



**Marin Energy Authority
Executive Committee Meeting
Wednesday, May 15, 2013
9:00 A.M.**

Dawn Weisz
Executive Officer

Damon Connolly
Chair
City of San Rafael

Kathrin Sears
Vice Chair
County of Marin

Bob McCaskill
City of Belvedere

Alexandra Cock
Town of Corte Madera

Larry Bragman
Town of Fairfax

Len Rifkind
City of Larkspur

Ken Wachtel
City of Mill Valley

Denise Athas
City of Novato

Tom Butt
City of Richmond

Carla Small
Town of Ross

Ford Greene
Town of San Anselmo

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

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**San Rafael Corporate Center, Tamalpais Room
750 Lindero Street, San Rafael, CA 94901**

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- 1. Board Announcements (Discussion)**
- 2. Public Open Time (Discussion)**
- 3. Report from Executive Officer (Discussion)**
- 4. Operating Agreement with River City Bank for On Bill Repayment Program (Discussion/Action)**
- 5. Employee Commute Alternatives Program (Discussion/Action)**
- 6. Board Member & Staff Matters (Discussion)**
- 7. Adjourn**



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MCE ON-BILL REPAYMENT PROGRAM

OPERATING AGREEMENT

Dated as of _____

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MARIN ON-BILL REPAYMENT PROGRAM

OPERATING AGREEMENT

This Operating Agreement (“Agreement”) for the Marin On-Bill Repayment Program (“Program”) is hereby made and entered into as of _____, 2013, between Marin Energy Authority, as Program Developer (“MEA”), and River City Bank, a California corporation (“RCB”). MEA and RCB shall together hereinafter be referred to individually as a “Party” and collectively as “Parties”.

RECITALS

WHEREAS, MEA has developed the Program in an effort to increase the adoption of energy efficiency measures by commercial property owners and multi-family property owners within its jurisdiction (“Owners”);

WHEREAS, MEA has sought the assistance of RCB in developing the Program to explore on-bill repayment as a way to facilitate long-term financing for investments in energy efficiency to Owners;

WHEREAS, RCB will serve as the financial service provider for qualifying Owners;

WHEREAS, the Parties executed a Term Sheet on February 25, 2013 that describes the basic terms of this Agreement; and

WHEREAS, the Parties now desire to enter into this Agreement to (i) establish the terms of a Pilot Program to test the business assumptions associated with the Program, (ii) identify the roles and responsibilities of each Party during the Availability Period; (iii) set forth the respective rights and obligations of the Parties in managing the Program and (iv) set forth the provisions governing the Program as it relates to the Parties.

NOW, THEREFORE, in consideration of the foregoing, of mutual promises of the Parties hereto and of other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties hereby agree to the Program pursuant to the terms and conditions set forth in this Agreement, which reads in its entirety as follows:

ARTICLE I.

PROGRAM OVERVIEW

1.01. Name.

The name of the Program is the MCE On-Bill Repayment Program.

1.02. Program Phases.

The Program shall be delivered in two distinct phases:

(a) **The Pilot Program.** The Pilot Program will be available during the first six (6) months of the Availability Period. The purpose of the Pilot Program is to permit the Parties to test and evaluate the assumptions, procedures and processes related to (i) the operational and technical aspects of the Program, (ii) the roles and responsibilities of each Party, (iii) the effectiveness of the marketing and web-based information, and (iv) revisions by the Parties to documents, processes, procedures and assumptions prior to Full Implementation.

(b) **Full Implementation.** No later than two (2) weeks prior to the end of the Pilot Program, the Parties will determine whether or not to continue the Program to Full Implementation. To the extent there is mutual agreement, Full Implementation will begin and continue through the Termination Date. If there is not mutual agreement, this Agreement shall terminate except as to OBR Loans already made.

(c) Except as otherwise provided in this Agreement, the Program will be offered during the Availability Period in accordance with the terms of this Agreement.

1.03. Pilot Program Goals.

(a) During the Pilot Program, the Parties will endeavor to:

- (i) test the established processes and procedures using funded Loans;
- (ii) evaluate the effectiveness and viability of the Program;
- (iii) test repayment of energy efficiency loans via the utility bill as a method for reducing potential financial barriers to Owners;
- (iv) evaluate whether the Program is the optimal and most cost-effective vehicle for stimulating the adoption of energy efficiency measures;
- (v) refine process and procedures as agreed; and
- (vi) determine if the Program should continue to Full Implementation.

1.04. Service Description.

Operational elements offered under the Program include the following functions: (i) marketing the Program to prospective Owners, (ii) loan underwriting, analysis and approval, (iii) loan set-up for qualifying Owners, (iv) monthly billing of the OBR Loan, (v) report generation and review, (vi) account maintenance and reconciliation functions, (vii) customer inquiry and problem resolution, (viii) payment processing, (ix) payment remittance to RCB, (x) loan removal, (xi) delinquency management, (xii) ongoing training and refinements to the Program, and (xiii) debits from and credits to the Loan Loss Reserve Account.

1.05. Term of Agreement.

This Agreement takes effect upon the signature of the Parties and shall remain in effect until the first of the following occurs: (1) final repayment in full of all OBR Loans issued in connection

with the Program, (2) the mutual agreement of the Parties to terminate this Agreement and (3) termination pursuant to the terms of this Agreement.

1.06. Representations and Warranties

MEA represents and warrants to RCB as follows:

(a) Neither the execution of this Agreement nor compliance with the terms and provisions of this Agreement on the part of MEA shall breach any statute or regulation of any governmental authority or result in any breach of any of the terms, conditions, or provisions of, or constitute a default under, any agreement or other instrument to which MEA is a party or by which it is bound.

(b) The execution, delivery and performance of this Agreement and the transactions contemplated hereunder have been duly and validly authorized by all necessary actions and proceedings to be taken by MEA.

ARTICLE II.

ROLES AND RESPONSIBILITIES

2.01. Marketing and Information Delivery

2.01.1 MEA

(a) MEA will manage and administer the Program to the public and be responsible for maintaining compliance with any and all rules and regulatory requirements that are applicable to it.

(b) Except as provided herein, MEA will not act as a representative or agent of RCB and will ensure that such public information does not contain any representations or warranties of RCB in connection with the application, underwriting or approval processes associated with the Loans without the prior express written consent of RCB.

(c) Except as otherwise set forth in this Agreement, MEA, within authority granted to it by the CPUC, shall have full, complete and exclusive discretion to manage and control the delivery of Program information to the public.

(d) MEA will define the business and information technology requirements, processes, procedures and reports necessary to implement the services described in this Agreement to RCB.

(e) MEA will treat all information received from RCB as highly confidential and will ensure that all financial information received by it either directly through RCB, or indirectly through an Owner or Business Partner, is maintained with the standard of care generally afforded to sensitive information.

(f) MEA will comply with any and all regulatory requirements of public content and will respond to any discovery requests issued in accordance with applicable laws and regulations.

2.01.2 RCB

RCB will (i) provide MEA with an approved form of Application for distribution to Owners interested in financing options and other information intended for public distribution and (ii) notify MEA of any material regulatory or policy change that may have an impact on the Program.

2.02. Summary of OBR Loan Terms

2.02.1 Basic Terms

Unless otherwise agreed by RCB, OBR Loans shall be subject to the following terms and conditions:

(a) During the Pilot Program, the total combined Commercial Property Loan Commitment and the Multi-Family Loan Commitment shall not exceed \$500,000.00. During Full Implementation, the maximum amount of RCB funded OBR Loans will not exceed the Commercial Property Loan Commitment and the Multi-Family Loan Commitment, inclusive of OBR Loans funded during the Pilot Program.

(b) OBR Loans will be no less than \$10,000.00 per Borrower and no more than \$265,000.00 per Borrower; larger loans will be considered on a case by case basis by RCB. In each case, the OBR Loan amount will not be greater than the “Estimated Contractor Cost LESS the Rebate” as provided in the Audit Report.

(c) The Total Loan Commitment is a non-revolving line of credit offered during the Availability Period to the MCE On-Bill Repayment Program in connection with the funding of OBR Loans; any OBR Loans repaid will not restore availability to, or increase, the Total Loan Commitment.

(d) Any part of the Total Loan Commitment not utilized after the Availability Period will be cancelled and no longer available for OBR Loans.

(e) RCB, in its sole and absolute discretion, will approve Applicants for OBR Loans based on underwriting criteria established by RCB. RCB will notify all Applicants whether or not the Application was approved or declined.

(f) OBR Loans will be disbursed by RCB in a single advance following evidence satisfactory to RCB that all conditions precedent to funding and project completion have occurred in accordance with the terms of this Agreement, the Loan Documents, the Audit Report, Scope of Work and Final Inspection Report.

(g) Provided no default has occurred under the Loan Documents, each OBR Loan will be repaid in equal monthly payments of principal and interest amortized over a period between five (5) to ten (10) years as determined by RCB.

(h) Unless otherwise notified by RCB to MEA as provided in Section 6.01 and provided no default has occurred, the interest rate on OBR Loans will be fixed at a rate of five percent (5%) for the life of each OBR Loan. The OBR Loan will accrue interest daily and be calculated on a basis of actual days lapsed/360 days.

(i) Collateral held by RCB for each OBR Loan will include a UCC specific filing on the improvements and a fixture filing recorded with the respective county where the property is located.

(j) The OBR Loans shall be subject to defaults typically enforced by RCB in similar loans. In addition, Program specific defaults will include; 1) Due on Sale, the OBR Loan will be due and payable in full if the Borrower sells the property on which the improvements were made, 2) the Borrower is no longer an MCE customer, and 3) the Borrower fails to pay Energy Amounts in full, resulting in partial payments such that RCB deems the balance of the OBR Loan uncollectible.

(k) MEA shall establish a Loan Loss Reserve Account with RCB as provided in Section 5.05.

(l) RCB will charge a non-refundable documentation fee equal to \$250 for each OBR Loan, payable by each Borrower at the time of execution of the Loan Documents.

(m) With prior approval by MEA, which approval shall not unreasonably be withheld, MEA will pay all RCB's reasonable out-of-pocket expenses including, but not limited to, legal fees and any expenses incurred by RCB as part of providing financing to MEA's customers under the OBR Program. RCB will notify MEA in advance regarding proposed scope of work and projected ranges of such expenses.

2.02.2 MEA Delivery of Information in connection with Loan Applications

In connection with an Application for a Loan, MEA will deliver to RCB:

- (a) An Audit Report;
- (b) Scope of Work;
- (c) Energy Evaluation; and
- (d) Rebate Reservation Form.

MEA acknowledges and agrees that RCB will rely on the accuracy and content of the information provided on the Energy Evaluation, Audit Report and Scope of Work, including Rebate Amount for purposes of underwriting and loan approval.

RCB acknowledges that MEA will not provide a guarantee of the projected energy savings as may be reflected in the Audit Report.

2.03. Documentation, Changes to Scope of Work & Project Completion

2.03.1 RCB approval of Applications

RCB retains the right, in its sole and absolute discretion, to determine whether or not to approve an Application for an OBR Loan.

Following approval by RCB of an Application, RCB will (i) prepare Loan Documents in accordance with its standard practices and procedures, (ii) obtain Applicant's signature on Loan Documents, and (iii) notify MEA that an OBR Loan has been approved and provide MEA with the Borrower information required pursuant to Section 3.02.

MEA will (i) register Borrower information on MEA Systems and (ii) notify Project Consultants and Business Partners of the OBR Loan.

2.03.2 Changes to Scope of Work

The Parties agree that OBR Loans are provided for the sole and exclusive purpose of financing the energy efficiency measures defined in the Audit Report and Scope of Work. Any additional or unforeseen costs and expenses arising during the course of construction are not subject to the OBR Loan or RCB's commitment to fund the OBR Loan.

(a) Under the terms of the Loan Documents, each Borrower will be required to immediately notify RCB of any condition relating to the Energy Project that will result in either an increase or a decrease to the amount stated in the Scope of Work and Audit Report. Failure by a Borrower to promptly notify RCB may result in a cancellation of RCB's obligations under the Loan Documents and the OBR Loan.

(b) RCB will require written confirmation of the change in the Scope of Work and the Audit Report by the Project Consultant and MEA.

(c) To the extent the Scope of Work is decreased, RCB will reduce the OBR Loan downward to conform to the changes provided in the change order or other documentation, but only to the extent that RCB approves of the confirmations as provided in paragraph (b) above from the Project Consultant and MEA.

(d) If there is an increase in the projected cost of the Energy Audit or Scope of Work, the Loan Documents will require that the Borrower either:

(i) Pay for such increased cost from Borrower's own resources, with confirmation of such amounts paid prior to any funding of the OBR Loan;

(ii) Cancel the OBR Loan with RCB until such time as the conditions resulting in the increase are resolved such that the original Scope of Work can be reinstated; or

(iii) Apply for a separate loan with RCB to finance the cost of the unforeseen condition resulting in the increase. Any loan granted for any purpose other than that contemplated herein shall not be deemed an OBR Loan and shall not be subject to the terms and conditions of this Agreement.

2.03.3 Project Completion

(a) MEA and the Project Consultant shall notify RCB of Project Completion by submitting of the Certificate of Completion form attached as Exhibit A in addition to the statement of completion or post-install required by MEA. The Certificate of Completion shall be accompanied by a copy of (i) the Audit Report, (ii) an executed Unconditional Waiver and Release signed by the Contractor, (iii) evidence that payment of the Rebate Amount has been authorized to Contractor, if relevant, and (iv) the “Installation Verification and Rebate Approval” memo provided with the Certificate of Completion.

ARTICLE III.

LOAN FUNDING AND PAYMENT PROCESSING

3.01. Loan Balances

The books and records of RCB will serve as the agreed upon contractual outstanding OBR Loan balance, payments due, and payment history of each Borrower. On or before the initial OBR Loan funding, RCB will deliver a Loan Information Notice to MEA substantially in the form of Exhibit C for all new OBR Loans.

Following the initial funding:

- (a) RCB will be responsible for notifying MEA of delinquent OBR Loan information;
- (b) RCB will review reports and information provided by MEA and provide corrections on OBR Loan information in a timely manner substantially in the form of Exhibit D;
- (c) RCB will treat all information received from MEA as highly confidential and all information received by RCB, whether directly or indirectly through a Business Partner will be controlled and maintained with the standard of care generally afforded to sensitive information and as provided in the MEA Non-Disclosure Agreement and CPUC Decision 12-08-045.
- (d) RCB will be responsible for complying with any and all regulatory requirements of public content including Office of Foreign Asset Control and will respond to any discovery requests issued by or under the authority of a governmental agency or court regarding any Borrower or OBR Loan issued under the Program.

3.02. MEA as Billing Agent

MEA shall serve as the “Billing Agent” for RCB and provide the following services outlined in Section 1.04 which include (a) monthly billing of the OBR Loan Payments due, (b) report generation and review, (c) PGE and MEA billing account maintenance and reconciliation functions, (d) customer inquiry and problem resolution for questions regarding the energy portion of the bill, (e) payment processing, and (f) payment remittance to RCB. In addition, MEA will (1) communicate to RCB any issues that will impede timely or accurate remittance of payments and (2) authorize transfers from the Loan Loss Reserve for the portion of those OBR Loans deemed uncollectable by RCB in accordance with Section 5.05.

(a) MEA shall ensure that the amounts due and payable to RCB under any OBR Loan to a Borrower shall be clearly and accurately reflected on the monthly PGE Billing Statement submitted to the Borrower.

(b) The OBR Loan payment will be billed in conjunction with the Borrower's standard PGE Billing Statement.

3.02.1 Monthly Reports

(a) On or before the 15th business day of each month, MEA will provide to RCB a "Scheduled Payments Report" detailing scheduled payments due for the next month, including delinquent and partial payments due, and the outstanding balance remaining on each OBR Loan.

(b) On or before the last business day of each month, MEA will provide to RCB a "Delinquent Payment Report" detailing payments that were due and not received in the prior month.

(c) On or before the last business day of each month, MEA will provide to RCB a "Partial Payment Report" report detailing payments that were due and not received in full in the prior month.

3.02.2 Reconciliation of Loan Information

(a) MEA and RCB will use all reasonable efforts to ensure the accuracy of the information transmitted to and between each Party. RCB will reconcile the OBR Loan data contained on its systems and records against that of the Scheduled Payment Report on or before the 25th day of each month. RCB will notify MEA of any discrepancies or corrections.

(b) MEA will not make corrections or adjustments to OBR Loan information submitted by RCB unless so authorized under this Article III.

3.02.3 Loan Correction Notice

(a) No later than five (5) business days following receipt of reports as provided in Section 3.02.1, RCB will reconcile the amounts due, delinquent, or partially paid against its records. To the extent there is a discrepancy between the information provided in the report and that contained on the records of RCB, RCB shall complete and submit an "OBR Loan Correction Notice" substantially in the form of Exhibit D attached hereto.

(b) On a best efforts basis, MEA will endeavor to correct the information such that then current energy PGE Billing Statement reflects the correct amounts due from the Borrower as reflected by RCB's records.

3.02.4 Delivery of Payments

(a) Payments of amounts due under the OBR Loans shall be made on Friday of each week (the "Payment Date"); if the Payment Date is not a business day, the Payment Date shall be the next following business day.

(b) The payment shall be an aggregate of all payments received by MEA for the prior week as reconciled in accordance with Section 3.02.2.

(c) Payments shall be disbursed by MEA to an account designated by RCB.

3.02.5 Prepayments on OBR Loans

Borrowers shall be permitted to prepay OBR Loans provided that no default has occurred resulting in a Defaulted OBR Payment and provided further that there is no Pro-Rata Sharing of Payments. All prepayments made under an OBR Loan must be sent directly to RCB and not submitted through the Energy Bill. RCB shall notify MEA if a payment is made directly to RCB, outside of the PGE Billing Statement, to confirm that the payment is not subject to Pro-Rata Sharing of Payments. RCB shall (a) apply the payment to the OBR Loan if only if Pro-Rata Sharing of Payments is not in effect or (b) remit the excess payment to MEA for allocation if Pro-Rata Sharing of Payments is in effect.

ARTICLE IV

CUSTOMER INQUIRIES – DISPUTE RESOLUTION

4.01. Customer Inquiries

(a) MEA shall cause each PGE Billing Statement to contain the amounts due and payable for the OBR Loan as a clear and distinct line item.

(b) MEA shall cause each PGE Billing Statement to contain the contact information for problem resolution or questions regarding the OBR Loan portion of the PGE Billing Statement including a phone number for RCB.

(c) MEA shall refer all OBR Loan questions from Borrowers to RCB for problem resolution.

(d) MEA will provide MEA Business Partners with scripts, pre-approved by RCB, to provide clear guidance on OBR Loan inquiries.

(e) RCB shall refer all questions regarding the Energy Amount to MEA for problem resolution.

(f) During the Pilot Program, MEA and RCB will meet on no less than a monthly basis to discuss and resolve any customer inquiries and disputes.

(g) To the extent there is any discrepancy between the OBR Loan Payment due according to RCB records and the amount due according to MEA records, RCB records will prevail.

4.02. Dispute Resolution

The Parties agree to collaborate to resolve customer disputes that may arise from the timing of application of payments, either OBR Loan payments or energy related payments. MEA shall be

able to utilize the Carve-Out portion of the Loan Loss Reserve Account in accordance with Section 5.01 to temporarily stabilize interim billing adjustments.

To the extent the customer dispute results in a non-payment of an OBR Loan, actual delinquency or partial payment, upon receipt, such payment will be processed in accordance with Section 5.02.

ARTICLE V

LATE PAYMENTS, SHARING OF PAYMENTS AND LOAN LOSS RESERVE

5.01. Late Payments

5.01.1 Timing Issues – Corrected Bills

On occasion, PGE will require corrections or adjustments to PGE Billing Statements (“Corrected Bills”) that are outside of the control of MEA or RCB. Corrected Bills may result in (i) timing gaps between the due dates for an OBR Loan Payment or (ii) duplicated or omitted OBR Payments for the month subject to correction (each an “Administrative Error”). Administrative Errors are temporary in nature and are generally corrected on the following PGE Billing Statement. Any delayed, past-due or omitted payment that is not temporary in nature or subject to correction in the following PGE Billing Statement does not constitute an Administrative Error and is not subject to the authorities granted in this Section.

As provided herein, MEA shall have the authority to correct or adjust Administrative Errors in an amount not to exceed \$200.00 per Administrative Error in accordance with the Carve-Out provision.

5.01.1 (a) Carve-Out

MEA shall utilize the Carve-Out portion to adjust timing issues associated with Administrative Errors. MEA acknowledges and agrees that any funds debited from the Carve-Out must be restored in full within sixty (60) days after such debit. MEA will record and track the debits and credits to the Carve-Out with such information made available to RCB upon request.

5.01.1 (b) Termination of Carve-Out Availability

The Carve-Out is available for Administrative Errors only to the extent that funds allocated to the Carve-Out do not impede RCB’s availability to use the Carve-Out pursuant to a defaulted OBR Loan as contemplated by the Loan Loss Reserve. To the extent Carve-Out will be needed by RCB, RCB shall provide a thirty (30) day notice to MEA of the termination of the Carve-Out. MEA shall have a period of thirty (30) days following such notice to restore the Carve-Out to \$5,000.00.

5.02. Payment Default

MEA shall notify RCB of Defaulted OBR Payments on a monthly basis on or before the ___ day of the following month. RCB shall notify MEA of any OBR Loan Payment that is delinquent fifteen (15) days or more that is not reflected on the reports and information provided by MEA.

5.02.1 Notification to Borrower

MEA, upon notice from RCB, will provide a Late Payment Notification substantially in the form of Exhibit F to the applicable Borrower.

5.03. Pro-Rata Sharing of Payments

It is agreed that all Defaulted OBR Payments shall be subject to Pro-Rata Sharing of Payments as provided herein. Pro-Rata Sharing of Payments shall be in effect the earlier of (i) failure by a Borrower to pay a PGE Billing Statement in full (outside of an Administrative Error), (ii) upon notice from RCB that an OBR Loan Payment is delinquent fifteen (15) days or more, and (iii) upon notice from MEA to RCB that the PGE Billing Statement has not been paid in full (outside of an Administrative Error).

5.03.1 Method for Determining Pro-Rata Sharing

Pro-Rata Sharing of Payments will be determined by taking the total amount of MCE charges (inclusive of RCB charges) due on any single PGE Billing Statement and dividing the total amount by (i) the total amount of all outstanding OBR Loan Payments reflected therein due and payable to RCB to determine the "RCB Pro-Rata Percentage" and (ii) the total amount of all Energy Amounts reflected therein due and payable to MCE to determine the "MCE Pro-Rata Percentage". In no event will the sum of the RCB Pro-Rata Percentage and the MCE Pro-Rata Percentage exceed 100% (together the "Pro-Rata Percentages"). The respective percentages will be expressed to four decimal places. It is hereby acknowledged that the Pro-Rata Percentages may change on a month to month basis depending on variables such as energy use or increased amounts due to penalty rates or late charges. All payments applied to Defaulted OBR Payments shall be done in accordance with the Pro-Rata Percentages.

5.04. Excess Payments Received During Default

Notwithstanding anything to the contrary contained in Section 3.02.04, neither Party will accept or apply payments new OBR Loan Payments or Energy Amounts when a Defaulted OBR Payment exists. All payments received will be submitted to MEA to be paid in accordance with the Pro-Rata Percentages until such time as the OBR Loan and Energy Amount are either (i) restored to current payment status as mutually agreed between the Parties, or (ii) the OBR Loan has been repaid in full through the Loan Loss Reserve.

5.05. Loan Loss Reserve

Concurrent with the execution of this Agreement, MEA shall deposit in an account with RCB an amount equal to fifteen percent (15%) of the Loan Commitment (\$547,500.00) inclusive of the Carve-Out (the "Loan Loss Reserve"). The Loan Loss Reserve Account shall be in the name of

MEA with debits and credits from and to the Loan Loss Reserve Account restricted as provided herein.

5.05.1 Charges to the Loan Loss Reserve Account

The sole purpose of the Loan Loss Reserve is to provide a source of repayment for OBR Loans whereby the Borrower has defaulted under the terms of the Loan Documents and RCB deems the OBR Loan or a portion thereof as uncollectible. RCB in its sole determination will request advances from the Loan Loss Reserve Account in accordance with this Section.

The amount available from the Loan Loss Reserve Account to RCB for each defaulted OBR Loan will include unpaid principal, interest, and fees. Any amounts credited back to the Loan Loss Reserve Account in accordance with Section 5.05.2 shall be available to RCB for future OBR Loans.

RCB will submit a Notice of Loan Loss Reserve Advance to MEA substantially in the form of Exhibit E providing the reason for the advance, a summary of the delinquent amounts and dates, a summary of expenses related to the collection efforts and the amount required to satisfy repayment of the OBR Loan.

5.05.2 Credits to the Loan Loss Reserve Account

RCB will continue collection efforts on defaulted OBR Loans in accordance with its standard practices and procedures, regardless of whether or not the defaulted OBR Loan has been repaid through an advance from the Loan Loss Reserve Account. In the event RCB recovers or collects amounts on a defaulted OBR Loan where the unpaid balances were advanced from the Loan Loss Reserve Account, RCB shall deposit such recovered amounts into the Loan Loss Reserve Account, less any collection and legal fees necessary to recover the funds.

5.05.3 Reporting of Loan Loss Reserve Balance

From and following the first advance from the Loan Loss Reserve Account (other than Carve-Out charges originate by MEA), RCB shall provide MEA with a monthly summary of transaction activity (including advances and recoveries) within the Loan Loss Reserve Account.

5.05.4 Loan Loss Reserve Account – Early Termination of Program

Should the Parties mutually agree to terminate the Program after the Pilot Program or at any time prior to the end of the Availability Period, the balance of the Loan Loss Reserve shall be reduced to fifteen percent (15%) of the outstanding funded OBR Loans and remain in effect until the Loan Loss Reserve Termination Date (the “Remaining Loan Loss Reserve”). Amounts in excess of the Remaining Loan Loss Reserve shall be remitted to MEA.

5.05.5 Loan Loss Reserve Termination Date

The Loan Loss Reserve Account shall remain in effect and available to RCB until the earlier of (i) all collection efforts by RCB have ceased and the Loan Loss Reserve is depleted to a \$0.00 balance, and (ii) until all OBR Loans have been repaid in full (the “Loan Loss Reserve

Termination Date”). The CPUC may request the return of any Loan Loss Reserve Funds that have not been committed to an originated loan before January 1, 2015. RCB agrees to cooperate with this return of funds and to provide an account statement showing the status of the fund at that time.

5.05.6 Interest Earned on the Loan Loss Reserve Account

The Loan Loss Reserve Account may be interest bearing so long as such interest bearing account is not in violation of any current regulatory restriction by either Party. Interest earned on the Loan Loss Reserve Account will be for the benefit of MEA for use in accordance with CPUC requirements.

ARTICLE VI

MISCELLANEOUS

6.01. Modifications to Program

The Parties agree to collaborate on changes that may be required during the Pilot Program or during Full Implementation.

RCB reserves the right to modify the Basic Terms of OBR Loans as may be necessary or deemed appropriate by RCB, provided however, that if RCB determines that the interest rate and maximum term for the OBR Loans may be subject to change, RCB shall give forty-five (45) days’ notice of such change to enable MEA to provide comment and to modify any Program marketing material as appropriate. To the extent MEA does not concur with the proposed change in interest rate, MEA reserves the right to terminate the Program with RCB. Such termination shall not impact any existing OBR Loans.

6.02 Information Security – Delivery of Information

Each Party will take, and cause its Business Partners to take, all reasonable steps to ensure that any information that is delivered pursuant to this Agreement is delivered in a safe and secure manner, and consistent with the requirements of CPUC Decision 12-08-045 and any other applicable rules and regulations, so as to protect that information from unauthorized disclosure.

6.03 Confidentiality

(a) Each Party agrees that it shall not use or disclose to any third party including MEA Business Partners, any information that is confidential or proprietary to the other party including, without limitation, such party’s business plans and practices, trade secrets, methods, processes or procedures or any other confidential information (collectively, the “Confidential Information”) of the other Party which it learns during the course of its performance of this Agreement other than (i) as required by law, regulation, or order of a court or regulatory agency or other authority having appropriate jurisdiction or (ii) to perform its obligations under this Agreement. The Confidential Information may be oral or written or in electronic or tangible form, and all information, unless otherwise indicated, shall be deemed to be confidential. Confidential Information shall not include any information that can be shown through contemporaneous

documentation (a) is or becomes publicly known through no fault on the part of the recipient; (b) is, at the time of disclosure, already known to the recipient without obligation restricting disclosure; (c) is, or subsequently becomes, rightfully and without breach of this Agreement, in the recipient's possession without any obligation restricting disclosure; or (d) is independently developed by a recipient without breach of this Agreement or any other agreement, with the recipient bearing the burden of proving such independent development. Any employee to whom the recipient of Confidential Information gives access to any such Confidential Information must have a legitimate "need to know" such Confidential Information and shall be bound in writing to maintain the confidentiality of the Confidential Information under terms and conditions no less stringent than those set forth in this Agreement. Neither Party shall reverse engineer any such Confidential Information of the other Party or, unless expressly permitted in this Agreement, copy the same. Upon termination of this Agreement, each Party shall return all Confidential Information in its possession (including all copies thereof) of the other Party within fifteen (15) days of such termination.

(b) Each Party recognizes and acknowledges that the non-disclosing Party would suffer irreparable injury from the unauthorized use or disclosure of any of its Confidential Information and each Party agrees and acknowledges that the non-disclosing Party shall have the right to obtain injunctive or other equitable relief against the unauthorized use, disclosure or transfer of any of the Confidential Information, as well as the right to pursue all of its other remedies in equity and at law. This Section 6.03 shall survive the termination of this Agreement.

(c) MEA will cause each of its Business Partners to sign nondisclosure agreements pursuant to which each Business Partner will agree to not use or disclose the financial information of an Owner.

6.04 Reliance among Parties

All information MEA provides to RCB hereunder (including that of MEA Business Partners) other than actual energy savings versus projected energy savings estimated on the Energy Evaluations shall be true, complete and accurate to the best of MEA's knowledge, so that RCB may rely upon its accuracy. MEA shall immediately notify RCB in writing of any change in the accuracy of any information MEA has previously provided to RCB.

6.05 Limitation of Liability

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT NO PARTY WILL BE LIABLE TO THE OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM THE OTHER PARTY'S RIGHTS) FOR INCIDENTAL, INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND – INCLUDING LOST REVENUES OR PROFITS, LOSS OF BUSINESS OR LOSS OF DATA – ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PROVIDED HEREUNDER (INCLUDING WITHOUT LIMITATION AS A RESULT OF ANY BREACH OF ANY WARRANTY OR OTHER TERM OF THIS AGREEMENT), REGARDLESS OF WHETHER THE PARTY LIABLE OR ALLEGEDLY LIABLE WAS ADVISED, HAD OTHER REASON TO KNOW, OR IN FACT KNEW OF THE POSSIBILITY THEREOF.

6.06 Communications - Notices

Any notice under this Agreement shall be in writing, and any written notice or other document shall be deemed to have been duly given (i) on the date of personal service on the Parties, (ii) on the third business day after mailing, if the document is mailed by registered or certified mail, (iii) one day after being sent by professional or overnight courier or messenger service guaranteeing one-day delivery, with receipt confirmed by the courier, or (iv) on the date of transmission if sent by telegram, telex, telecopy or other means of electronic transmission resulting in written copies, with receipt confirmed. Any such notice shall be delivered or addressed to the Parties at the addresses set forth below or at the most recent address specified by the addressee through written notice under this provision. Failure to give notice in accordance with any of the foregoing methods shall not defeat the effectiveness of notice actually received by the addressee.

6.07 Amendments

The provisions of this Agreement may be modified at any time by agreement of the Parties. Any such agreement hereafter made shall be ineffective to modify this Agreement in any respect unless in writing and signed by all Parties to this Agreement. The Parties agree to not unreasonably withhold approval of amendments required by the CPUC.

6.08 Survival – Representations and Warranties

Each representation and warranty contained herein or made pursuant hereto shall be deemed to be material and to have been relied upon, and shall survive the execution and delivery of this Agreement, any investigation at any time made by or on behalf of any Party hereto, and the closing of the transaction.

6.09 No Recourse to Constituent Members of MEA

MEA 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. MEA shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. RCB shall have no rights and shall not make any claims, take any actions or assert any remedies against any of MEA's constituent members in connection with this Agreement.

6.10 Entire Agreement

This document, including its exhibits, constitutes the entire agreement between the Parties, all oral agreements being merged herein, and supersedes all prior representations. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the Parties relating to the subject matter of this Agreement that are not fully expressed herein.

6.11 Governing Law

The rights and obligations of the Parties and the interpretation and performance of this Agreement shall be governed by the law of California, excluding its conflict of laws and rules.

6.12 Waiver

Any of the terms or conditions of this Agreement may be waived at any time by the Party entitled to the benefit thereof, but no such waiver shall affect or impair the right of the waiving Party to require observance, performance or satisfaction either of that term or condition as it applies on a subsequent occasion or of any other term or condition.

6.13 Attorneys' Fees; Prejudgment Interest

If the services of an attorney are required by any Party to secure the performance of this Agreement or otherwise upon the breach or default of another Party to this Agreement, or if any judicial remedy or arbitration is necessary to enforce or interpret any provision of this Agreement or the rights and duties of any person in relation thereto, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and other expenses, in addition to any other relief to which such Party may be entitled. Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum amount of interest allowed by law.

6.14 Counterparts

This Agreement may be executed in any number of counterparts with the same effect as if the Parties had all signed the same document. All counterparts shall be construed together and shall constitute one Agreement.

6.15 Severability

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement which can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

6.16. Publicity

Neither Party shall issue or cause to be issued any press release, public announcement or other public statement with respect to the subject matter of this Agreement without the prior written consent of the other Party as to the form, content, and timing of such release, which consent may be withheld at such other Party's sole discretion, except as required by law or government regulation, in which case the other Party shall have the opportunity to request confidential treatment of the proposed disclosure, including obtaining protective orders or permission to retract any information which will be publicly available.

6.17 Independent Contractors

The Parties shall be considered independent contractors with respect to each other. This Agreement does not authorize either Party to act on behalf of or as the agent of the other Party, and does not create a partnership, joint venture or similar relationship between the Parties, and neither Party shall have the power to obligate or bind the other Party in any manner whatsoever.

6.18 Assignment

No Party may assign this Agreement, in whole or in part, voluntarily or by operation of law, without the prior written consent of the other Party, which consent shall not unreasonably be withheld.

6.19 Arbitration

The Parties agree that any and all disputes arising out of the terms of this Agreement, their interpretation, and any of the matters herein discussed, shall be subject to binding arbitration in Sacramento County before the American Arbitration Association under its Commercial Arbitration Rules. The Parties agree that the prevailing Party in any arbitration shall be entitled to injunctive relief in any court of competent jurisdiction to enforce the arbitration award. The Parties agree that the prevailing Party in any arbitration shall be awarded its reasonable attorneys' fees and costs. The Parties hereby agree to waive their right to have any dispute between them resolved in a court of law by a judge or jury. The Parties specifically agree that the provisions of Section 1283.05 of the Code of Civil Procedure of the State of California are incorporated into, made a part of, and made applicable to any arbitration pursuant to this Section 6.19. The arbitration shall be conducted by a single arbitrator. The arbitration also will be subject to the following agreed terms:

6.19.1 After written notice of a potential claim by a Party, each Party will have thirty (30) days to submit the names of one or more proposed arbitrators.

6.19.2 The Parties will then have ten (10) days to agree upon the arbitrator based upon the names proposed.

6.19.3 If the Parties cannot agree upon the arbitrator, either Party will have fifteen (15) days to file a motion or petition with a Superior Court in the State of California, in and for the County of Sacramento for the sole purpose of having the court designate the arbitrator.

6.19.4 To the extent applicable in civil actions in California courts, the following shall apply and be observed: all rules of pleading (including the right of demurrer), all rules of evidence, all rights to resolution of the dispute by means of motions for summary judgment, judgment on the pleadings, and judgment under Code of Civil Procedure Section 631.

6.19.5 Resolution of the dispute shall be based solely upon the evidence and the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis other than such controlling law, including but not limited to, notions of "just cause."

6.19.6 The arbitrator shall not award punitive damages.

DEFINITIONS

Applicant. Any Owner who submits an Application for an OBR Loan with RCB pursuant to the Program.

Application. A loan request form prepared by RCB available to Owners to apply for financing of the energy efficiency measures set forth in the Audit Report.

Audit Report. A written report prepared by MEA or its subcontractor which includes a comprehensive evaluation, proposal and line item summary of energy efficiency measures submitted upon the request of an Owner. The Audit Report includes the Rebate Amount and is provided to Owners to assess potential savings and understand the estimated costs associated with such measures. For Multi-Family Commitments, the “Energy Evaluation Report” is the Audit Report; for Commercial Property Commitments, the “Customer Report” is the Audit Report.

Availability Period. The earlier of a) the date which is two years from the funding date of the first OBR Loan made under the Program or b) December 31, 2014.

Borrower. Any Applicant who is approved by RCB in its sole discretion for an OBR Loan pursuant to the Program.

Business Partner. Any associated person, company or other entity directly or indirectly contracted by or related to either party for goods or services offered in connection with the delivery and ongoing maintenance of the Program.

Carve-Out. A portion of the Loan Loss Reserve not to exceed \$5,000.00 for use as provided in Section 5.02.

Commercial Property Loan Commitment. Except as provided during the Pilot Program, an amount not to exceed \$1,000,000.00 in total OBR Loans funded by RCB for the purpose of energy upgrades to commercial real estate.

Contractor. A licensed general contractor engaged by Owner and approved by MEA to complete the Scope of Work in accordance with the Audit Report.

CPUC. California Public Utilities Commission

Defaulted OBR Payment. Any payment due pursuant to a PGE Billing Statement which includes both the OBR Loan Payment, the PGE Energy Amount, and the MCE Energy Amount which is not paid when due other than Corrected Bills as defined in Section 5.01.1.

Energy Amount. The amount due and payable to PGE by a Borrower for energy related costs and expenses, which include fees and charges.

Energy Project. The project as outlined in the Audit Report and Scope of Work form executed by the Owner.

Event of Default. A violation of a payment term, covenant or other condition of the Loan Documents as defined in section 2.02(1).

Final Inspection Report. A report completed by MEA, or its designee, confirming completion in full of the work required pursuant to the Audit Report and Scope of Work. For Multi-Family Commitments, the “Multi-Family Energy Efficiency Program Statement of Completion,” substantially in the form of Exhibit I, is the Final Inspection Report; for Commercial Property Commitments, the “Smartlights Check List-Post Install Site Inspection,” substantially in the form of Exhibit J, is the Final Inspection Report.

Full Implementation. The period from the end of the Pilot Program to the date that is eighteen (18) months from the last day of the Pilot Program.

Late Payment Notification. A notice sent by MEA on behalf of RCB notifying a Borrower of a delinquent OBR Loan Payment substantially in the form of Exhibit F.

Loan Commitment. Except as provided during the Pilot Program, an amount not to exceed \$3,650,000 in total Commercial Property Loan Commitments and Multi-Family Loan Commitments funded by RCB in connection with the Program.

Loan Documents. Documents prepared by RCB obligating the Owner to repay indebtedness issued in connection with the Program.

Loan Loss Reserve Account. A deposit account established concurrent with the execution of this Agreement in an amount not to exceed equal to fifteen (15%) of the total Loan Commitment (\$547,500.00).

Loan Loss Reserve Termination Date. The date as defined in Section 5.05.5.

MEA Systems. Systems of record established by MEA or its Business Partner capturing Borrower and OBR Loan information including billing and payment processing.

MCE. Marin Clean Energy-the energy program provided by MEA.

Multi-Family Loan Commitment. Except as provided during the Pilot Program, an amount not to exceed \$2,650,000.00 in total OBR Loans funded by RCB for the purpose of energy upgrades to multi-family real estate.

NES. Noble Energy Systems; a Business Partner of MEA.

OBR Loan. A financial accommodation to an Owner issued by RCB in connection with the Program.

OBR Loan Payment. The scheduled loan payment due and payable to RCB in connection with an OBR Loan which includes, principal, interest, fees and charges.

PGE. Pacific Gas & Electric Company; a Business Partner of MEA.

PGE Billing Statement. The monthly energy billing statement produced by PGE detailing energy usage and costs associated with such usage; the MCE charges for the PGE Billing Statement is processed by NES on behalf of MEA.

Pilot Program. During the Availability Period, the period between the funding date of the first OBR Loan made under the Program and the date which is six (6) months from the funding date of the first OBR loan.

Pro-Rata Sharing of Payments. The method for determining the pro-rata allocation of payments between the amount due under an OBR Loan and the Energy Amount due from a Borrower as provided in Section 5.01.3.

Project Completion. The date on which all work is completed by the Contractor in accordance with the Scope of Work and Energy Audit as certified by MEA and the Project Consultant to RCB.

Project Consultant. A Business Partner of MEA; any consultant engaged by MEA to provide services on behalf of MEA related to the Program including assessment and preparation of the Audit Report, review and inspection of project progress reports, requests for approval to changes to Scope of Work, and certification of project completion.

Rebate Amount. The amount of the Energy Project which is subject to refund by the CPUC as outlined on the Audit Report.

Scope of Work. The total value in US Dollars of a line item contract and agreement prepared and signed by a licensed contractor engaged by an Owner to complete work as proposed in the Audit Report, as reviewed and approved by MEA. For Multi-Family Commitments, the “Owner Participation Agreement,” substantially in the form of Exhibit K, is the Scope of Work; for Commercial Property Commitments, the “Customer Work Authorization,” substantially in the form of Exhibit L, is the Scope of Work.

Termination Date. The date on which all OBR Loans are repaid in full or terminated to the satisfaction of RCB.

RCB:

RIVER CITY BANK

By: _____

Its: _____

Address: _____

Fax No.: (916) _____

MEA:

MARIN ENERGY AUTHORITY

By: _____

Its: _____

Address: _____

Fax No.: (____) _____

EXHIBIT A – CERTIFICATE OF COMPLETION

Date of Certificate:

Borrower Name:

Property Address:

Date of Audit Report:

Date of Scope of Work:

Estimated Contractor Cost:

Final Contractor Cost:

Rebate Amount:

Rebate Amount Assigned to Contractor: Yes No

Were there any changes to the Scope of Work provided by the Contractor: Yes No

If Yes – Explain:

Dollar cost change:

Description of change:

Date of Final Inspection:

The undersigned Program Manager, Auditor and Marin Energy Authority do hereby certify that the above referenced energy project (the “Project”) has been completed to the full satisfaction of the undersigned and in accordance with the Audit Report and Scope of Work. There are no outstanding obligations incumbent upon the Contractor or Borrower. We attach the following in connection with this Certification:

- 1) Executed Owner-Contractor Affidavit (notarized); and
- 2) Executed Unconditional Waiver and Release on Progress payment.

This Certificate is issued to River City Bank in connection with the Marin On-Bill Repayment Program with the understanding and knowledge that River City Bank will rely on this information in providing loan funds to the above referenced Borrower.

By: _____ Date: _____
Program Manager

By: _____ Date: _____
Auditor

By: _____ Date: _____
Marin Energy Authority

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EXHIBIT B – OWNER/CONTRACTOR AFFIDAVIT

Under penalty of perjury, the undersigned Owner and Contractor do hereby swear, certify and affirm that:

- 1) Contractor was engaged to perform improvements to property located at: _____ in accordance with a Scope of Work dated _____ for a contract amount equal to: \$ _____.
- 2) Contractor has completed all work as agreed to the full satisfaction of Owner.
- 3) There is no unfinished work or claims by either Owner or Contractor against each other.
- 4) Owner has executed an assignment of the Rebate Amount equal to \$ _____ to Contractor to satisfy that portion of the Scope of Work.
- 5) Owner will pay to Contractor the balance due under the Scope of Work through loan proceeds, with said proceeds paid directly to Contractor.
- 6) Contractor has executed a Conditional Waiver and Lien Release and Unconditional Waiver and Release which shall be effective as of the date of receipt of the loan proceeds.
- 7) There are no silent or written agreements, claims or disputes between Owner and Contractor.

Attested to this day, the _____ of _____, 201__

By: _____
Owner (insert full name)

By: _____
General Contractor (insert full name)

EXHIBIT C - LOAN INFORMATION NOTICE

CONFIDENTIAL

From: River City Bank
Loan Servicing Department

To: Marin Energy Authority
Noble America's Energy Solutions

Re: New Borrower Notice
Marin On-Bill Repayment Program

Date:

Please accept this notice as authorization to add the following information to the On-Bill Repayment Program:

New Borrower

Change to Existing Borrower

Borrower Name:

Reference Number: XXXXX-1234

Funding Date:

Total Payment Due:

Term:

Fully Amortized Monthly Charge:

First Payment Date:

Authorized by:

Date: _____

EXHIBIT D – OBR LOAN CORRECTION NOTICE

PLEASE NOTE THAT A CORRECTION IS REQUIRED FOR THE FOLLOWING OBR LOAN CUSTOMER:

BORROWER NAME:

BORROWER REFERENCE NUMBER:

REPORT DATE:

THE CORRECTION IS REQUIRED IN THE FOLLOWING FIELD:

- OUTSTANDING OBR LOAN BALANCE SHOULD BE CHANGED FROM: TO:
- CURRENT OBR LOAN PAYMENT SHOULD BE CHANGED FROM: TO:
- DELINQUENT AMOUNT SHOULD BE CHANGED FROM: TO:

OTHER:

AUTHORIZED BY:

_____ DATE: _____

EXHIBIT E – NOTICE OF LOAN LOSS RESERVE ADVANCE

From: River City Bank

Loan Servicing Department

To: Marin Energy Authority

Re: Defaulted OBR Loan

Date:

Please be advised that River City Bank will be advancing \$_____ from the Loan Loss Reserve Account effective as of _____ (Date) for the following Borrower:

Borrower Name:

Reference Number: XXXXX-1234

Date Last Payment Received:

Next Payment Due Date:

Total Delinquent Payments: \$

Other costs:

Comment: (describe collection efforts)

Authorized by:

(River City Bank)

Date: _____

EXHIBIT F – FORM OF LATE PAYMENT NOTIFICATION

NOTICE OF PAST DUE PAYMENT – IMMEDIATE ACTION REQUIRED

Date

[Insert Customer Name]
[Insert Customer Address Line 1]
[Insert Customer Address Line 2]

Re: OBR Loan [Insert Loan Reference #] (the “OBR Loan”)

You are hereby notified that River City Bank, as Lender for the above referenced OBR Loan, is not in receipt of the full amount owing under your OBR Loan and our records show your account as delinquent.

Under the terms of the OBR Loan documents, failure to pay the full amount due as provided on your monthly PG&E Billing Statement may result in a delinquency to **both** your OBR Loan and your PG&E Bill.

Failure to pay amounts owing in full can result in a default under your OBR Loan, an increased interest rate and late charges.

Please immediately remit your payment in full to the following address:

[Insert Marin Payment Locations as provided on MEA’s sample delinquency letter]

If you feel you’ve received this notice in error, please contact:

River City Bank
Loan Center
916-567-XXXX

EXHIBIT G – SCHEDULE OF MEA BUSINESS PARTNERS

PGE – Pacific Gas and Electric (provide brief description of relationship)

NES - Noble Energy Services

Project Consultants (list and describe roles)

Other

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EXHIBIT H – CUSTOMER DISCLOSURE AND CERTIFICATION

You have applied for a loan with River City Bank to finance certain energy efficiency improvements using the MCE On-Bill Loan Program to facilitate the payments of your On-Bill Repayment Loan (the “OBR Loan”).

This On-Bill Repayment Certification and Consent Form will be included in your executed loan documents with River City Bank.

Please read this information carefully as it contains important information regarding the OBR Loan.

NOTICE:

- 1) Monthly installment payments to your OBR Loan will be included as a separate line item on your monthly [PG&E][MCE]Billing Statement;
- 2) The OBR Loan installment payment is a separate obligation from your agreement and obligations with [PG&E][MCE].
- 3) Failure to pay your monthly PG&E Billing Statement, which includes both the [PG&E][MCE]amounts due and the OBR Loan payment due, in full each month **can result in a short or delinquent payment to your OBR Loan.**
- 4) If you become delinquent on any portion of an OBR Loan or a [PG&E][MCE], **all future payments will be applied on a pro-rated basis between the OBR Loan and the [PG&E][MCE] portion of the billing statement.**
- 5) River City Bank may bill you separately for any delinquent or late charges due, these amounts are due and payable even if they are not included on the PGE Billing Statement.
- 6) If you are not delinquent and choose to repay your OBR Loan in full before the anticipated final installment, this payment must be made directly to River City Bank.
- 7) Your OBR Loan will be immediately due in payable in full if any of the following conditions occur: 1) You sell the property to which the improvements are made, 2) You no longer participate in Marin Energy Authority’s [Program], 3) The information provided in obtaining the OBR Loan was fraudulent and/or 4) You default under any term or condition of your OBR Loan.
- 8) The purpose of the OBR Loan is to fund energy efficient improvements as provided on a project summary – energy audit (the “Audit Report”); you will be required to notify River City Bank immediately upon the discovery of any condition during installation or construction that would alter or increase the costs provided in the Audit Report.

CONSENT

- 1) I HAVE READ AND UNDERSTOOD THE INFORMATION IN THIS DOCUMENT;

- 2) I HEREBY AUTHORIZE [PGE-MCE] TO SHARE MY PGE INFORMATION WITH RIVER CITY BANK
- 3) I HEREBY AUTHORIZE RIVER CITY BANK TO SHARE INFORMATION WITH [MCE-PGE]
- 4) I UNDERSTAND THAT IF MY PAYMENTS ARE DELINQUENT, THAT A DELINQUENCY COULD OCCUR UNDER OBLIGATIONS TO BOTH [PGE-MEA] AND RIVER CITY BANK

I UNDERSTAND THAT I MUST NOTIFY RIVER CITY BANK OF ANY INCREASED COSTS ASSOCIATED WITH THE SCOPE OF THE WORK APPROVED BY RIVER CITY BANK. RIVER CITY BANK IS UNDER NO OBLIGATION TO FUND THE OBR LOAN IF THE INCREASED COSTS ARE NOT COVERED BY SOURCES OUTSIDE OF THE OBR LOAN.

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EXHIBIT I: MULTI-FAMILY ENERGY EFFICIENCY PROGRAM STATEMENT OF COMPLETION

(FORM TO BE ATTACHED)

DRAFT

EXHIBIT J: SMARTLIGHTS CHECK LIST-POST INSTALL SITE INSPECTION

(FORM TO BE ATTACHED)

DRAFT

EXHIBIT K: OWNER PARTICIPATION AGREEMENT

(FORM TO BE ATTACHED)

DRAFT

EXHIBIT L: CUSTOMER WORK AUTHORIZATION

(FORM TO BE ATTACHED)

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Employee Commute Alternatives Program

Updated



Background

- MEA recruited key staff during FY 13 to equip growing customer base (larger volume / diverse demographic) and expand services, strategy
- MEA seeks to enhance core values and goals by low cost, high impact complimentary programs for customers ***and*** staff
- MEA's headquarters strategically located next to San Rafael transit hub in commercial space offering bike lockers, showers and convenient and safe pedestrian access to local shops/restaurants
- MEA is in prime position to capitalize on office location and amenities by offering commute alternatives program
- Such programs prove effective at simultaneously promoting mass transit, carpool, green commute options, minimizing single ridership and enabling employees to lead by example in reducing their carbon footprint, and adding to employee wellness/retention

Need

- SRCC current parking policy (implemented 3/25) served as catalyst
- MEA collected and ideas on best practices from around the Bay Area in both public and private sectors and received input from staff
- Establish a sound and sustainable MEA Employee Commute Alternatives Program for staff that fits within current/future budget (consideration of short and long term fiscal impact)
- Proposed program includes multi layered approach with incentives based on best practices, with sensitivity to long term budgetary constraints
- Target pilot launch - July 2013 / Initial program review - December 2013

Research

Review of multiple municipalities and community resources:

- ✓ County of Marin & City of Richmond
 - Pre tax contribution
 - Emergency ride home

- ✓ Contra Costa, Alameda Counties and SF City/County
 - Monthly/Quarterly raffles for qualified commuters/carpoolers
 - Commuter Benefits Ordinance (elected city administration)
 - Pre tax contribution
 - Emergency ride home

- ✓ Numerous private/public/academic sector employee programs
 - Pre tax contribution
 - Monthly/quarterly raffles for qualified commuters/carpoolers
 - Commute/carpool expense stipend ranging from \$3-6/day (each pay period)
 - Discounted enrollment fee for Zipcar and discounted rates for Zipcar & City Car Share
 - Discounted EV charging stations
 - Commuter Benefits Ordinance for supply chain

- ✓ 511.org Rideshare Program
 - Bay Area wide resource to employers

MCE Program Design

Multi layered program design could include:

- ✓ Pre tax employee fund for commute allocation (ADP/TransBen service)
 - All employees up to \$150 per month
 - Distributed by check
- ✓ Preloaded Clipper card for \$3/day for mass transit (bus, train & ferry)
 - All employees who demonstrate ridership on local mass transit minimum 3 days/week
 - Distributed monthly
- ✓ Preloaded gas card for carpoolers – minimum 2 staff (\$60/month)
 - All employees who demonstrate carpool activity minimum 3 days/week
 - Distributed monthly
- ✓ Quarterly raffle (\$50) to further incentivize employees
 - All employees who demonstrate carpool activity or mass transit ridership (minimum 3 days/week)
 - Raffle at staff meeting, end of each quarter – prize selected by winner

Prizes include:

 - Preloaded Clipper Card (mass transit)
 - Gas Card (carpool)
 - Local Marin/Richmond bike shop gift certificate (tune up expenses)
- ✓ Emergency Ride Home (and other T.A.M. services)
- ✓ 511.org Ride Share Program

Questions?

