this Agreement.

g. The name and address for Additional Insured endorsements and Certificates of Insurance is: Sonoma Clean Power Authority, Attn: Contract Administration, 50 Old Courthouse Square, Suite 605, Santa Rosa, CA, 95404.

h. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) business days before expiration or other termination of the existing policy.

i. County shall provide SCPA immediate written notice if any of the required insurance policies are terminated.

j. County's indemnity and other obligations shall not be limited by these insurance requirements.

7. Status of County: County, in performing the services under this agreement, shall act as an independent contractor and shall control the work and the manner in which it is performed. At no time shall County employees act as an agent or employee of SCPA and at no time shall County employees be entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits SCPA provides its employees. In the event SCPA exercises its right to terminate this Agreement pursuant to Section 4, County expressly agrees that its employees shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

7.1 No Suspension or Debarment. County warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. County also warrants that it is not suspended or debarred from receiving federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-procurement Programs issued by the General Services Administration.

7.2 Records Maintenance. County shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to SCPA for inspection at any reasonable time. County shall maintain such records for a period consistent with the County's record retention schedule following completion of work hereunder.

7.3 Statutory Compliance/Living Wage Ordinance. County shall comply with all applicable federal, state and local laws, regulations, statutes and policies applicable to the services provided under this Agreement as they exist now and as they are changed, amended or modified during the term of this Agreement.

7.4 Nondiscrimination. Without limiting any other provision of this Agreement, County shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this

Agreement are incorporated by reference. During the term of this Agreement, County shall comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection.

7.5 Confidentiality, Ownership and Disclosure of Work Product. All information obtained by County under this Agreement shall be deemed confidential ("Confidential Information"). Unless SCPA provides written permission, County is compelled by a court of law or regulatory agency, or County obtained Confidential Information from a source or sources other than SCPA, County shall not share Confidential Information with any other person or entity outside of SCPA staff and SCPA authorized representatives. Provisions related to Confidential Information shall survive expiration or termination of the Agreement for a period of at least five (5) years. All reports, original drawings, graphics, plans, studies, and other data or documents ("Documents"), in whatever form or format, produced by County or County's subcontractors, consultants, and other agents within the term and scope of this Agreement shall be the property of SCPA. SCPA shall be entitled to immediate possession of such Documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, County shall promptly deliver to SCPA all such Documents, which have not already been provided to SCPA in such form or format, as SCPA deems appropriate. Such Documents shall be and will remain the property of SCPA without restriction or limitation. Notwithstanding the foregoing, SCPA acknowledges and agrees: (a) County is subject to the provisions of the California Public Records Act and (b) County may be compelled to release records containing Confidential Information as a result of requests made under that Act. If County receives a demand for the disclosure of Confidential Information under the California Public Records Act, County shall promptly notify SCPA of the request. If SCPA wishes to preclude disclosure of such Confidential Information under the California Public Records Act, SCPA shall take appropriate legal action to obtain a court order prohibiting such disclosure.

8. Assignment and Delegation. Parties shall not assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

10.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in Santa Rosa or the forum nearest to the city of Santa Rosa, in the County of Sonoma.

10.6 Exhibits. In the event of a conflict between the body of this Agreement and any Exhibits or attachments, the language in the body of this Agreement shall prevail.

10.7 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

10.8 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

10.9. Survival of Terms. All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

10.10 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

EXHIBIT A SCOPE OF SERVICES

Commercial Building Energy Audit Services for the Sonoma Clean Power Authority

The County of Sonoma’s General Services Department’s Energy and Sustainability Division (hereinafter referred to as “County” or “ESD”) will perform enhanced ASHRAE Level “1.5” Commercial Energy Audits as needed for select Sonoma Clean Power Authority (“SCPA”) commercial customers. These audits will include interviews with select facility staff, a review of utility bills or other operating data, and a walk through of the facility. The goal will be to identify significant areas of energy waste or inefficiency and to develop a preliminary report detailing low-cost/no-cost measures and potential capital improvements that may require further study in subsequent, more detailed audits.

Billing Rate

All services under this agreement, including travel time, shall be billed at \$81.23 per hour.

Not-to-Exceed Amounts

Item	Cost
Personnel	\$58,000
Program operations, including printing and program administration	\$2,000
Total	\$60,000

Standard engagement:

1. Commercial customers initiate contact with SCPA because of high utility usage and costs.
2. SCPA’s Commercial Account Manager assists the customer by providing a utility bill analysis. After the initial utility bill analysis has been completed, SCPA’s Commercial Account Manager will identify medium and large commercial customers who are good candidates for energy audits.
3. SCPA’s commercial account manager will coordinate with the ESD team to schedule and complete an on-site energy audit.
4. An ESD Analyst will coordinate with SCPA’s commercial account manager for a review of the utility billing analysis that has been completed by the SCPA Commercial Account Manager prior to the site visit.
5. An ESD Analyst will analyze findings and provide the results to SCPA. Review of findings with the customer will be directed by SCPA.

ESD Commercial Energy Audit Service Scope	Standard Engagement Estimated Hours/other as appropriate	Standard Engagement Estimated Cost/Audit	Total (Not to Exceed) for Agreement Term
Review project with SCPA, including utility billing analysis and project information	1	\$81.23	\$60,000
Initial Walk-through survey; complete site visit	4	\$324.92	
Travel time to and from, accounts in the SCPA Service Area (hourly staff time)	4	\$324.92	
County Fleet Vehicle fee at 2019 County Rate (vehicle mileage + vehicle fee) Estimate Based on 2018 Vehicle Rate =	Up to 4 hours and/or 200 miles round-trip.	\$114.47	

\$34.23+\$4.28/hour + 0.23/mile)			
Analyze audit findings to Identify low-cost/no-cost energy efficiency upgrade opportunities and complete Energy Audit Report	6	\$487.38	
Meeting (phone or in-person) with SCPA to review audit findings and (phone or in-person) meeting with customer to review audit findings	1.5	\$121.85	
Total Audit Time and Cost (excluding travel costs)	12.5	\$1015.38	
Total Travel Costs	Travel time + Vehicle Fees	\$439.39	
Total Cost/Audit		\$1454.77	

A standard engagement, as described above has an estimated amount of \$1500. Where ESD anticipates an individual audit cost will exceed \$1500, ESD agrees to provide written notice to SCPA in advance, so the Parties can mutually agree on a reasonable estimate of audit costs under the non-standard conditions.

Estimated hours and costs described above are based the assumption that the project consists of one or more buildings with a total of < 25,000 square feet of floor area, with simple mechanical systems.

Level “1.5” Energy Audit. Audits provided pursuant to this Exhibit A will be a Level “1.5” Energy Audit, where ESD staff will provide the following:

1. Conduct initial walk-through energy survey
 - a. Audit Tasks will include the following:
 - i. Interview facility manager and/or select facility staff to collect information including: existing equipment age and condition, control practices, operating schedules, maintenance practices, expected projects, previous studies and priorities and comfort issues.
 - ii. Collect data on existing equipment including, equipment nameplate information, age and condition. Catalog existing system types, quantities and efficiencies for:
 - (A) Building Envelope
 - (B) Indoor and Outdoor Lighting systems and controls
 - (C) HVAC systems and controls
 - (D) Domestic Hot Water (DHW) systems and controls
 - (E) Indoor water fixtures

(F) Plug Loads

- iii. Take spot, sample measurements of light levels, space temperatures and humidity levels, and HVAC register temperatures

2. Analyze audit findings to Identify low-cost/no-cost energy efficiency upgrade opportunities

3. Report Findings

Provide an ASHRAE Level “1.5” Energy Audit Report, substantially in the form described in Attachment A-1, unless the parties agree to an alternate format.

- a. Audit report will be delivered via email.
- b. Phone conference or in-person meeting with Sonoma Clean Power to review audit report.
- c. Phone conference or in-person meeting with customer to review audit report.

4. **Exclusions:**

- a. Ladder use by ESD staff will be limited to climbing ladders with a maximum height of 6 foot or less to access light fixtures, etc.
- b. Onsite facility staff will be required to assist ESD staff for documentation of inaccessible equipment by accessing, photographing and documenting equipment that is inaccessible and/or require power tools to access.

5. **Optional Scope:** SCPA may request additional scope, at additional cost to SCPA. Such scope would be performed at rates and not to exceed amounts as separately agreed the parties, and could include:

- a. Data logging including power and energy, temperature and relative humidity, equipment run-time, CO2 levels, etc.
- b. ASHRAE Level 2 energy savings and cost analyses for energy efficiency measures
- c. Energy modeling
- d. Water audit

ATTACHMENT A-1:
ESD Sample Energy Audit Report Template

ASHRAE Level “1.5” Energy Audit Report Template

1. Baseline Facility Description

a. **Executive Summary**

- *Provide a description of the building location, configuration and square footage.*
- *Discuss weekly occupant patterns by occupants*
- *Summarize energy goals and energy efficiency targets*

b. **Energy Usage Summary**

- *Insert charts showing estimates of energy consumption of end-use systems based on expected end uses of similar buildings*
- *Insert charts summarizing electricity use from utility billing analysis from SCPA*

c. **Building Systems Report; description and photographs of existing systems**

- *Insert tables of existing mechanical systems and controls catalogued during energy audit*
- *Insert tables of existing lighting systems and controls catalogued during energy audit*
- *Insert tables of existing lighting systems and controls catalogued during energy audit*
- *Insert table of existing envelope systems catalogued during energy audit*
- *Insert table of appliances and plug loads catalogued during energy audit*

2. Summary of Energy Efficiency and Conservation Recommendations

a. **Energy Efficiency Recommendations**

- *Insert table of low cost/no cost energy efficiency recommendations, including age of equipment and applicable associated Effective Useful Life*

b. **Operation and Maintenance Recommendations**

- *Insert table of operation and maintenance best practices applicable to project*

c. **Incentive, financing and certification program information**

- *Insert summary of applicable incentive, financing and certification program information.*

County of Sonoma:

By: _____

Name: _____

Title: _____

Date: _____

Sonoma Clean Power Authority

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM FOR COUNTY:

By: _____
County Counsel

Date: _____

APPROVED AS TO FORM FOR SCPA:

By: _____
General Counsel

Date: _____



Staff Report – Item 06

To: Sonoma Clean Power Authority Board of Directors

From: Cordel Stillman, Director of Programs

Issue: 431 E Street – Project Schedule and Budget

Date: January 10, 2019

Requested Action

Discuss proposed schedule and budget for improvements to 431 E Street and Provide Direction to Staff Regarding Whether to Proceed with Preparation of Construction Documents.

Background & Discussion

Project Goal – To provide a headquarters for Sonoma Clean Power (“SCP”) that maintains a healthy workplace while showcasing energy efficiency and fuel switching in the built environment.

In July and August of this year, the Community Advisory Committee and Board of Directors approved a contract with EHDD to perform design services for the renovation of 431 E Street and 426 Beaver Street. At that time, staff stated a proposed budget and timeline would be brought to the Board following completion of the Schematic Design. Staff have been working with EHDD during the Detailed Design phase and are now prepared to report to the Board on an estimated Schedule and Budget.

Even though the whole design was previously approved by the Board, this item asks for guidance on whether to continue the design work in the context of now having a complete cost estimate. It is staff’s recommendation to proceed. If the Board agrees with staff’s recommendation to continue design work, the remaining \$781,566 of the existing design contract would be spent prior to the next Board decision – whether to enter into a construction contract and complete the project.

Estimated Schedule

The following summary schedule has been distilled from a detailed schedule prepared by our architect.

Completion of Detailed Design – March 2019

Completion of Construction Documents – June 2019

Bid Construction Project – June 2019

Award Contract – September 2019

Begin Construction – October 2019

Complete Construction – October 2020

Note: This schedule represents targeted completion dates, assuming everything (e.g., permits, contract negotiations, subcontractor coordination) is working normally, and will be updated on a regular basis.

Estimated Budget

As part of our due diligence, we have caused cost estimates to be prepared by both our architect and by a third-party construction estimator hired directly by SCP. These cost estimates have been prepared with contingencies, which are allowances for flexibility and/or risk that attempt to conservatively quantify all the risks associated with a multi-year construction project. The estimates were prepared by professionals who understand the challenges related to the current cost climate in the construction industry. The two estimators met and agreed to the use of a common set of contingencies, in essence agreeing to a shared set of assumptions to use concerning risks in the current construction climate. As noted below with more specificity, the estimates also do not represent a guarantee of construction costs.

The results of these estimates are presented here, and staff are asking the Board for direction to staff to continue with the existing design contract work and specifically with the Construction Document development phase of the project.

This checkpoint allows the Board to review the project in the context of the first complete budget estimate. The next checkpoint will be the consideration of a construction contract.

The cost estimate is developed by first estimating the cost of construction under ideal conditions and in today's market, and then making adjustments to account for risks and escalating costs due to time.

The initial Base cost (without contingencies) for construction is estimated at \$7.5 million. This cost does not include enhancements to the building that have been discussed, such as a solar power array, electric car charging, battery storage system and grid interactivity controls. These enhancements were selected to implement SCP's mission relating to decarbonizing the electric grid and transportation, but their costs are being tracked separately to allow discussion with the Committee and Board seeking to confirm their value. To add these enhancements would increase the cost by \$1.6 million to approximately \$9.1 million (without contingencies).

These initial figures were calculated as if the building is being constructed at this time, under ideal conditions. Since construction will not begin until late in 2019 and may continue for another year, it is prudent to assume that costs will be higher. Our consultants have identified three areas where they feel adjustments should be made. They have assigned a percentage for each that should be applied to the initial Base cost. They include;

- 1) Construction contingency (10%): This risk factor takes into account changes that could occur during construction and any changes to existing conditions that may come to light during construction.
- 2) Scope contingency (5%): This accounts for any changes to the design that may be implemented by SCP between now and the end of construction.
- 3) Bid contingency (15%): This risk factor accounts for the potential changes in market conditions between now and bidding the project.

With a total of 30% applied, the estimated costs of construction are approximately \$9.75 million for the base building and \$11.83 million with the energy related enhancements.

Throughout this process, staff have been working with the architect and engineers to identify areas where costs can be cut and where the schedule can be accelerated.

The local market for build-to-suit office buildings of similar quality (between Class B and Class A) ranges from \$580 to \$750/SF. Our base building cost (with contingency) is approximately \$680/SF for a building that will meet our current and future needs. Enhancing the building to be a showcase of efficiency and grid interactivity will add approximately \$105/SF.

The costs of constructing improvements to 431 E Street will be spread over three fiscal years. Costs for architecture and other preparatory costs are being covered in this current fiscal year. Costs in future fiscal years are anticipated to be covered by current income and reserves funds with the following proposed allocation. Note that even with Board authorization to continue with design at this stage, the Board will have the ability to adjust this allocation in future budget decisions.

Fiscal Year	Total Expected Investment	Source of Funds
FY18-19	\$1 million	\$1m Current income
FY19-20	\$7 million	\$4m Current income \$2m Program Reserves \$1m Operating Reserves
FY20-21	\$3.83 million	\$3.83m Current income

At this time, staff propose to pay for the energy-related investments in solar, battery storage, EV charging and grid controls (estimated at \$2.1 million) using the Program Reserves.

After reviewing the cost estimates for the work at this stage, Staff recommends that the Board provide direction to staff to proceed with the remaining design work. If SCP proceeds with building design as recommended by staff, the next check-in for both the Committee and the Board will be to review and potentially approve a contract for construction.



Staff Report – Item 07

To: Sonoma Clean Power Authority Board of Directors

From: Kate Kelly, Director of Public Affairs and Marketing
April Varellas, Brand Manager

Issue: Receive and Accept Annual Report

Date: January 10, 2019

No written materials for this report. A presentation will be given at the meeting.

The attachment for this item can be viewed at:
<https://sonomacleanpower.org/annual-report>
(Printed copies will be available at the January 10, 2019 BOD meeting)