



MARIN COUNTY | NAPA COUNTY | UNINCORPORATED CONTRA COSTA COUNTY
BENICIA | CONCORD | DANVILLE | EL CERRITO | LAFAYETTE | MARTINEZ | MORAGA
OAKLEY | PINOLE | PITTSBURG | RICHMOND | SAN PABLO | SAN RAMON | WALNUT CREEK

Agenda Page 1 of 1

Executive Committee Meeting Friday, May 3, 2019 12:00 P.M.

Charles F. McGlashan Board Room, 1125 Tamalpais Avenue, San Rafael, CA 94901
Mt. Diablo Room, 2300 Clayton Road, Suite 1150, Concord, CA 94920

1. Roll Call/Quorum
2. Board Announcements (Discussion)
3. Public Open Time (Discussion)
4. Report from Chief Executive Officer (Discussion)
5. Consent Calendar (Discussion/Action)
 - C.1 Approval of 3.1.19 Meeting Minutes
 - C.2 Sixth Agreement with the Association for Energy Affordability
 - C.3 Approval of CalCCA Membership Dues for Fiscal Year 2019-20
6. MCE Ratesetting (Discussion/Action)
7. Policy 013: Reserve Policy (Discussion/Action)
8. Additional Information regarding Resolution 2019-01: Investment Policy (Discussion)
9. Update to MCE Employee Benefits Contributions (Discussion)
10. Committee Matters & Staff Matters (Discussion)
11. Adjourn



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MCE EXECUTIVE COMMITTEE MEETING MINUTES

**Friday, March 1, 2019
12:00 P.M.**

**Mt. Diablo Room
2300 Clayton Road, Suite 1150
Concord, CA 94520**

**Charles F. McGlashan Board Room
1125 Tamalpais Avenue
San Rafael, CA 94901**

Present: Denise Athas, City of Novato (*San Rafael*)
Sloan Bailey, Town of Corte Madera (*San Rafael*)
Lisa Blackwell, Town of Danville (*Concord*)
Tom Butt, City of Richmond (*San Rafael*)
Barbara Coler, Town of Fairfax (*San Rafael*)
Ford Greene, Town of San Anselmo (*San Rafael*)
Kevin Haroff, City of Larkspur (*Concord*)
Bob McCaskill, City of Belvedere (*San Rafael*)
Kate Sears, County of Marin (*San Rafael*)

Absent: Federal Glover, Contra Costa County

Staff

& Others: Jessica Brooks, Board Assistant (*San Rafael*)
John Dalessi, Operations and Development (*San Rafael*)
Sarah Estes-Smith, Director of Internal Operations (*San Rafael*)
Darlene Jackson, Clerk of the Board (*Concord*)
Vicken Kasarjian, Chief Operating Officer (*San Rafael*)
Jay Marshall, IT Manager (*San Rafael*)
Catalina Murphy, Legal Counsel, (*San Rafael*)
Justine Parmelee, Internal Operations Manager (*Concord*)
Garth Salisbury, Director of Finance (*San Rafael*)
Heather Shepard, Director of Public Affairs (*San Rafael*)
Taylor Sherman, Internal Operations Assistant (*San Rafael*)
Maira Strauss, Senior Finance Analyst (*San Rafael*)
Shalini Swaroop, General Counsel, (*San Rafael*)
Dawn Weisz, Chief Executive Officer (*San Rafael*)
Sandra Zelaya, Public Affairs Assistant (*Concord*)

1. Roll Call

Chair Butt called the regular Executive Committee meeting to order at 12:00 P.M. with quorum established by roll call.

2. Board Announcements (Discussion)

There were none.

3. Public Open Time (Discussion)

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Chair Butt opened the public comment period and member of the public, Misty Norton commented.

4. Report from Chief Executive Officer (Discussion)

CEO Dawn Weisz, reported the following:

- Introduced Director of Finance, Garth Salisbury, Senior Finance Analyst, Maira Strauss.
- Certification Letter from the CPUC has been received approving Solano County as MCE member.
- Congratulations to the Policy Team for a huge regulatory victory for MCE.
- Brief update on the PG&E bankruptcy: At the hearing yesterday, there were no issues decided that affect CCAs. The interim decision on those motions remains in effect and has allowed PG&E to continue operating business as usual, including collecting and transferring CCA revenues. The motions related to the CCA issues will be addressed with final orders following hearings on March 12th and 13th. The delay in issuing final orders on these motions is only to provide a newly formed stakeholder Committee time to consider the issues. No opposition to our interests has been seen and we generally expect the final orders to track the interim orders.

5. Consent Calendar (Discussion/Action)

- C.1 Approval of 2.1.19 Meeting Minutes
- C.2 Eleventh Agreement with Maher Accountancy
- C.3 Seventh Agreement with Braun Blaising Smith Wynne
- C.4 Ninth Agreement with Niemela Pappas & Associates

Chair Butt opened the public comment period and there were no speakers.

Action: It was M/S/C (Greene/Sears) **to approve Consent Calendar Items C.1 through C.4.** Motion carried by unanimous vote. (Absent: Director Glover).

6. Agenda Item #06 – Fiscal Year 2019/20 Budget (Discussion/Action)

Garth Salisbury, Director of Finance, introduced this item and addressed questions from Committee members.

Chair Butt opened the public comment period and there were no speakers.

Action: It was M/S/C (Haroff/Athas) **to recommend that the Board of Directors, 1) approve the proposed FY 2019/20 Operating Fund, Energy Efficiency Program Fund and Local Renewable Energy Development Fund Budgets, 2) Transfer Local Renewable Energy Reserve Fund into the Local Renewable Energy Development Fund, and 3) add the word “Program” to the title of the Local Renewable Energy Development Fund changing the title to: Local Renewable Energy and Program Development Fund.** Motion carried by unanimous vote. (Absent: Director Glover).

7. Agenda Item #07 – New Board Member Additions to Committees (Discussion)

Dawn Weisz, Chief Executive Officer, presented this item and addressed questions from Committee members.

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Chair Butt opened the public comment period and there were no speakers.

Action: No action required.

8. Agenda Item #08 - Resolution No. 2019-01 Regarding LAIF Investments (Discussion/Action)

Garth Salisbury, Director of Finance, presented this item and addressed questions from Committee members.

Chair Butt opened the public comment period and there were no speakers.

Action: It was M/S/C (Sears/McCaskill) to **recommend that the Board of Directors adopt proposed Resolution 2019-01 Rescinding Resolution No 2018-05 and Authorizing Investment of Monies in the Local Agency Investment Fund.** Motion carried by unanimous roll call vote. (Absent: Director Glover).

9. Agenda Item #09 – Amendment to MCE Investment Policy 014 (Discussion/Action)

Garth Salisbury, Director of Finance, presented this item and addressed questions from Committee members.

Chair Butt opened the public comment period and there were no speakers.

Action: It was M/S/C (Bailey/Sears) to **recommend that the Board of Directors approve the proposed amended MCE Policy 014: Investment Policy.** Motion carried by unanimous vote. (Absent: Director Glover)

10. Agenda Item #10 – Appointment of Chief Operating Officer as MCE Treasurer (Discussion/Action)

Dawn Weisz, Chief Executive Officer, presented this item and addressed questions from Committee members.

Chair Butt opened the public comment period and there were no speakers.

Action: It was M/S/C (Bailey/Sears) to **recommend that the Board of Directors adopt proposed Resolution 2019-02 Appointing Chief Operating Officer as Treasurer of MCE.** Motion carried by unanimous roll call vote. (Absent: Director Glover)

11. Adjournment

Chair Butt adjourned the meeting at 1:26p.m. to the next scheduled Executive Committee Meeting on April 5, 2019

Tom Butt, Chair

Attest:

Dawn Weisz, Secretary



May 3, 2019

TO: MCE Board of Directors

FROM: Grace Peralta, Customer Programs Manager

RE: Sixth Agreement with the Association for Energy Affordability (AEA). (Agenda Item #05 - C.2)

ATTACHMENT: Draft Sixth Agreement with the Association for Energy Affordability (AEA).

Dear MCE Board of Directors:

SUMMARY:

The proposed Sixth Agreement with the Association for Energy Affordability (AEA) is a contract for energy efficiency services, primarily focused on the design and implementation of MCE's multifamily energy efficiency offerings, including the Multifamily Energy Savings Sub-Programs, the Low-Income Families and Tenants Pilot Program and the Green & Healthy Homes Initiative. The proposed Sixth Agreement would commence upon contract execution and continue through April 30, 2021.

Background

On October 4, 2012, your Board approved the First Agreement with AEA to provide services to the multifamily sector. For the past six years, AEA has supported MCE by serving as technical consultants and program implementers to the Multifamily Program. Their assistance has been instrumental in developing program guidelines, including audit procedures, report templates, quality assurance, and quality control policies. AEA has assisted MCE staff in adapting the program structure to meet the constant market changes and fluctuating CPUC requirements. They have proven themselves as proficient and professional program partners.

Under the proposed Agreement, AEA would be compensated based on a combination of the following methods: 1) Time and materials 2) Per measure installed 3) Per milestone reached. These methods would be used to guide compensation throughout the two-year contract period. Exhibit A details the tasks and deliverables associated with this proposed Agreement. The full not-to-exceed contract value would be \$571,000 through April 30, 2021.

Fiscal Impacts: Expenditures related to the proposed Sixth Agreement with AEA would be funded from energy efficiency program funds allocated by the CPUC.

Recommendation: Approve the proposed Sixth Agreement with AEA.

**MARIN CLEAN ENERGY
ENERGY EFFICIENCY PROGRAMS STANDARD SHORT FORM CONTRACT**

**SIXTH AGREEMENT
BY AND BETWEEN
MARIN CLEAN ENERGY AND ASSOCIATION FOR ENERGY AFFORDABILITY (AEA)**

THIS SIXTH AGREEMENT ("Agreement") is made and entered into this day **May 3, 2019** by and between MARIN CLEAN ENERGY, hereinafter referred to as "MCE" and (IMPLEMENTER), hereinafter referred to as "Implementer."

RECITALS:

WHEREAS, MCE desires to retain a person or firm to provide the services described in **Exhibit A**;

WHEREAS, Implementer is a third-party program implementer that will implement the contracted-for energy efficiency program ("Program");

WHEREAS, Implementer warrants that it is qualified and competent to render the aforesaid Services;

NOW, THEREFORE, for and in consideration of the agreement made, and the payments to be made by MCE, the parties agree to the following:

1. SCOPE OF SERVICES:

Implementer agrees to provide all of the services described in **Exhibit A** attached hereto and by this reference made a part hereof. "Services" shall mean all of the services described in **Exhibit A**, and any other work performed by Implementer pursuant to the Agreement and any related purchase orders.

2. FURNISHED SERVICES:

MCE agrees to make available all pertinent data and records for review, subject to MCE Policy 001 - Confidentiality.

3. FEES AND PAYMENT SCHEDULE; INVOICING:

The fees and payment schedule for furnishing services under this Agreement shall be based on the rate schedule which is attached hereto as **Exhibit B** and by this reference incorporated herein. Said fees shall remain in effect for the entire term of the Agreement. Implementer shall provide MCE with his/her/its Federal Tax I.D. number prior to submitting the first invoice. Implementer is responsible for billing MCE in a timely and accurate manner. Implementer shall email invoices to MCE on a monthly basis for any services rendered or expenses incurred hereunder. Fees and expenses invoiced beyond 90 days will not be reimbursable. The final invoice must be submitted within 30 days of completion of the stated scope of services or termination of this Agreement. MCE will process payment for undisputed invoiced amounts within 30 days.

4. MAXIMUM COST TO MCE:

In no event will the cost to MCE for the services to be provided herein exceed the maximum sum of **\$561,000**.

5. TERM OF AGREEMENT:

This Agreement shall commence on **May 1, 2019**, and shall continue, unless terminated earlier in accordance with the terms of this Agreement, until **April 30, 2021** Certificate(s) of Insurance must be current on the day the Agreement commences and if scheduled to lapse prior to termination date, must be automatically updated before final payment may be made to Implementer.

6. INSURANCE AND SAFETY:

All required insurance coverages shall be substantiated with a certificate of insurance and must be signed by the insurer or its representative evidencing such insurance to MCE. The general liability policy shall be endorsed naming Marin Clean Energy and its employees, officers and agents as additional insureds. The certificate(s) of insurance and required endorsement shall be furnished to MCE prior to commencement of work. Each certificate shall provide for thirty (30) days advance written notice to MCE of any cancellation or reduction in coverage. Said policies shall remain in force through the life of this Agreement and shall be payable on a per occurrence basis only, except those required by paragraph 6.4 which may be provided on a claims-made basis consistent with the criteria noted therein.

Nothing herein shall be construed as a limitation on Implementer's obligations under paragraph 17 of this Agreement to indemnify, defend and hold MCE harmless from any and all liabilities arising from the Implementer's negligence, recklessness or willful misconduct in the performance of this Agreement. MCE agrees to timely notify the Implementer of any negligence claim.

Failure to provide and maintain the insurance required by this Agreement will constitute a material breach of the agreement. In addition to any other available remedies, MCE may suspend payment to the Implementer for any services provided during any time that insurance was not in effect and until such time as the Implementer provides adequate evidence that Implementer has obtained the required coverage.

6.1 GENERAL LIABILITY

The Implementer shall maintain a commercial general liability insurance policy in an amount of no less than one million dollars (\$1,000,000) with a two million dollar (\$2,000,000) aggregate limit. MCE shall be named as an additional insured on the commercial general liability policy and the Certificate of Insurance shall include an additional endorsement page. (see sample form: ISO - CG 20 10 11 85).

6.2 AUTO LIABILITY

Where the services to be provided under this Agreement involve or require the use of any type of vehicle by Implementer in order to perform said services, Implementer shall also provide comprehensive business or commercial automobile liability coverage including non-owned and hired automobile liability in the amount of one million dollars combined single limit (\$1,000,000.00).

6.3 WORKERS' COMPENSATION

The Implementer acknowledges the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Implementer has employees, a copy of the certificate evidencing such insurance or a copy of the Certificate of Consent to Self-Insure shall be provided to MCE prior to commencement of work.

6.4 PROFESSIONAL LIABILITY INSURANCE (REQUIRED IF CHECKED)

Coverages required by this paragraph may be provided on a claims-made basis with a "Retroactive Date" either prior to the date of the Agreement or the beginning of the contract work. If the policy is on a claims-made basis, coverage must extend to a minimum of twelve (12) months beyond completion of contract work. If coverage is cancelled or non-renewed, and not replaced with another claims made policy form with a "retroactive date" prior to the Agreement effective date, the Implementer must purchase "extended reporting" coverage for a minimum of twelve (12) months after completion of contract work. Implementer shall maintain a policy limit of not less than \$1,000,000 per incident. If the deductible or self-insured retention amount exceeds \$100,000, MCE may ask for evidence that Implementer has segregated amounts in a special insurance reserve fund or Implementer's general insurance reserves are adequate to provide the necessary coverage and MCE may conclusively rely thereon.

6.5 PRIVACY AND CYBERSECURITY LIABILITY. Privacy and cybersecurity liability (including costs arising from data destruction, hacking or intentional breaches, crisis management activity related to data breaches, and legal claims for security breach, privacy violations, and notification costs) of at least \$1,000,000 US per occurrence.

Implementer shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Agreement. Implementer shall monitor the safety of the job site(s) during the project to comply with all applicable federal, state, and local laws, and to follow safe work practices.

7. NONDISCRIMINATORY EMPLOYMENT:

Implementer and/or any permitted subcontractor, shall not unlawfully discriminate against any individual based on race, color, religion, nationality, sex, sexual orientation, age or condition of disability. Implementer and/or any permitted subcontractor understands and agrees that Implementer and/or any permitted subcontractor is bound by and will comply with the nondiscrimination mandates of all federal, state and local statutes, regulations and ordinances.

8. SUBCONTRACTING:

The Implementer shall not subcontract nor assign any portion of the work required by this Agreement without prior written approval of MCE except for any subcontract work identified herein. If Implementer hires a subcontractor under this Agreement, Implementer shall require subcontractor to provide and maintain insurance coverage(s) identical to what is required of Implementer under this Agreement and shall require subcontractor to name Implementer as additional insured under this Agreement. It shall be Implementer's responsibility to collect and maintain current evidence of insurance provided by its subcontractors and shall forward to MCE evidence of same. Nothing contained in this Agreement or otherwise stated between the parties shall create any legal or contractual relationship between MCE and

any subcontractor, and no subcontract shall relieve Implementer of any of its duties or obligations under this Agreement. Implementer shall be solely responsible for ensuring its subcontractors' compliance with the terms and conditions of this Agreement. Implementer's obligation to pay its subcontractors is an independent obligation from MCE's obligation to make payments to Implementer. As a result, MCE shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

9. ASSIGNMENT:

The rights, responsibilities and duties under this Agreement are personal to the Implementer and may not be transferred or assigned without the express prior written consent of MCE.

10. RETENTION OF RECORDS AND AUDIT PROVISION:

Implementer and any subcontractors authorized by the terms of this Agreement shall keep and maintain on a current basis full and complete documentation and accounting records, employees' time sheets, and correspondence pertaining to this Agreement. Such records shall include, but not be limited to, documents supporting all income and all expenditures. MCE shall have the right, during regular business hours, to review and audit all records relating to this Agreement during the Contract period and for at least five (5) years from the date of the completion or termination of this Agreement. Any review or audit may be conducted on Implementer's premises or, at MCE's option, Implementer shall provide all records within a maximum of fifteen (15) days upon receipt of written notice from MCE. Implementer shall refund any monies erroneously charged. Implementer shall have an opportunity to review and respond to or refute any report or summary of audit findings, and shall promptly refund any overpayments made by MCE based on undisputed audit findings.

11. WORK PRODUCT:

All finished and unfinished reports, plans, studies, documents and other writings prepared by and for Implementer, its officers, employees and agents in the course of implementing this Agreement shall become the sole property of MCE upon payment to Implementer for such work. MCE shall have the exclusive right to use such materials in its sole discretion without further compensation to Implementer or to any other party. Implementer shall, at MCE's expense, provide such reports, plans, studies, documents and writings to MCE or any party MCE may designate, upon written request. Implementer may keep file reference copies of all documents prepared for MCE.

12. TERMINATION:

- A. If Implementer fails to provide in any manner the services required under this Agreement or otherwise fails to comply with the terms of this Agreement or violates any ordinance, regulation or other law which applies to its performance herein, MCE may terminate this Agreement by giving five (5) business days' written notice to the party involved.
- B. Implementer shall be excused for failure to perform services herein if such services are prevented by acts of God, strikes, labor disputes or other forces over which Implementer has no control.
- C. Either party hereto may terminate this Agreement for any reason by giving thirty (30) calendar days' written notice to the other party. Notice of termination shall be by written notice to the other parties and be sent by registered mail or by email to the email address listed in Section 20 Invoices; Notices.
- D. In the event of termination not the fault of Implementer, Implementer shall be paid for services performed to the date of termination in accordance with the terms of this Agreement so long as proof of required insurance is provided for the periods covered in the Agreement or Amendment(s). Notwithstanding anything contained in this Section 12, in no event shall MCE be liable for lost or anticipated profits or overhead on uncompleted portions of the Services. Implementer shall not enter into any agreement, commitments or subcontracts that would incur significant cancellation or termination costs without prior written approval of MCE, and such written approval shall be a condition precedent to the payment of any cancellation or termination charges by MCE under this Section 12. Also, as a condition precedent to the payment of any cancellation or termination charges by MCE under this Section 12, Implementer shall have delivered to MCE any and all reports, drawings, documents and deliverables prepared for MCE before the effective date of such cancellation or termination.
- E. This Agreement shall be subject to changes, modifications, or termination by order or directive of the California Public Utilities Commission ("CPUC"). The CPUC may from time to time issue an order or directive relating to or affecting any aspect of this Agreement, in which case MCE shall have the right to change, modify or terminate this Agreement in any manner to be consistent with such CPUC order or directive. MCE may also terminate this Agreement if funding for this Agreement is reduced or eliminated by a third-party funding source.
- F. Upon MCE's termination of this Agreement for any reason, Implementer shall, and shall cause each Implementer Party to, bring the Services to an orderly conclusion as directed by MCE. Implementer and each Implementer Party shall vacate the worksite but shall not remove any material, plant or equipment thereon without the approval of MCE. MCE, at its option, may take possession of any portion of the Services paid for by MCE.

13. AMENDMENT:

This Agreement may be amended or modified only by written agreement of all parties.

14. ASSIGNMENT OF PERSONNEL:

The Implementer shall not substitute any personnel for those specifically named in its proposal unless personnel with substantially equal or better qualifications and experience are provided, acceptable to MCE, as is evidenced in writing.

15. GOVERNING LAW AND VENUE:

This Agreement shall be governed by the internal laws of the State of California, with reference to its conflict of laws principles. In the event of any litigation to enforce or interpret any terms of this Agreement, such action shall be brought in a Superior Court of the State of California located in Marin County (or if the federal courts have exclusive jurisdiction over the subject matter of the dispute, in the U.S. District Court for the Northern District of California), and the parties hereby submit to the exclusive jurisdiction of such courts.

16. DISPUTES:

Either Party may give the other Party written notice of any dispute which has not been resolved at a working level. Any dispute that cannot be resolved between Implementer's contract representative and MCE's contract representative by good faith negotiation efforts shall be referred to Legal Counsel of MCE and an officer of Implementer for resolution. Within 20 calendar days after delivery of such notice, such persons shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If MCE and Implementer cannot reach an agreement within a reasonable period of time (but in no event more than 30 calendar days), MCE and Implementer shall have the right to pursue all rights and remedies that may be available at law or in equity. In particular, Implementer shall have right to request arbitration or mediation to resolve the dispute and MCE shall be required to participate in arbitration or mediation in good faith. All negotiations and any mediation agreed to by the Parties are confidential and shall be treated as compromise and settlement negotiations, to which Section 1119 of the California Evidence Code shall apply, and Section 1119 is incorporated herein by reference.

17. REPRESENTATIONS; WARRANTIES; INDEMNIFICATION:

17.1 LICENSING. At all times during the performance of the Services, Implementer represents, warrants and covenants that it has and shall, and shall cause each Implementer Party to obtain and maintain, at its sole cost and expense, all required licenses and registrations required for the operation of its business and the performance of the Services. Implementer shall promptly provide copies of such licenses and registrations to MCE at the request of MCE.

17.2 PERFORMANCE ASSURANCE; BONDING. At all times during the performance of the Services, Implementer providing any direct installation services represents, warrants and covenants that it has and shall, and shall cause each Implementer Party, obtain and maintain, at its sole cost and expense, all bonding requirements of the California State License Board, as may be applicable. Regardless of the specific Services provided, Implementer shall also maintain any payment and/or performance assurances as may be requested by MCE during the performance of the Services.

17.3 GOOD STANDING. Implementer represents and warrants that (a) it is a **not-for-profit organization** duly organized, validly existing and in good standing under the laws of the State of **California** and (b) it has full power and authority to execute, deliver and perform its obligations under this Agreement and to engage in the business it presently conducts and contemplates conducting, and is and will be duly licensed or qualified to do business and in good standing under the laws of the State of California and each other jurisdiction wherein the nature of its business transacted by it makes such licensing or qualification necessary and where the failure to be licensed or qualified would have a material adverse effect on its ability to perform its obligations hereunder.

17.4 SAFETY. During the term of this Agreement, Implementer continuously represents, warrants and covenants that it shall, and shall cause each Implementer Party to:

- (a) abide by all applicable federal and state Occupational Safety and Health Administration requirements and other applicable federal, state, and local rules, regulations, codes and ordinances to safeguard persons and property from injury or damage;
- (b) abide by all applicable MCE security procedures, rules and regulations and cooperate with MCE security personnel whenever on MCE's property;
- (c) abide by MCE's standard safety program contract requirements as may be provided by MCE to Implementer from time to time;
- (d) provide all necessary training to its employees, and require subcontractors to provide training to their employees, about the safety and health rules and standards required under this Agreement; and
- (e) have in place an effective Injury and Illness Prevention Program that meets the requirements all applicable laws and regulations, including but not limited to Section 6401.7 of the California Labor Code. Additional safety requirements (including MCE's standard safety program contract requirements) are set forth elsewhere in the Agreement, as applicable, and in MCE's safety handbooks as may be provided by MCE to Implementer from time to time.

17.5 BACKGROUND CHECKS.

(a) Implementer hereby represents, warrants and certifies that any personnel of Implementer or Implementer Party having or requiring access to MCE's assets, premises, customer property, data or systems ("Covered Personnel") shall have successfully passed background screening on each such individual, prior to receiving access, which screening may include, among other things to the extent applicable to the Services, a screening of the individual's educational background, employment history, valid driver's license, and court record for the seven (7) year period immediately preceding the individual's date of assignment to the project.

(b) Notwithstanding the foregoing and to the extent permitted by applicable law, in no event shall Implementer permit any Covered Personnel to have one or more convictions during the seven (7) year period immediately preceding the individual's date of assignment to the project, or at any time after the individual's date of, assignment to the project, for any of the following ("Serious Offense"): (i) a "serious felony," similar to those defined in California Penal Code Sections 1192.7(c) and 1192.8(a), or a successor statute, or (ii) any crime involving fraud (such as, but not limited to, crimes covered by California Penal Code Sections 476, 530.5, 550, and 2945, California Corporations Code 25540), embezzlement (such as, but not limited to, crimes covered by California Penal Code Sections 484 and 503 et seq.), or racketeering (such as, but not limited to, crimes covered by California Penal Code Section 186 or the Racketeer Influenced and Corrupt Organizations("RICO") Statute (18 U.S.C. Sections 1961-1968)).

(c) To the maximum extent permitted by applicable law, Implementer shall maintain documentation related to such background and drug screening for all Covered Personnel and make it available to MCE for audit if required pursuant to the audit provisions of this Agreement.

(d) To the extent permitted by applicable law, Implementer shall notify MCE if any of its Covered Personnel is charged with or convicted of a Serious Offense during the term of this Agreement. Implementer will also immediately prevent that employee, representative, or agent from performing any Services.

17.6 FITNESS FOR DUTY. Implementer shall ensure that all Covered Personnel report to work fit for their job. Covered Personnel may not consume alcohol while on duty and/or be under the influence of drugs or controlled substances that impair their ability to perform their work properly and safely. Implementer shall, and shall cause its subcontractors to, have policies in place that require their employees report to work in a condition that allows them to perform the work safely. For example, employees should not be operating equipment under medication that creates drowsiness.

17.7 INDEMNIFICATION. Implementer agrees to indemnify, defend, and hold MCE, its employees, officers, and agents, harmless from any and all liabilities including, but not limited to, litigation costs and attorney's fees arising from any and all claims and losses to anyone who may be injured or damaged by reason of Implementer's negligence, recklessness or willful misconduct in the performance of this Agreement.

18. NO RECOURSE AGAINST CONSTITUENT MEMBERS OF MCE:

MCE is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to the Joint Powers Agreement and is a public entity separate from its constituent members. MCE shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Implementer shall have no rights and shall not make any claims, take any actions or assert any remedies against any of MCE's constituent members in connection with this Agreement.

19. COMPLIANCE WITH APPLICABLE LAWS:

The Implementer shall comply with any and all applicable federal, state and local laws, regulations and resolutions (including, but not limited to all CPUC policies and guidance for energy efficiency programs, the County of Marin Nuclear Free Zone, Living Wage Ordinance, and Resolution #2005-97 of the Marin County Board of Supervisors prohibiting the off-shoring of professional services involving employee/retiree medical and financial data) affecting services covered by this Agreement.

20. INVOICES; NOTICES:

This Agreement shall be managed and administered on MCE’s behalf by the Contract Manager named below. All invoices shall be submitted by email to:

 Email Address: invoices@mcecleanenergy.org

All other notices shall be given to MCE at the following location:

 Contract Manager: Troy Nordquist

 MCE Address: 1125 Tamalpais Avenue

 San Rafael, CA 94901

 Email Address: contracts@mcecleanenergy.org

 Telephone No.: (415) 464-6027

Notices shall be given to Implementer at the following address:

 Implementer: Andrew Brooks

 Address: 5900 Hollis St, Suite R2

 Emeryville, CA 94608

 Email Address: abrooks@aea.us.org

 Telephone No.: (510) 431-1791

21. ACKNOWLEDGEMENT OF EXHIBITS:

In the event of a conflict between the Terms of this Agreement and the terms in any of the following Exhibits, the terms in this Agreement will govern.

	<input checked="" type="checkbox"/>	<u>Check applicable Exhibits</u>	<u>IMPLEMENTER’S INITIALS</u>
<u>EXHIBIT A.</u>	<input checked="" type="checkbox"/>	Scope of Services	
<u>EXHIBIT B.</u>	<input checked="" type="checkbox"/>	Fees and Payment	

22. DATA COLLECTION AND OWNERSHIP REQUIREMENTS:

22.1. DEFINITION OF “MCE DATA”. “MCE Data” shall mean all data or information provided by or on behalf of MCE, including but not limited to, customer Personal Information; energy usage data relating to, of, or concerning, provided by or on behalf of any customers; all data or information input, information systems and technology, software, methods, forms, manual’s, and designs, transferred, uploaded, migrated, or otherwise sent by or on behalf of MCE to Implementer as MCE may approve of in advance and in writing (in each instance); account numbers, forecasts, and other similar information disclosed to or otherwise made available to Implementer. MCE Data shall also include all data and materials provided by or made available to Implementer by MCE’s licensors, including but not limited to, any and all survey responses, feedback, and reports subject to any limitations or restrictions set forth in the agreements between MCE and their licensors.

“Confidential Information” under this Agreement shall have the same meaning as defined in the Marin Clean Energy Non-Disclosure Agreement between the parties dated **December 9, 2016**.

22.2. DEFINITION OF “PERSONAL INFORMATION”. “Personal Information” includes but is not limited to the following: personal and entity names, e-mail addresses, addresses, phone numbers, any other public or privately-issued identification numbers, IP addresses, MAC addresses, and any other digital identifiers associated with entities, geographic locations, users, persons, machines or networks. Implementer shall comply with all applicable laws, rules, and regulations related to the use, collection, storage, and transmission of Personal Information.

22.3. MCE DATA SECURITY MEASURES. Prior to Implementer receiving any MCE Data, Implementer shall comply, and at all times thereafter continue to comply, in compliance with MCE’s Data security policies set forth in MCE Policy 009 and MCE’s Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy (“Security Measures”) and pursuant to MCE’s Confidentiality provisions in Section 5 of the Marin Clean Energy Non-Disclosure Agreement between the parties dated [MONTH YEAR]. MCE’s Security Measures and Confidentiality provisions require Implementer to adhere to reasonable administrative, technical, and physical safeguard protocols to protect the MCE’s Data from unauthorized handling, access, destruction, use, modification or disclosure.

22.4. IMPLEMENTER DATA SECURITY MEASURES. Additionally, Implementer shall, at its own expense, adopt and continuously implement, maintain and enforce reasonable technical and organizational measures, consistent with the sensitivity of Personal Information and Confidential Information including, but not limited to, measures designed to (1) prevent unauthorized access to, and otherwise physically and electronically protect, the Personal Information and Confidential Information, and (2) protect MCE content and data against unauthorized or unlawful access, disclosure, alteration, loss, or destruction.

22.5. RETURN OF MCE DATA. Promptly after this Agreement or a Statement of Work terminates or expires, and for each completed Statement of Work (i) Implementer will securely destroy all MCE Data in its possession with respect to each terminated or expired Statement of Work and certify the secure destruction in writing to MCE, and (ii) each party will return (or if requested by the disclosing party, destroy) all other Confidential Information and property of the other (if any) with respect to each terminated or expired Statement of Work, provided that Implementer’s attorney shall be permitted to retain a copy of such records or materials solely for legal purposes.

22.6. OWNERSHIP AND USE RIGHTS.

- a) **MCE Data.** Unless otherwise expressly agreed to by the Parties, MCE shall retain all of its rights, title and interest in MCE’s Data.
- b) **Program Intellectual Property.** Unless otherwise expressly agreed to by the Parties, any and all materials, information, or other work product created, prepared, accumulated or developed by Implementer or any Implementer Party under this Agreement with Program funds (“Program Intellectual Property”), including inventions, processes, templates, documents, drawings, computer programs, designs, calculations, maps, plans, workplans, text, filings, estimates, manifests, certificates, books, specifications, sketches, notes, reports, summaries, analyses, manuals, visual materials, data models and samples, including summaries, extracts, analyses and preliminary or draft materials developed in connection therewith, shall be owned by MCE on behalf and for the benefit of their respective customers.
- c) **Program Intellectual Property will be owned by MCE upon its creation.** Implementer agrees to execute any such other documents or take other actions as MCE may reasonably request to perfect MCE’s ownership in the Program Intellectual Property.
- d) **Implementer’s Pre-Existing Materials.** If, and to the extent Implementer retains any preexisting ownership rights (“Implementer’s Pre-Existing Materials”) in any of the materials furnished to be used to create, develop, and prepare the Program Intellectual Property, Implementer hereby grants MCE and the Program Participants on behalf of their respective customers and the CPUC for governmental and regulatory purposes an irrevocable, assignable, non-exclusive, perpetual, fully paid up, worldwide, royalty-free, unrestricted license to use and sublicense others to use, reproduce, display, prepare and develop derivative works, perform, distribute copies of any intellectual or proprietary property right of Implementer or any Implementer Party for the sole purpose of using such Program Intellectual Property for the conduct of MCE’s business and for disclosure to the CPUC for governmental and regulatory purposes related thereto. Unless otherwise expressly agreed to by the Parties, Implementer shall retain all of its rights, title and interest in Implementer’s Pre-Existing Materials. Any and all claims to Implementer’s Pre-Existing Materials to be furnished or used to prepare, create, develop or otherwise manifest the Program Intellectual Property must be expressly disclosed to MCE prior to performing any Services under this Agreement. Any such Pre-Existing Material that is modified by work under this Agreement is owned by MCE.

22.7 BILLING, ENERGY USE, AND PROGRAM TRACKING DATA.

- a) Implementer shall comply with and timely cooperate with all CPUC directives, activities, and requests regarding the Program and Project evaluation, measurement, and verification (“EM&V”). For the avoidance of doubt, it is the responsibility of Implementer to be aware of all CPUC requirements applicable to the Services of this Agreement.

- b) Implementer shall make available to MCE upon demand, detailed descriptions of the program, data tracking systems, baseline conditions, and participant data, including financial assistance amounts.
- c) Implementer shall make available to MCE any revisions to Implementer's program theory and logic model ("PTLM") and results from its quality assurance procedures, and comply with all MCE EM&V requirements, including reporting of progress and evaluation metrics.

23. WORKFORCE STANDARDS:

At all times during the term of the Agreement, Implementer shall comply with, and shall cause all Implementer Parties to comply with, the workforce qualifications, certifications, standards and requirements set forth in this Section 23 ("Workforce Standards"). The Workforce Standards shall be included in their entirety in Implementer's Final Implementation Plan. Final Implementation Plan shall mean as it is defined in the deliverables for the Services listed in Exhibit A. Prior to commencement of any Services, once per calendar year, and at any other time as may be requested by MCE, Implementer shall provide all documentation necessary to demonstrate to MCE's reasonable satisfaction that Implementer has complied with the Workforce Standards.

23.1 HVAC STANDARDS. For any non-residential project pursuant to this Agreement installing, modifying or maintaining a Heating Ventilation and Air Conditioning ("HVAC") system or component with incentives valued at \$3,000 or more, Implementer shall ensure that each worker or technician involved in the project, including all employees and agents of its subcontractors, meets at least one of the following workforce criteria:

- a) Completed an accredited HVAC apprenticeship;
- b) Is enrolled in an accredited HVAC apprenticeship;
- c) Completed at least five years of work experience at the journey level as defined by the California Department of Industrial Relations, Title 8, Section 205, of the California Code of Regulations, passed a practical and written HVAC system installation competency test, and received credentialed training specific to the installation of the technology being installed; or
- d) Has a C-20 HVAC contractor license issued by the California Contractor's State Licensing Board.

This standard shall not apply where the incentive is paid to any manufacturer, distributor, or retailer of HVAC equipment, unless the manufacturer, distributor, or retailer installs or contracts for the installation of the equipment.

23.2 ADVANCED LIGHTING CONTROLS STANDARDS. For any non-residential project pursuant to this Agreement involving installation, modification, or maintenance of lighting controls with incentives valued at \$2,000 or more, Implementer shall ensure that all workers or technicians involved in the project, including those of its subcontractors are certified by the California Advanced Lighting Controls Training Program ("CALTP"). This requirement shall not apply where the incentive is paid to a manufacturer, distributor, or retailer of lighting controls unless the manufacturer, distributor, or retailer installs or contracts for installation of the equipment.

24. FINANCIAL STATEMENTS:

Implementer shall deliver financial statements on an annual basis or as may be reasonably requested by MCE from time to time. Such financial statements or documents shall be for the most recently available audited or reviewed period and prepared in accordance with generally-accepted accounting principles. MCE shall keep such information confidential if requested by Implementer, except as provided by law and to provision to the CPUC may be required from time to time under confidentiality procedures, where applicable.

25. QUALITY ASSURANCE PROCEDURES:

Implementer shall comply with the following requirements (the "Quality Assurance Procedures"):

Implementer will provide quality assurance for all projects and participants under the programs in the scope of work listed in Exhibit A. In all instances, Implementer will conduct onsite verification of the installed measures to confirm they meet the energy and performance requirements as dictated by the program to achieve energy savings and customer satisfaction. Additionally, Implementer will provide Technical Assistance to participants before, during, and after installations to ensure that they are satisfied with the upgrades they are pursuing. Additionally, Implementer will provide details regarding energy upgrades prior to installation to ensure the correct equipment is installed.

Additionally, Quality Assurance Procedures must include, but are not limited to: (i) industry standard best practices; and (ii) procedures that ensure Measure functionality, customer satisfaction, and that the Minimum Qualifications are satisfied.

26. COORDINATION WITH OTHER PROGRAM ADMINISTRATORS:

Implementer shall coordinate with other Program Administrators, including investor-owned utilities and local government agencies authorized by the CPUC to implement CPUC-directed energy efficient programs, administering energy efficiency programs in the same geographic area as MCE. These other Program Administrators include: Pacific Gas and Electric Company and Bay Area Regional

Energy Network. The CPUC may develop further rules related to coordination between Program Administrators in the same geographic area, and any Implementer is required to comply with such rules.

27. ACCESS TO CUSTOMER SITES:

Implementer shall be responsible for obtaining any and all access rights from customers and other third parties to the extent necessary to perform the Services. Implementer shall also procure any and all access rights from Implementer Parties, customers and other third parties in order for MCE and CPUC employees, representatives, designees and contractors to inspect the Services.

28. MEASUREMENT AND VERIFICATION REQUIREMENTS, INCLUDING GUIDELINES ABOUT NORMALIZED METERED ENERGY CONSUMPTION (“NMEC”) DESIGN REQUIREMENTS:

Implementer shall:

1. Only enroll customers that qualify for Program services.
2. Comply with current policies, procedures, and other required documentation as required by MCE;
3. Report Customer Participation Information to MCE.
4. Work with MCE’s evaluation team to define Program-specific data collection and evaluability requirements, and in the case of NMEC which independent variables shall be normalized.

Throughout the Term, MCE may identify new net lifecycle energy savings estimates, net-to- gross ratios, effective useful lives, or other values that may alter Program Net Lifecycle Energy Savings, as defined in Exhibit A, if applicable. Implementer shall use modified values upon MCE’s request, provided MCE modifies Implementer’s Program budget and/or overall Program net lifecycle Energy Savings consistent with the requested change. MCE will determine any budget increases or decreases in its sole discretion.

For Programs claiming to-code savings: Implementer shall comply with Applicable Law and work with MCE to address elements in its Program designs and Implementation Plans, such as:

1. Identifying where to-code savings potential resides;
2. Specifying which equipment types, building types, geographic allocations, and/or customer segments promise cost-effective to-code savings;
3. Describing the barriers that prevent code-compliant equipment replacements;
4. Explaining why natural turnover is not occurring within certain markets or for certain technologies; and
5. Detailing the program interventions that would effectively accelerate equipment turnover.

29. SEVERABILITY:

Should any provision of this Agreement be held invalid or unenforceable by a court of competent jurisdiction, such invalidity will not invalidate the whole of this Agreement, but rather, the remainder of the Agreement which can be given effect without the invalid provision, will continue in full force and effect and will in no way be impaired or invalidated.

30. COMPLETE AGREEMENT:

This Agreement along with any attached Exhibits constitutes the entire Agreement between the parties. No modification or amendment shall be valid unless made in writing and signed by each party. Failure of either party to enforce any provision or provisions of this Agreement will not waive any enforcement of any continuing breach of the same provision or provisions or any breach of any provision or provisions of this Agreement.

31. COUNTERPARTS:

This Agreement may be executed in one or more counterparts each of which shall be deemed an original and all of which shall be deemed one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

APPROVED BY

Marin Clean Energy:

By: _____
CEO

Date: _____

By: _____
Chairperson

Date: _____

IMPLEMENTER:

By: _____

Name: _____

Date: _____

MODIFICATIONS TO ENERGY EFFICIENCY STANDARD SHORT FORM

Standard Short Form Content Has Been Modified

List sections affected: Section 25 Quality Assurance Procedures

Approved by MCE Counsel: _____

Date: _____

EXHIBIT A

SCOPE OF SERVICES (required)

Implementer will be the overall program implementer for Marin Clean Energy (MCE)'s multifamily sub programs, as requested and directed by MCE staff. For compensation details please consult Exhibit B. Tasks and deliverables are described below.

1. Multifamily Partnerships

BayREN's Bay Area Multifamily Building Enhancements (BAMBE) Program

Implementer also provides a technical assistance and implementation role for Bay Area Regional Energy Network's (BayREN) BAMBE program. Based on a joint coordination effort between MCE and BayREN, some projects will be able to utilize rebates from both entities on the same project (although savings for individual measures may only be claimed by one entity).

Low Income Families and Tenants Pilot Program (LIFT)

Implementer will implement and provide technical consulting services for MCE's Low-Income Families and Tenants Pilot Program which operates in conjunction with the other Multifamily offerings described below. The tasks under the LIFT program implementation are:

- Work with MCE and its program partners to develop a list of candidate buildings to participate in LIFT.
- Facilitate the implementation of the energy efficiency measures under the LIFT Program.
- Perform post installation Quality Assurance and Verification inspections to ensure that the measures were installed in such a manner that they will achieve the projected energy savings.
- Work with MCE to help identify which data points should be collected and tracked for every project and required for the Evaluation, Measurement, and Verification (EM&V) process.
- Help MCE to identify and train candidates for the Direct Install team.
- Assist with training of contractors, building operators, and tenants as needed and when requested by MCE.

Green & Healthy Homes Initiative (GHHI)

Implementer will implement and provide technical consulting services for MCE's Green & Healthy Homes Initiative which operates in conjunction with the other Multifamily offerings described below. The tasks under the GHHI program implementation are:

- Determine units with health and safety issues during intake call.
- Identify health and safety opportunities when conducting site assessments at eligible properties.
- Include health and safety measure opportunities in customer assessment report.
- Keep track of health and safety measures and installations.
- Include and track health and safety measures on MCE program forms.
- Provide reports on health and safety measures.

2. Multifamily Single Measure Sub-Program

Implementer will implement and provide technical consulting services for the Single Measure Sub-Program. The tasks under this program are:

- Complete comprehensive assessments at properties identifying targeted measures and high total resource cost (TRC) opportunities within MCE's service area.
- Build targeted and comprehensive reports with results of the assessment.
- Provide technical assistance to participants.
- Verify installations meet minimum performance and programmatic specifications.
- Coordinate scope development with BayREN and other program staff when co-leveraging with BAMBE or other MCE programs (LIFT, GHHI, or other partnerships and programs).

3. Multifamily Direct Install Sub-Program

Implementer will implement and provide technical consulting services for the Direct Install Sub-Program. The tasks under this program are:

- Identify cost-effective direct install measures.
- Work with MCE and its program partners to develop a list of candidate buildings to participate in direct install opportunities.
- Coordinate direct install visits with property owners and MCE staff.
- Provide MCE with savings data from direct install visits.
- Verify smart thermostat compatibility prior to direct install.

4. Multifamily Common Area Net Metered Energy Consumption (NMEC) Sub-Program Development

Implementer will provide consulting services for evaluating the feasibility and framework of NMEC savings based sub-program for multifamily common area and central systems. The tasks under this program are:

- Identify California Public Utility Commission (CPUC) reporting requirements and framework for NMEC savings based common area measures
- Develop Multifamily Common Area NMEC sub-program implementation guidelines and recommendations based on Implementer's evaluation of feasibility and analysis of implementing such a program.
- Provide list of eligible equipment and intervention options
- Identify participant incentive structure

5. Additional Tasks to be completed at Time & Materials Rate

Implementer will perform the specific tasks indicated below at a time and materials (T&M) rate. The below tasks may apply to specific customers and/or monthly activities required of the Implementer. The tasks under this rate are:

- Monthly Reporting to CPUC
- Database management
- Program design (including contractor network development, NMEC program build out, etc.)
- Non-milestone-based project work (including combustion appliance safety (CAS) testing when required, project intake, LIFT heat pump technical assistance, etc.)
- Check-in calls with MCE
- Meetings
- Tenant education development
- LIFT questionnaire development
- Marketing & outreach
- Training
- Benchmarking
- Budgeting
- BayREN coordination
- Cost effectiveness tool (CET)/TRC related activities
- GHGI activities

**EXHIBIT B
FEES AND PAYMENT SCHEDULE**

For services provided under this Agreement, MCE shall pay Implementer, in accordance with the following payment schedule:

1. Multifamily Partnerships

BayREN’s Bay Area Multifamily Building Enhancements (BAMBE) Program

When leveraging MCE’s multifamily offerings with BAMBE projects, MCE will partially compensate Implementer, as BAMBE will cover other technical assistance costs. MCE will compensate Implementer as follows:

- For any LIFT customers also participating in the BAMBE Program, MCE will pay Implementer \$25 per apartment unit for energy audit report milestones due to the complexity of energy audit report requirements around LIFT. All other compensation shall be from BAMBE.
- MCE will provide rebates directly to customers in the Single Measure Sub-Program and LIFT Pilot program.
- Implementer will be reimbursed for all MCE-rebated measures installed per Table 2.

Low Income Families and Tenants Pilot Program (LIFT)

LIFT technical assistance will be provided in conjunction with the BAMBE program and/or MCE’s Single Measure Sub-Program. For MCE-only LIFT projects (no BAMBE), Implementer will be reimbursed for each of the LIFT adders identified per the milestones achieved in Table 1, in addition to the standard Implementer Compensation values. When LIFT is paired with BAMBE, Implementer will only be reimbursed by MCE for the \$25 per apartment unit LIFT adder for energy audit report, per the milestones achieved in Table 1. In all leveraging scenarios, Implementer will be reimbursed for all LIFT and MCE measures installed per Table 2.

Green & Healthy Homes Initiative (GHHI)

For implementing the Green and Healthy Homes Initiative, Implementer will be compensated on a Time and Materials basis per the rate schedule in Section 5 with a not to exceed budget of \$10,000. Incentives for this sub-program will be dispersed separately between MCE and the customer.

2. Multifamily Single Measure Sub-Program

For implementing the Single Measure Sub-Program, Implementer will be compensated based on milestones achieved (Table 2) and measures installed (Table 2). If the customer is also qualified for LIFT, Implementer will receive the LIFT adder as additional compensation due to the complexity of the requirements of LIFT.

Table 1. Compensation for Milestone(s) achieves – Single Measure Sub-Program

Milestone	Implementer Compensation	LIFT adder
Intake	Time and Materials Rate (See Table 4)	
Site Visit	\$30	\$35
Energy Audit Report	\$20	\$25
Rebate Reservation	\$0	\$0
Rebate Approved	Measure-Based (See Table 3 for Implementer Compensation)	

Table 2. Compensation for Measure(s) Installed – Single Measure Sub-Program

Measure Installed	Implementer Compensation per Measure
Showerhead	\$3
Aerator	\$2
Demand Recirculation Control	\$20 per unit
Smart thermostat	\$20
Laundry Washers	\$100
Tankless Water Heater	\$100
Energy Star Water Heater	\$75
Condensing Central Water Heater	\$50
Attic/Wall Insulation (from R-0)	\$50
Pool Pump	\$200
Energy Star Refrigerators	\$5
Common area lighting (> 50W fixtures/bulbs)	\$0.10 per gross kWh saved

LIFT Measure Not Listed	\$50
LIFT Heat Pump	Time and Materials Rate (See Table 4)

3. Multifamily Direct Install Sub-Program

For implementing the Direct Install Sub-Program, Implementer will be compensated based on the measures installed in Table 3.

Table 3. Compensation for Measure(s) Installed – Direct Install Sub-Program

Measure	Compensation Per Measure Installed
Showerhead	\$3
Aerator	\$2
Lightbulb (non-A19)	\$3
Smart Thermostat	\$20

4. Multifamily Common Area NMEC Sub-Program Development

Implementer will bill MCE for work under the NMEC Sub-Program Development on a Time and Materials rate (see Table 4) with a not to exceed budget of \$5,000.

5. Time & Materials Rates

Specific tasks indicated in Section 5 of Exhibit A will fall under the time and materials (T&M) rate. Time & materials billing not to exceed \$260,100 subject to Section 6 below, including T&M for GHHI and NMEC development.

Table 4. Staff Billing Rates

Position	Hourly Rate
Director, West Coast	\$175.00
Director, Programs	\$175.00
Director, Technical Services	\$175.00
Senior Program Manager	\$165.00
Program Manager II	\$160.00
Program Manager	\$150.00
Associate Program Manager	\$135.00
Senior Project Manager	\$165.00
Project Manager II	\$160.00
Project Manager	\$150.00
Associate Project Manager	\$135.00
Senior Energy Engineer	\$165.00
Energy Engineer II	\$160.00
Energy Engineer I	\$150.00
Senior Energy Analyst	\$165.00
Energy Analyst III	\$160.00
Energy Analyst II	\$150.00
Energy Analyst	\$140.00
Associate Energy Analyst	\$130.00
Office Manager	\$125.00

6. Overall Budget

The following are the budget amounts for each of the tasks and subprograms described herein. Budget amounts listed include both 2019 and 2020 program years. In situations where a budget amount may be exceeded, funds may be moved between categories with written approval of the MCE Residential Programs Manager, prior to Implementer exceeding those budgets.

- Single Measure Milestone Compensation: \$172,000
- Direct Install Milestone Compensation: \$44,000
- NMEC T&M Compensation: \$5,000
- LIFT Milestone Compensation: \$84,900
- GHHI T&M Compensation: \$10,000
- Additional Time and Materials Tasks: \$245,100 (See Table 5)
- **Total contract amount: \$561,000**

Table 5. Additional Time and Materials Tasks Budget Breakdown

Program	Program Management	Direct Implementation	Marketing & Outreach	Total
Multifamily Sub-Programs	\$71,500	\$45,500	\$13,000	\$130,000
LIFT	\$28,774	\$80,570	\$5,756	\$115,100

Implementer shall bill MCE monthly. In no event shall the total cost to MCE for the services provided herein exceed the maximum sum of **\$561,000** for the term of the Agreement.



May 3, 2019

TO: MCE Executive Committee

FROM: Dawn Weisz, CEO

RE: Approval of CalCCA Membership Dues for Fiscal Year 2019-20
(Agenda Item #05 – C.3)

Dear Executive Committee Members:

SUMMARY:

The California Community Choice Association (CalCCA), launched in 2016, is a trade association that represents the interests of California's community choice electricity providers in the legislature and at the relevant regulatory agencies, including the California Public Utilities Commission, California Energy Commission and California Air Resources Board. CalCCA's members include all operating CCA programs in California. Local governments interested in community choice also participate in CalCCA as affiliate members.

MCE has been an active and engaged participant in CalCCA since 2016 and has benefited from the organization's ability to provide coordination among CCAs, facilitate collaborative efforts, promote uniform best practices across the state, and provide a stronger and more consistent voice in the regulatory and legislative arena in line with MCE's strategic plan goals.

CalCCA has recently added staff, including a Legislative Director, Regulatory Director, and Director of Outreach & Strategic Partnerships. This is in addition to existing staff of the Executive Director, Operations Director, and Communications Director. CalCCA is also responsible for shared lobbying and regulatory attorney services, particularly on resource adequacy (RA) and power charge indifference adjustment (PCIA) proceedings.

There are currently 19 operational members, and most of these have begun to serve load in communities across California. CalCCA member dues are based on the operational, legal and regulatory costs of the agency, and are allocated based on each members' annual budget. A cap is applied to operational dues and to legal and regulatory dues to limit the impact on larger CCAs.

It is beneficial for MCE to continue participation in CalCCA as an operational member with a voting seat on the CalCCA board. MCE's CalCCA operational dues for CalCCA's FY 2019/20

are \$150,000, and the legal and regulatory dues for MCE are \$150,000. Continued participation in CalCCA will result in payments during MCE's current fiscal year totaling \$225,000, and \$75,000 in MCE's 2020/21 fiscal year.¹

Fiscal Impact

Proposed CalCCA dues that accrue to MCE's 2019/20 fiscal year (\$225,000) are included in the FY 2019/20 Operating Fund Budget. Proposed dues that accrue to the period April 1, 2020 to June 30, 2020 (\$75,000) are included in the FY 2020/21 Operating Fund Budget that will be presented to your Board in March 2020.

Recommendation

Authorize payment of dues to CalCCA for CalCCA's FY 2019/20 in an amount not to exceed \$300,000.

¹ MCE's fiscal year and CalCCA's fiscal year are not in alignment and therefore result in annual membership dues paid in different fiscal years for MCE. CalCCA's fiscal year is July 1 to June 30; MCE's fiscal year is April 1 to March 31.



MCE Policy #014: Investment Policy Additional Information Regarding Permitted Investments

Guiding Principles

Safety: Safety of principal is the foremost objective of cash and investment management activities. The investment of funds shall be undertaken in a manner that seeks to ensure the preservation of principal.

Liquidity: The funds of the agency shall remain sufficiently liquid to meet all operating needs that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the investment of funds in deposits or instruments available on demand is recommended.

Return on Investment: The deposit and investment portfolio shall be designed with the objective of attaining a market rate of return throughout the economic cycle while considering risk and liquidity constraints. The return on deposits and investments is of secondary importance compared to the safety and liquidity objectives described above.

Due Diligence Before Investing:

Staff will undertake the necessary due diligence before proceeding with any Permitted Investment including reviewing the most current credit ratings reports (if any), interim financials, press reports and any other information available for the entity guaranteeing the investment. Staff will report any purchase, exchange or sale of any security in any month to the Board as required by the following month.

MCE Original Permitted Investments

Deposits at Banks:

Funds may be invested in non-interest-bearing depository accounts to meet MCE's operating and collateral needs and grant requirements. Funds not needed for these purposes may be invested in interest bearing depository accounts or Federal Deposit Insurance Corporation (FDIC) insured certificates of deposit with maturities not to exceed five years, such as Certificate of Deposits Account Registry Service (CDARS).

Local Agency Investment Fund (LAIF):

Established by the California State Treasurer in 1977 for the benefit of local agencies. The program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office professional investment staff at no additional cost to the taxpayer.

US Treasury Obligations:

Include securities issued or guaranteed up by the U.S. Treasury, where the payment of principal and interest is backed by the full faith and credit of the U.S. government. Investors are guaranteed the return of both their interest and the principal, as long as they hold them to maturity.



They are divided into three categories according to the length of their maturities:

T-Bills:

These have the shortest range of maturities of all government bonds auctioned on a regular schedule, there are five terms: 4 weeks, 8 weeks, 13 weeks, 26 weeks, and 52 weeks. The cash management bill is issued in variable terms, usually of only a matter of days. These are the only type of treasury security found in both the capital and money markets, as three of the maturity terms fall under the 270-day dividing line between them. T-Bills are issued at a discount and mature at par value, with the difference between the purchase and sale prices constituting the interest paid on the bill.

T-Notes:

These notes represent the middle range of maturities in the treasury family, with maturity terms of 2, 3, 5, 7 and 10 years currently available. Treasury notes are issued at a \$1,000 par value and mature at the same price. They pay interest semiannually.

- The term to maturity shall not exceed 5 years.

T Bonds:

Commonly referred to in the investment community as the “long bond”. They are essentially identical to T-Notes except that they mature in 30 years.

- The term to maturity shall not exceed 5 years.

Prohibited Investments:

MCE shall not invest funds in any security that could result in a zero interest accrual or less, if held to maturity.

Additions to Permitted Investments adopted 3/21/2019

Federal Agency Securities:

Debt obligations are issued by a U.S. government-sponsored enterprise (GSE) or federal government agency bond. Agency securities issued by GSEs include the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage (Freddie Mac), Federal Farm Credit Banks Funding Corporation, and the Federal Home Loan Bank. Federal government agency bonds are issued by the Federal Housing Administration (FHA), Small Business Administration (SBA), Tennessee Valley Authority (TVA), and Government National Mortgage Association (GNMA). Unlike other U.S. Agency securities, GNMA's are backed by the full faith and credit of the U.S. Government.

Agency securities are considered to have low credit risk, and interest rates are generally lower than for other widely traded riskier debt securities such as corporate bonds.

- The term to maturity shall not exceed 5 years.



Commercial Paper:

It is an unsecured, short-term debt instrument issued by a corporation, typically for the financing of accounts payable and inventories, meeting short-term liabilities. Commercial paper is usually issued at a discount face value and reflects prevailing market interest rates.

The issuer of commercial paper must have the following:

- Assets in excess of \$500 million
- A credit rating of A-1 or better by a Nationally Recognized Statistical Rating Organization (NRSRO)
- A senior debt rated at A or better
- No more than 25% of the total portfolio shall be invested in commercial paper
- No more than 10% of outstanding commercial paper shall be from any single issuer
- The term to maturity shall not exceed 270 days.

Banker's Acceptances:

A short-term debt instrument issued by a company that is guaranteed by a commercial bank. Banker's acceptances are issued as part of a commercial transaction. These instruments are similar to T-bills, are frequently used in money market and are traded at a discount from face value on the secondary market, which can be an advantage because the banker's acceptance does not need to be held until it matures.

The issuer of banker's acceptances must have the following:

- Short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO.
- Not more than 30% of the total portfolio
- No more than 5% of the portfolio may be invested in any single issuer
- The term to maturity shall not exceed 180 days.

Negotiable Certificates of Deposit:

It is essentially a certificate of deposit with a minimum face value of \$100,000. They are guaranteed by the bank and can usually be sold in a highly liquid secondary market, but they cannot be cashed in before maturity. Because of their large denominations, NCDs are bought most often by large institutional investors, which often use them as a way to invest in a low-risk, low-interest security.

- No more than 30% of the total portfolio.

Placement Service Deposits:

Funds may be invested in deposits placed with a private sector entity that assists in the placement of deposits with eligible financial institutions located in the United States. The full amount of principal and the interest that may be accrued during the maximum term of each deposit must be insured by federal deposit insurance at all times.

- No more than 30% of the total portfolio
- The term to maturity shall not exceed 5 years.

Money Market Funds:

A kind of mutual fund that invests only in highly liquid instruments such as cash, cash equivalent securities, and high credit rating debt-based securities with a short-term, maturity—less than 13



months. As a result, these funds offer high liquidity with a very low level of risk. Money Market Funds offer liquidity as money can be taken out the same day as needed or, if requested too late in the day, the next business day. Money market mutual funds trade (are valued) at \$1 meaning that \$1 invested should always be worth \$1. Money Market funds offer liquidity but not necessarily a very high rate of return compared to liquid securities with a longer maturity (i.e. 30 -270 days).

- No more than 20% of the MCE portfolio can be invested in Money Market Funds
- No more than 10% of the portfolio can be held in one Money Market Fund.