



Board of Directors Meeting

Wednesday, December 20, 2023

6:00 pm

In Person

The Lake Merritt Room
Cal State East Bay - the Oakland Center
In the Transpacific Centre
1000 Broadway, Suite 109
Oakland, CA 94607

Or from the following remote locations:

Wells Fargo Building - 2140 Shattuck Avenue, Floor 6, Berkeley, CA 94704
Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568
Conference Room, Irvington Community Center, 41885 Blacow Rd., Fremont,
CA 94538
Hayward City Hall, 4th Floor 777 B St, Hayward, CA 94541
421 El Camino Real, San Bruno, CA, 94066
Four Points by Sheraton Ventura Harbor (Lobby) 1050 Schooner Drive Ventura, CA
93001
Rose City Coffee - 3370 SE Milwaukie Ave, Portland, OR 97202

Via Zoom:

<https://ebce-org.zoom.us/j/87023071843>

Dial(for higher quality, dial a number based on your current location): US: +1 669 900
6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205 6099 or +1 301 715 8592
or 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)

Webinar ID: 870 2307 1843

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 906-0491 or cob@avaenergy.org.

If you have anything that you wish to be distributed to the Board of Directors, please email it to the clerk by 5:00 pm the day prior to the meeting.

- 1. Welcome & Roll Call**
- 2. Pledge of Allegiance**

3. Public Comment

This item is reserved for persons wishing to address the Board on any Ava Community Energy-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to two minutes per speaker and must complete an electronic speaker slip. The Board Chair may increase or decrease the time allotted to each speaker.

CONSENT AGENDA

4. Approval of Minutes from November 15, 2023

5. Contracts Entered into (Informational Item)

6. CAC Member Reappointments and Guide updates

Consider approval of reappointments of interested, eligible members; transitioning Stockton's interim seat to San Joaquin Region seat; At-Large appointments (to be made by BOD instead of AC Mayors; or seats removed); vacancies filled annually (instead of 90 days) staggering CAC terms; administrative updates

7. FY 2023-2024 Q1 Financial Statements

Present the financial statements for the first quarter of the current fiscal year

8. Sixth Amendment to the CSA between Ava and Stantec

Request the Board delegate authority to Ava CEO to negotiate and execute a Sixth Amendment to the CSA

9. Amendment to Administrative Procurement Policy

Request the Board to approve an amendment to Ava's existing Administrative Procurement Policy

10. Amendment to Aiqueous Contract

Request the Board to approve a contract amendment to increase spend with AIQ for 2023-2024

11. New CSA between Ava and First Principles Advisory

Request the Board delegate authority to Ava CEO to negotiate and execute a CSA for IRP consulting services

12. 2024 Sponsorship of Oakland Roots and Soul

Request the Board delegate authority to Ava CEO to negotiate and execute a sponsorship agreement with the Oakland Roots and Oakland Soul professional soccer teams for the 2024 season

REGULAR AGENDA

13. CEO Report

14. CAC Chair Report

15. Board Member and Staff Announcements including requests to place items on future Board agendas

16. Closed Session

- Public Employee Performance Evaluation pursuant to Government Code § 54957:
Chief Executive Officer

17. General Report Out of Closed Session

18. Adjourn

The next Board of Directors meeting will be held on Wednesday, January 17, 2024 at 6:00 pm.

The Lake Merritt Room
Cal State East Bay - the Oakland Center
In the Transpacific Centre
1000 Broadway, Suite 109
Oakland, CA 94607



Draft Minutes

Board of Directors Meeting

Wednesday, November 15, 2023

6:00 pm

In Person

The Lake Merritt Room
Cal State East Bay - the Oakland Center
In the Transpacific Centre
1000 Broadway, Suite 109
Oakland, CA 94607

Or from the following remote locations:

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4260 Halleck St., Emeryville, CA 94608
Conference Room 4A - Hayward City Hall 777 B Street, Hayward CA 94541
1755 Harvest Landing Lane, Tracy, CA 95376
Omni Hotel Lobby - 100 CNN Center, Atlanta, GA 30303

Via Zoom:

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1. Welcome & Roll Call

Present: Directors: Tiedemann (Albany), Hu (Dublin), Bauters (Emeryville), Roche (Hayward), Barrientos (Livermore), Jorgens (Newark), Kalb (Oakland), Andersen (Piedmont), Wright (Stockton), Bedolla (Tracy), Patino (Union City), Vice-Chair Balch (Pleasanton) and Chair Marquez (Alameda County)

Excused: Directors: Bartlett (Berkeley), Cox (Fremont), Gonzalez (San Leandro) and Eldred (Community Advisory Committee)

Member Barrientos (Oakland) joined the meeting at 6:11pm

2. (1:14) Pledge of Allegiance

Chair Marquez led the body in the Pledge of Allegiance.

3. (1:52) Public Comment

This item is reserved for persons wishing to address the Board on any Ava Community Energy-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to two minutes per speaker and must complete an electronic speaker slip. The Board Chair may increase or decrease the time allotted to each speaker.

There was no public comment.

CONSENT AGENDA

4. Approval of Minutes from October 18, 2023

5. Contracts Entered into (Informational Item)

6. Consulting Service Agreement for NV5, Inc.

Seeking Board approval for CSA contract for professional Engineering consulting services from NV5

7. Longroad Sun Pond Contract Approval

Seeking Board Approval to execute contract with Sun Pond LLC; contract was originally approved in Feb 2023

(2:45) Member Wright motioned to approve the Consent Agenda. Member Tiedemann seconded the motion which was approved 12/0/4.

Yes: Members: Tiedemann, Hu, Bauters, Roche, Jorgens, Kalb, Andersen, Wright, Bedolla, Patino, Vice-Chair Balch and Chair Marquez

Excused: Members: Bartlett, Cox, Barrientos, Gonzalez

REGULAR AGENDA

8. (4:40) CEO Report

The key points of CEO Chaset's CEO Report included:

CEO Chaset discussed the progress on Ava's solar billing plan proposal, also known as Net Energy Metering 3.0. He mentioned ongoing discussions and meetings with the California Solar and Storage Association to align on implementation and design strategies.

CEO Chaset also discussed the development of workforce guidelines and policies, an item first brought up in a previous meeting. He stated that Ava is working closely with environmental and labor groups to reach a strong consensus and present a draft to the Board.

CEO Chaset provided a 2023 procurement update. He stated that due to 2023 being a very wet year, Ava experienced an over-delivery of large hydro and an under-delivery of solar energy. This resulted in Ava exceeding its overall carbon-free energy targets by more than 10%, but with a slight shortfall in renewable energy levels. This scenario could lead to a better financial position for Ava, with potential implications for the allocation of surplus funds.

Lastly, CEO Chaset mentioned that in January 2024, the Board will discuss the budget update and decide on the allocation of excess funds. Historically, excess funds have been split between purchasing long-term renewables and customer bill credits. However, future discussions may explore different allocation options, such as incentives for solar energy.

(16:02) Vice-Chair Balch asked if Ava had previously fallen below its renewable energy targets. CEO Chaset confirmed that while Ava had exceeded its targets in three of the first four years of operations, it did fall below the 5% threshold once in a single year. CEO Chaset further explained that for the current year, although Ava is above the carbon-free target due to high hydro deliveries, it is slightly below the renewable target, which could result in a significant reduction in carbon content and a potential net income increase due to lower renewable deliveries.

(19:43) Member Kalb asked CEO Chaset about Ava's renewable energy targets compared to PG&E. Chaset confirmed that Ava's renewable energy quantity is above the Renewable Portfolio Standard (RPS) requirement and more than 5% above PG&E's requirement. Member Kalb also asked if meetings with the California Solar and Storage Association (CalSSA) regarding the net billing tariff (NEM 3.0) were productive, to which CEO Chaset said yes.

(22:21) Chair Marquez confirmed with CEO Chaset that the decision on allocating additional funding will return to the board for further discussion, with an updated forecast and direction on setting the waterfall expected in January.

(23:47) Public Comment – Jessica Tovar criticized the proposed 50/50 split of \$4.75 million for building credits as inequitable and unethical, noting it disproportionately benefits commercial and municipal accounts over residential ones. Jessica Tovar emphasized the community's need for investment in resilience hubs and microgrids for energy resilience, and advocated for environmental justice, local hiring, the creation of fair-wage clean energy jobs and the reinvestment of Ava's earnings back into the community.

9. (27:30) CAC Chair Report

The CAC Chair Report was not given at this time. The CAC Chair Report was given at 1:55:28.

10. (28:15) Audited Financial Statements for FY 2022-2023 (Informational Item)

Present and review the results of the FY 2022-23 audited financial statements

(36:05) Vice-Chair Balch asked about significant areas of potential management judgment risk. Auditor Bradford identified the allowance for doubtful accounts as a key area. He also noted, however, that no impaired assets were identified.

(39:30) Chair Marquez questioned the need for board action on the audit. Counsel Khalsa and CEO Chaset clarified that the audit is usually accepted as an informational item and did not require formal board approval.

11. (43:08) FY 2022-2023 Budget Surplus and Reserve Allocation (Action Item)

Confirm and approval allocation of budget surplus

(51:37) Member Roche sought clarification on whether the board was merely receiving information on an action item set by an earlier policy. CEO Chaset confirmed that while the board had previously set the direction, the current discussion was to present the outcomes and confirm the board's understanding of the audit results and their implications based on the policy set in June 2022.

(52:28) Vice-Chair Balch inquired about the use of funds allocated for long-term renewable investments. CEO Chaset explained that these funds, potentially amounting to \$10.5 million, would be used to make economically viable projects, which might not be cost-effective under usual circumstances.

(59:47) Member Kalb inquired about Ava Community Energy's reserve levels. CEO Chaset clarified that Ava's reserves were below the 27% ratio against their operating budget. CEO Chaset further explained that Ava's policy, aligned with industry standards and recommendations from rating agencies, is to maintain reserves at 50% of the operating budget, a standard adopted by most Community Choice Aggregators.

(1:01:33) Member Bedolla inquired about the retention of local development funds. CEO Chaset explained that these funds are unevenly deployed, with some being reserved for future projects like charging stations. CEO Chaset confirmed that a discussion in January would provide indicative numbers for the fiscal year, which would be adjusted based on actual figures and the board's direction on fund allocation.

There was no public comment for this item.

(1:05:36) Member Bauters motioned to approve the staff recommendation.

Member Wright seconded the motion, which was approved 13/0/3.

Yes: Members Tiedemann, Hu, Bauters, Roche, Barrientos, Jorgens, Kalb,

Andersen, Wright, Bedolla, Patino, Vice-Chair Balch and Chair Marquez

Excused: Bartlett, Cox and Gonzalez

12. (1:08:24) Levine Act (Informational Item)

Summary of Levine Act

(1:32:49) Member Bauters expressed concern that the Levine Act potentially provides a “lack of knowledge about funding sources” excuse to exempt public officials from the law’s stipulations. Counsel Khalsa acknowledged this perspective and advised that, despite the law’s provisions, it would be prudent and less risky for public officials to actively know their contributors to avoid any potential legal issues or misunderstandings.

(1:34:32) Member Kalb requested a list of energy companies that Ava Community Energy has dealt with or considered, which are relevant to the law, in the past 12 months or upcoming. CEO Chaset responded by acknowledging the complexity of providing a comprehensive list but agreed to follow up on the contracts with those companies. CEO Chaset suggested that staff will discuss the applicability of the law to the contracts they have entered into and then disclose this information to board members.

13. (1:37:48) SunZia Project Expansion (Action Item)

Seeking Board Approval to increase the size of the SunZia project agreement

Marie Fontenot, leading the Power Resources team at Ava, presented the item.

(1:49:52) Public Comment: Jessica Tovar from the East Bay Clean Power Alliance emphasized concerns about the procurement of out-of-state energy, stating that it does not provide local jobs within the territory. Jessica Tovar advocated for more local energy production to minimize energy loss and eliminate the need for distant transmission. She also emphasized the importance of local energy projects for workers in California.

(1:54:11) Member Wright motioned to approve staff’s recommendation. Member Barrientos seconded the motion, which was approved 13/0/3.

Yes: Members Tiedemann, Hu, Bauters, Roche, Barrientos, Jorgens, Kalb,

Andersen, Wright, Bedolla, Patino, Vice-Chair Balch and Chair Marquez

Excused: Bartlett, Cox and Gonzalez

(1:55:28) Return to Item 9: CAC Chair Report

CAC Vice-Chair Hernandez delivered the CAC Chair Report. The CAC met on Monday, November 6, and discussed various issues and received public comments.

Vice Chair Hernandez stated that the CAC received public comments asking for status updates about the \$15 million grant, the building purchase and unspent local development funds. Additional concerns included the need for more information on rates for commercial and industrial customers, special rates for small local businesses, and a correction to a press release.

Vice-Chair Hernandez reported that some CAC members expressed concerns that not all Ava Community Energy shwag included the full "Community Energy" branding.

The Vice-Chair stated that the committee reviewed the workforce guidelines and policy, including a letter signed by about 50 organizations advocating for environmental justice considerations in project development.

Vice-Chair Hernandez reported that the CAC discussed the Budget Surplus and Reserve Allocation. The CAC showed support for the staff recommendation with five members in favor and three abstaining.

(1:58:27) Public Comment: Jessica Tovar expressed disappointment that the name "Community Energy" was not consistently used in the branding and materials of Ava Energy. She noted that the previous logo and name clearly indicated a focus on clean energy, which she feels is now less apparent. Additionally, Jessica Tovar shared her confusion upon encountering a website named AvaEnergy.com, which she initially thought was the agency's website but then realized it was not. This experience led her to suggest that using "AvaCommunityEnergy.org" would have been a preferable choice for the agency's website to avoid such confusion, and she anticipates others might face similar issues differentiating between ".org" and ".com" domains.

14. (2:00:11) Board Member and Staff Announcements including requests to place items on future Board agendas

There were no Board Member or Staff Announcements.

15. (2:00:13) Executive Committee Closed Session

- Public Employee Performance Evaluation pursuant to Government Code § 54957: Chief Executive Officer

16. (3:08:02) General Report Out of Closed Session

There were no items to report out of Closed Session.

17. Adjourn at 9:08pm

The next Board of Directors meeting will be held on Wednesday, December 20, 2023 at 6:00 pm.



Consent Item 5

TO: Ava Community Energy Board of Directors
FROM: Nick Chaset, Chief Executive Officer
SUBJECT: **Contracts Entered Into**
DATE: December 20, 2023

RECOMMENDATION

Accept the CEO's report on contracts that EBCE has entered into, as required by the Administrative Procurement Policy from November 8, 2023 to December 12, 2023;

C-2023-126 Channing Street Copper Company Induction Cooking Education and Awareness Grant, investment grant of up to \$300,000 over two years for the purposes of accelerating clean energy investments that enhance workforce development, promote stronger local economic activity, and increase community resilience.

C-2023-127 Valley Clean Energy Consulting Services Agreement, Ava is providing consulting services to VCE to support data analytics, where Ava will be compensated \$7,500 for initial setup fee and \$2,500 per upload, with the term through December 31, 2024.

C-2023-128 Red Oak Engineering and Second Amendment to the CSA, increases the compensation by \$27,500 for a total not-to-exceed of \$112,500 and extends the term through February 29, 2024, with the option to extend through June 30, 2023.

C-2023-129 Langan Engineering and Environmental Services Consent to Assignment, changes Langan's legal entity name for CSA, assigning scope to the new entity.

Previously unreported;

C-2022-134 Sacramento Municipal Utilities District (SMUD) Amendment No. 12 to Exhibit A, Task Order 2, adds note to CAPP priority group 3B recipients accounts.

C-2022-135 Sacramento Municipal Utilities District (SMUD) Amendment No. 14 to Exhibit A, Task Order 2, analyzes 2022 CAPP eligible population as of August 31, 2022.

C-2022-136 Sacramento Municipal Utilities District (SMUD) Amendment No. 15 to Exhibit A, Task Order 2, provides reward/incentive to customers to sign up for and participate in a pilot program for managed charging of Tesla's.



Consent Item 6

TO: Ava Community Energy Board of Directors

FROM: Alex DiGiorgio, Public Engagement Manager

SUBJECT: **Community Advisory Committee (CAC) Member Reappointments and Guide Updates**

DATE: December 20, 2023

Recommendation

Receive staff report on member reappointments and [CAC Guide](#) updates. Consider approving the following:

- 1) **The reappointment of current, eligible CAC members who have confirmed their interest in being reconsidered to serve an additional term (please see Table 2 below), and updating eligibility qualifications to include a six-month 'grace period' for residency within Ava service area;**
- 2) **Updating the [CAC Guide](#) as follows:**
 - a) **CAC Service Area Region seat allocations:** The CAC's San Joaquin Service Area Region gains an additional, allocated seat (via the transition of Stockton's interim CAC seat), while the South Service Area Region loses one;
 - b) **At-Large appointments:** The CAC's two (2) At-Large member appointments will be administered by Ava's Board of Directors (instead of the Alameda County Mayors' Conference), with a limit of two consecutive terms per member/Service Area Region;
 - c) **Vacancy appointment timeline:** Vacancies on the CAC will be filled on an annual basis (instead of within 90 days), from the time the vacancy occurs, unless required to achieve quorum;
 - d) **Staggering CAC member terms:** CAC member terms will be staggered, so individual seat appointment cycles occur every other year; and

- e) Administrative updates: Updates corresponding to Ava staff contacts, the six-month residency 'grace period,' and previously approved Board decisions (e.g., the Ava Community Energy brand change, CAC member stipends, etc.)

Pending Board approval, approximately half of the CAC seats will be assigned to be one- or two-year terms, to stagger the Committee members' appointment timeline. Current members whose seats are assigned a one-year term will be eligible to serve for an additional two-year term.

Ava staff is presently preparing to administer a CAC application and appointment process in Q1 2024 to fill vacant seats. Additional considerations regarding the CAC structure (e.g., creating seats for specific constituencies and/or interest groups) or additional updates to the Guide can be addressed after the newly (re)appointed CAC members begin serving their new terms.

Background and Discussion

On October 21, 2020, the Board of Directors [approved updates to the CAC Guide and Appointment process](#). These updates were made to provide proper representation and engagement of the CAC, particularly given the inclusion of Ava's new communities in the cities of Newark, Pleasanton, and Tracy. The updates included the following structural changes: the addition of three seats (increasing the CAC to twelve active seats, corresponding with the concept of "voting shares" in the JPA Agreement); configuring the apportionment of CAC seats to Ava Service Area Regions; appointing one Alternate for each Ava Service Area Region, for a total of five; and engaging the Mayors' Conference to appoint two at-large Members.

Since that time, the CAC has been composed of twelve active seats (Members)—ten of which represent specific Service Area Regions, and two of which serve as At Large members representing the entire service area—and five alternate seats (Alternates).

On June 21, 2023, the Board of Directors [approved a six month term extension for all current CAC Members and an interim seat for the City of Stockton](#). The purpose for this action was to provide staff with time to help the Board consider alternative committee structures to address the challenge of shifting seat allocations created by the addition of new jurisdictions to Ava's JPA territory.

Under the CAC's current structure, seats are distributed regionally across Ava's service area in Alameda and San Joaquin counties.¹ Each region is allocated its number of

¹The one exception is the Board's recent creation of the interim seat for the City of Stockton (referenced above) at the June 21, 2023, meeting.

seats according to its approximate, cumulative electricity load. This corresponds to the JPA's allocation of Voting Shares votes among the Board of Directors (per [JPA Sec. 4.12.2 and Exhibit C](#)).

On August 30, 2023, an Ad Hoc committee of the Board was convened to consider adjusting the structure of the CAC to address the challenge of shifting seat allocations created by the addition of new jurisdictions to Ava's JPA and service area. Staff also consulted with individual Board members, who were unable to attend the Ad Hoc committee meeting. The recommendation of the Ad Hoc committee and individual Board members was to preserve the current regional CAC structure and allow the seat allocations to adjust accordingly. With the addition of Stockton to Ava's JPA, this results in the San Joaquin Service Area region gaining a CAC seat, and the South Service Area Region losing one. The Ad Hoc committee specifically recommended against restructuring the CAC to mirror the Board's structure of each jurisdiction having an individual seat/representative, as well as recommending against restructuring the CAC to be all At-Large seats. The Ad Hoc committee and individual discussions also addressed potential adjustments to the CAC's two At-Large seats. These adjustments included having the entire Ava Board make the two appointments (instead of the Alameda County Mayors' Conference, per the current CAC Guide); or to eliminate the two At-Large seats altogether, since they could undermine the balance achieved by the CAC's regional representation structure.

At the [September 20, 2023 Board meeting](#), there was general agreement among Board members to follow the recommendation of the Ad Hoc committee and maintain the CAC's current regional structure and corresponding reallocation of seats, resulting from Stockton's JPA membership. As such, staff recommends that the Board approve transitioning Stockton's Interim CAC seat to an additional allocated seat for the San Joaquin Service Area Region. This update will also serve to support representation from the City of Lathrop, which became an Ava JPA member by a unanimous vote of the Board at the same September 20th meeting. Staff is currently awaiting certification from the California Public Utilities Commission (CPUC) regarding Lathrop's JPA membership and start of Ava service. The CPUC has until December 27, 2023 to respond. Once certification is received from the CPUC, the City of Lathrop will also be entitled to a seat on Ava's Board of Directors.

At the [December 6, 2023 Executive Committee](#) meeting, there was general agreement among the members to follow the recommendations expressed at the September Board meeting and Ad Hoc committee meeting to maintain the CAC's current regional structure and corresponding reallocation of seats. The Executive Committee's additional

feedback and recommendations regarding the CAC reappointments and Guide updates are included below.

Recommendation 1: Approve reappointment of current, interested CAC members (listed on Table 2 below) and update eligibility qualifications to include six-month ‘grace period’ for residency within Ava service area

The CAC currently has eleven members serving. One member in the East Service Area Region has indicated to staff they will not seek reappointment, meaning the seat will become vacant in January 2024. One At-Large member initially declined to be considered for reappointment due to scheduling challenges but has since expressed interest (as recently as December 11, 2023) pending their ability to adjust their schedule. All five Alternate seats are currently vacant. Below is a table with the current structure, seat allocation, and membership of the CAC:

Table 1: Current CAC seat allocation and membership

Ava Service Area Region	Current CAC Seat Allocation	Current Alternate Seat Allocation
NORTH Albany, Berkeley, Oakland, Emeryville, and Piedmont	3 - Anne Olivia Eldred, Chair - Cynthia Landry - Lisa Hu	1 [Open]
EAST Dublin, Livermore, and Pleasanton	1 - Joel Liu [seat WILL become OPEN in January 2024]	1 [Open]
SOUTH Fremont, Union City, and Newark	2 - Shiva Swaminathan - Vijay Lakshman	1 [Open]
CENTRAL Hayward, San Leandro, and Alameda County Unincorporated	2 - Ernie Pacheco - Lorraine “Mickey” Souza	1 [Open]
SAN JOAQUIN COUNTY Tracy, Stockton, Lathrop	1 - Harman Ratia	1 [Open]
STOCKTON (interim)	1 [Appointment pending]	N/A
At-Large	Ed Hernandez [seat MAY become OPEN in January 2024]	N/A
At-Large	Jim Lutz	N/A

The following CAC members have confirmed to Ava staff their interest in reappointment:

Table 2: List of current CAC members seeking reappointment

CAC Member	Service Area Region	Community of Residence w/in Ava Service Area
Anne Olivia Eldred (Chair)	North	[Oakland] ²
Cynthia Landry	North	Oakland
Lisa Hu	North	Oakland
Shiva Swaminathan	South	Fremont
Vijay Lakshman	South	Fremont
Ernesto Pacheco	Central	Hayward
Lorraine “Mickey” Souza	Central	Hayward
Harman Ratia	San Joaquin	Tracy
Jim Lutz	At Large	Oakland
Ed Hernandez	At Large	San Leandro

CAC Membership Eligibility

According to the current [CAC Guide](#), qualifications for membership eligibility are defined as follows:

“Qualifications

EBCE service area resident or shall have owned or actively operated a business in [Ava’s] service area for a period of at least 5 years prior to appointment and shall do so for the entire period of appointment. Applicants will be considered with an interest in maintaining diversity of representation by geography, population, work experience and community.” (italics added)

Staff recommends the Board implement the Executive Committee’s feedback to update the CAC’s membership eligibility criteria to allow for a six-month ‘grace period’ when a member no longer resides within Ava’s service area. In effect, CAC members who move out of Ava’s service area may remain on the CAC if they return to living in the service area within six months.

Recommendation 2: CAC Guide updates

Recommendation 2(a) — Update CAC Service Area Region seat allocations: The CAC’s San Joaquin Service Area Region gains an additional, allocated seat (via the transition of Stockton’s interim CAC seat)

² Chair Eldred has informed Ava staff she currently resides outside of Ava’s service area, but has plans to return to an Oakland-based residence in late December 2023. Staff can coordinate with Chair Eldred to confirm her residency within the service area is complete within the six-month ‘grace period’ recommended by the Executive Committee at its meeting on December 6, 2023.

Pending Board approval, the CAC’s structure and seat allocations are summarized in the table below.

Table 3: Proposed CAC seat allocation w/Stockton and Lathrop included in JPA

Region	Member Jurisdictions	New JPA Vote Share	CAC Seat Allocation	Alternate Seat Allocation
North	Albany, Berkeley, Oakland, Emeryville, Piedmont	27.7%	3	1
East	Dublin, Livermore, Pleasanton	12.8%	1	1
South	Fremont, Union City, Newark	20.1%	2	1
Central	Hayward, San Leandro, Unincorporated AlCo	18.5%	2	1
San Joaquin County	Tracy, Stockton, Lathrop	20.9%	2	1
At-Large	All		1	
At-Large	All		1	
		100%	12	5

Recommendation 2(b) — At-Large member appointments: The CAC’s two (2) At-Large member appointments will be administered by Ava’s Board of Directors (instead of the Alameda County Mayors’ Conference), with a limit of two consecutive terms per member/Service Area Region in each seat

According to the current [CAC Guide](#), the CAC’s two At-Large members are to be appointed by the Alameda County Mayor’s Conference. Staff recommends changing the appointment process to be administered by Ava’s Board of Directors, like the rest of the CAC members.

The reasons behind this recommendation are both procedural and substantive. Procedurally, it has proven difficult for Ava’s staff to coordinate and align schedules with the Mayors’ Conference to make timely appointments. Substantively, with the inclusion of more San Joaquin County communities within Ava’s Joint Powers Authority and service area (e.g., the cities of Stockton and Lathrop), the Alameda County Mayors represent fewer jurisdictions served by the agency. By transitioning the CAC’s At-Large member appointments from the Mayors to the Board of Directors, the Committee’s operations and community representation will both be improved.

Alternatively, the two At-Large seats could be removed from the CAC entirely, which was a suggestion raised in previous discussions among Ava Board members, during the 8/30 Ad Hoc committee meeting and 9/20 Board of Directors meeting. Some Board members expressed concerns that the At-Large seats undermine the balance created by the CAC's regional structure (e.g. the At-Large seats would likely be filled by constituents from Oakland, since the City is larger than all other jurisdictions). However, at its December 6, 2023 meeting, the Executive Committee recommended preserving the At-Large seats, but limiting the members/Service Area Regions appointed to those seats to two (2) consecutive terms.

Recommendation 2(c) — Vacancy appointment timeline: Vacancies on the CAC will be filled on an annual basis (instead of within 90 days) from the time the vacancy occurs, unless required to achieve quorum

According to the current [CAC Guide](#), vacant CAC seats are to be filled within ninety (90) days from the time a vacancy is announced. Based on staff's experience organizing previous CAC member appointments, ninety days is an insufficient amount of time to effectively coordinate, communicate, and complete this process. Also, filling vacancies requires additional time from Board members to make the regional nominations and appointments. As such, staff recommends that vacancies be filled on an annual basis, if/when there are no longer Alternates to fill the vacant seats. If vacancies must be filled to achieve a quorum, appointments can be made sooner.

To date, all but one of the CAC's vacancies have been addressed by immediately appointing the regional alternate to fill the seat (per the CAC Guide). However, at this time, all five Alternate seats are now vacant. Ava staff is currently organizing a new appointment process to fill these seats. This process is planned for completion in February 2024.

Recommendation 2(d) — Staggering CAC member terms: CAC member terms will be staggered so that individual seat appointment cycles occur every other year

Currently, there is no provision in the [CAC Guide](#) to stagger the terms of CAC members. This risks having a complete turn-over of seats after any given term. Staff recommends staggering the terms, so approximately half of the seats' terms finish during even numbered years (e.g., 2024) and the other half in odd numbered years (e.g., 2025).

Pending Board approval, approximately half of the CAC seats will be assigned to be one- or two-year terms in 2024, to stagger the CAC members' appointment timelines. Current members, whose seats are assigned a one-year term, will be eligible to serve for an additional two-year term. It is recommended that we ask for members to volunteer for the one-year terms, then expand selection as needed.

Recommendation 2(e) — Administrative updates: Updates corresponding to staff contacts, the six-month residency ‘grace period’, and previously approved Board decisions

Lastly, staff recommends making straightforward administrative updates to the CAC Guide. These include updates related to staff contact information, as well as those needed to reflect decisions previously made by the Board since the CAC Guide was last updated (e.g. the agency name brand/name transition from EBCE to Ava Community Energy, member stipends, etc.).

Fiscal Impact

There is no new fiscal impact to approving the reappointment of eligible CAC members. The current CAC stipend budget is \$20,400, which includes the stipend to be paid to Stockton’s appointee, once their appointment is finalized. Current stipends are \$123.55 per meeting, which amounts to approximately \$1,400 per year per member, if members attend eleven meetings (i.e., one meeting per month, less the August recess).

Committee Recommendation

The Ad Hoc committee of the Board of Directors, which convened on August 30, 2023, recommended preserving the current regional CAC structure and allowing the seat allocations to adjust accordingly. With the addition of the cities of Stockton and Lathrop to Ava’s JPA, this results in the San Joaquin Service Area region gaining a CAC seat, and the South Service Area Region losing one.

On September 20th, 2023, the Board of Directors discussed the Ad Hoc committee’s recommendations, expressed general agreement with them, and asked staff to return to the Board for action on recommended next steps.

On December 6, 2023, the Executive Committee endorsed the following recommendations:

1) Approve the reappointment of current, interested CAC members (listed on Table 2 above) and update eligibility qualifications to include six-month ‘grace period’ for residency within Ava service area; and

2) Update the [CAC Guide](#) as follows:

- a. CAC Service Area Region seat allocations: The CAC’s San Joaquin Service Area Region gains an additional, allocated seat (via the transition of Stockton’s interim CAC seat), while the South Service Area Region loses one (Table 3 above);
- b. At-Large appointments: The CAC’s two (2) At-Large member appointments will be administered by Ava’s Board of Directors (instead of

- the Alameda County Mayors' Conference), with a limit of two consecutive terms per member/Service Area Region;
- c. Vacancy appointment timeline: Vacancies on the CAC will be filled on an annual basis (instead of within 90 days) from the time the vacancy occurs, unless required to achieve quorum;
 - d. Staggering CAC member terms: CAC member terms will be staggered, so individual seat appointment cycles occur every other year; and
 - e. Administrative updates: Updates corresponding to Ava staff contacts, the six-month residency 'grace period,' and previously approved Board decisions (e.g., the Ava Community Energy brand change, CAC member stipends, etc.)

Attachment

- A. A Resolution to Authorize Community Advisory Committee Reappointments and Update the Eligibility Qualifications to Include a Six-Month 'Grace Period' for Residency within Ava Service Area, and to Update the Community Advisory Committee Guide to Allocate a Seat to the San Joaquin Service Area, to Make Future At-Large Member Appointments, to Fill Vacancies Annually, to Stagger the Appointment of Seats, and Make Administrative Updates Related to Ava Staff Contacts, the Six-Month Residency 'Grace Period,' and Previously Approved Board Decisions.

RESOLUTION NO. R-2023-xx

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY TO AUTHORIZE COMMUNITY ADVISORY COMMITTEE REAPPOINTMENTS AND UPDATE ELIGIBILITY QUALIFICATIONS TO INCLUDE SIX-MONTH 'GRACE PERIOD' FOR RESIDENCY WITHIN AVA SERVICE AREA, AND TO UPDATE THE COMMUNITY ADVISORY COMMITTEE GUIDE TO ALLOCATE A SEAT TO THE SAN JOAQUIN SERVICE AREA, TO MAKE FUTURE AT-LARGE MEMBER APPOINTMENTS, TO FILL VACANCIES ANNUALLY, TO STAGGER THE APPOINTMENT OF SEATS, AND TO MAKE ADMINISTRATIVE UPDATES RELATED TO STAFF CONTACTS AND PREVIOUSLY APPROVED BOARD DECISIONS

WHEREAS The Ava Community Energy Authority ("Ava") was formed as a community choice aggregation agency ("CCA") on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The city of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The city of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS the Board of Directors approved the Community Advisory Committee ("CAC") Guide and Appointment Process ("Guide") on November 10, 2019, which outlines the committee seats, qualifications, and appointment process;

WHEREAS when the Ava service territory expanded to include the City of Tracy in San Joaquin County in 2019, staff sought direction from the Executive Committee on suggested updates to the Guide language to include the new Ava service area, committee seat qualifications, and member term lengths;

WHEREAS at the October 21, 2020, meeting, the Board of Directors approved updates to the Guide language to include the new service area, assign seats based on Ava Service Area Regions, shorten current and future member terms to two (2) years, increase the size of the Committee Advisory Committee by two (2) additional at-large seats, allocate one (1) alternate seat for each planning area, and request the Mayors' Conference fill the two (2) at-large seats;

WHEREAS at the June 21, 2023, meeting the Board of Directors approved 1) the creation of an interim CAC seat for the city of Stockton; and 2) a six-month term extension through December 2023 for all eligible and interested CAC members currently serving at that time;

WHEREAS on August 30, 2023, an Ad Hoc committee of the Board of Directors convened to consider adjusting the structure of the CAC to address the challenge of shifting seat allocations created by the addition of new jurisdictions to Ava’s JPA and service area; and the recommendation of the Ad Hoc committee was to preserve the current, regional CAC structure and allow the seat allocations to adjust accordingly;

WHEREAS on September 20, 2023, the Board of Directors expressed general agreement to follow the recommendation of the Ad Hoc committee and maintain the CAC’s current regional structure and corresponding reallocation of seats resulting from Stockton’s JPA membership; and

WHEREAS on August 30, 2023, and September 20, 2023, the Ad Hoc committee and, subsequently, the Board of Directors considered adjustments to the CAC’s two (2) At-Large seats, which included 1) direct appointment by the Board of Directors instead of by the Alameda Mayors’ Conference; or 2) removing the At-Large seats from the CAC.

WHEREAS on December 6, 2023, the Executive Committee recommended 1) preserving the CAC’s two (2) At-Large seats, while limiting the members/Service Area Regions who serve in those seats to two (2) consecutive terms; and 2) providing CAC members who move out of Ava’s service area with a six month ‘grace period’ to return to living within the service area in order to maintain membership eligibility.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Board of Directors hereby authorizes the reappointments of the following current Community Advisory Committee Members:

Ava Service Area Region	Current Member
NORTH Albany, Berkeley, Oakland, Emeryville, and Piedmont	- Anne Olivia Eldred, Chair - Lisa Hu - Cynthia Landry
EAST Dublin, Livermore, and Pleasanton	- [OPEN]
SOUTH	- Shiva Swaminathan

Fremont, Union City and Newark	- Vijay Lakshman
CENTRAL Hayward, San Leandro, and Alameda County Unincorporated	- Lorraine Souza - Ernesto Pacheco
SAN JOAQUIN COUNTY Tracy, Stockton, and Lathrop	- Harman Ratia - [City of Stockton's appointee - TBD]
At-Large	- Jim Lutz
At-Large	- Ed Hernandez

Section 2. CAC members who move out of Ava's service area may continue serving on the CAC if they return and reestablish residency in the service area within six (6) months.

Section 3. In accordance with the CAC's regional seat allocation structure, the Board of Directors authorize the transition of the City of Stockton's interim seat to an additional, allocated seat of the San Joaquin Service Area Region, resulting in the South Service Area losing an allocated seat.

Section 4. To facilitate the efficient appointment of the CAC's At-Large members, and to ensure they represent Ava's growing service area in San Joaquin County, the CAC Guide will be updated so At-Large member appointments will be made by Ava's Board of Directors, instead of the Alameda County Mayors' Conference; and individual members/Service Area Regions may not serve more than two (2) consecutive terms;

Section 5. To fill vacant CAC seats in a timely and efficient manner, the CAC Guide will be updated to require vacancies be filled on an annual basis, unless required to achieve a quorum;

Section 6. To stagger the CAC's appointment cycle, approximately half of the Committee's seats will be assigned to be one (1)- or two (2)-year terms. Current members whose seats are assigned a one (1)-year term will be eligible to serve for an additional two (2)-year term.

Section 7. To reflect updates to Ava staff contacts and previous decisions by the Board of Directors, such as the name/brand transition from EBCE to Ava Community Energy, corresponding administrative updates will be made to the CAC Guide.

ADOPTED AND APPROVED this 20th day of December, 2023.

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board



Consent Item 7

TO: Ava Community Energy Authority

FROM: Jason Bartlett, Senior Finance Manager

SUBJECT: Fiscal Year 2023-2024 Q1 Financial Statements

DATE: December 20, 2023

Recommendation

Receive the Draft Financial Statements for the first quarter ending September 30, 2023 of the 2023-2024 fiscal year.

Background and Discussion

Ava's accountant prepares the quarterly financial statements after the close of each fiscal quarter. Ava's fiscal year starts on July 1st and ends on June 30th of each year.

The schedule of quarters ends on the following days:

- Q1: September 30
- Q2: December 31
- Q3: March 31
- Q4: June 30

In general, the accounting close of the fiscal quarter is 45 calendar days after the last day of the calendar quarter close date to allow transaction settlements to complete. The quarterly financial statements are generally released within 5 business days after the accounting close date.

The financial statements are shared with various counterparties, reporting entities, and other stakeholders upon release. Additionally, they are posted on Ava's website for the public to review.

Please note: These financial statements are titled as EBCE as this was the name Ava was conducting financial transactions under through the quarter being reported.

Committee Recommendation

The Finance, Administrative, & Procurement Subcommittee has approved these statements to be delivered to the Board of Directors as a consent item.

Attachments

- A. 2024-Q1 DRAFT EBCE Financial Statements



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
East Bay Community Energy Authority

Management is responsible for the accompanying financial statements of East Bay Community Energy Authority (a California Joint Powers Authority) which comprise the statement of net position as of September 30, 2023, and the related statements of revenues, expenses, and changes in net position, and the statement of cash flows for the three months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

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

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

Maher Accountancy

San Rafael, CA
October 27, 2023

EAST BAY COMMUNITY ENERGY AUTHORITY
STATEMENT OF NET POSITION
As of September 30, 2023

ASSETS

Current assets	
Cash and cash equivalents - unrestricted	\$ 380,098,086
Accounts receivable, net of allowance	105,757,337
Accrued revenue	53,276,729
Other receivables	1,065,622
Prepaid expenses	2,533,472
Deposits	431,584
Restricted cash	1,000,000
Total current assets	<u>544,162,830</u>
Noncurrent assets	
Unrestricted cash and cash equivalents in Rate Stabilization Fund	53,014,000
Deposits	930,901
Loan receivable	485,536
Capital assets:	
Land and construction-in-progress	9,386,864
Capital assets, net of depreciation	272,520
Total capital assets	<u>9,659,384</u>
Total noncurrent assets	<u>64,089,821</u>
Total assets	<u>608,252,651</u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	99,588,654
Accounts payable	2,246,975
Other accrued liabilities	6,647,977
User taxes and energy surcharges due to other governments	8,158,757
Security deposits - energy suppliers	2,411,100
Total current liabilities	<u>119,053,463</u>
Noncurrent liabilities	
Security deposits - energy suppliers	4,787,500
Total liabilities	<u>123,840,963</u>

DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	<u>53,014,000</u>
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NET POSITION

Investment in capital assets	9,659,384
Restricted for collateral	1,000,000
Unrestricted	420,738,304
Total net position	<u>\$ 431,397,688</u>

EAST BAY COMMUNITY ENERGY AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGE IN NET POSITION
Three Months Ended September 30, 2023

OPERATING REVENUES

Electricity sales, net	\$ 268,652,630
Liquidated damages	53,913
Grant revenue	56,231
Other operating revenues	164,839
Total operating revenues	<u>268,927,613</u>

OPERATING EXPENSES

Cost of electricity	192,651,303
Contract services	4,408,026
Staff compensation	3,969,983
Other operating expenses	922,075
Depreciation	27,737
Total operating expenses	<u>201,979,124</u>
Operating income (loss)	<u>66,948,489</u>

NONOPERATING REVENUES (EXPENSES)

Investment income	1,896,056
Financing expense	(103,133)
Nonoperating revenues (expenses), net	<u>1,792,923</u>

CHANGE IN NET POSITION

	68,741,412
Net position at beginning of period	<u>362,656,276</u>
Net position at end of period	<u><u>\$ 431,397,688</u></u>

EAST BAY COMMUNITY ENERGY AUTHORITY
STATEMENT OF CASH FLOWS
Three Months Ended September 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 249,231,357
Other operating receipts	299,984
Receipts of supplier security deposit	861,000
Payments to suppliers for electricity	(143,619,622)
Payments for other goods and services	(6,168,657)
Payments of staff compensation	(3,911,749)
Deposits and collateral paid	(287,621)
Tax and surcharge payments to other governments	(8,892,722)
Net cash provided (used) by operating activities	<u>87,511,970</u>

**CASH FLOWS FROM NON-CAPITAL
FINANCING ACTIVITIES**

Principal payments received on loan receivable	5,487
Financing expense payments	(103,133)
Net cash provided (used) by non-capital financing activities	<u>(97,646)</u>

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES**

Payments to acquire capital assets	<u>(92,699)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Investment income received	<u>1,741,228</u>
Net change in cash and cash equivalents	89,062,853
Cash and cash equivalents at beginning of period	<u>345,049,233</u>
Cash and cash equivalents at end of period	<u><u>\$ 434,112,086</u></u>

Reconciliation to the Statement of Net Position

Unrestricted cash and cash equivalents (current)	\$ 380,098,086
Restricted cash and cash equivalents (current)	1,000,000
Unrestricted cash and cash equivalents (noncurrent)	53,014,000
Cash and cash equivalents	<u><u>\$ 434,112,086</u></u>

EAST BAY COMMUNITY ENERGY AUTHORITY
(continued)
Three Months Ended September 30, 2023

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ 66,948,489
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	27,737
(Increase) decrease in:	
Accounts receivable	(21,558,679)
Market settlements receivable	807,102
Other receivables	(820,226)
Accrued revenue	(7,509,400)
Prepaid expenses	15,854,612
Deposits	(284,321)
Increase (decrease) in:	
Accrued cost of electricity	34,452,519
Accounts payable	(2,042,983)
Other accrued liabilities	24,806
Deferred revenue	692,235
User taxes due to other governments	754,079
Security deposits from energy suppliers	166,000
Net cash provided (used) by operating activities	<u>\$ 87,511,970</u>



Consent Item 8

TO: Ava Community Energy Authority

FROM: Zac Thompson, Senior Program Associate

SUBJECT: **Sixth Amendment to Consulting Services Agreement with Stantec for EV Charging Design Engineering Services**

DATE: December 20, 2023

Recommendation

Adopt a Resolution authorizing the CEO to negotiate and execute a Sixth Amendment to the Consulting Services Agreement between Ava Community Energy (“Ava”) and Stantec for electric vehicle (“EV”) charging design engineering services, to increase the compensation amount by \$150,000 for a total amount not to exceed \$550,000, and to update and expand the Scope of Work to include Electric Vehicle (“EV”) Design Engineering services for additional cities within Ava’s service territory.

Background and Discussion

Stantec was selected as Ava’s EV charging design engineering consultant through a competitive selection process. Stantec has provided services related to EV Design Engineering services to Ava for projects in several cities. Stantec was selected for their expertise, history of completing similar projects for other public agencies, a clear and detailed outline—both in breadth and depth—in response to the instructions as stated in the solicitation for written quotes, and cost estimate for completing the Scope of Work. In February of 2021, Ava’s CEO executed a Consulting Services Agreement (“CSA”) with Stantec for EV charging design engineering services. The CSA was amended five times, most recently in May 2023, all for the purposes of increasing the total compensation, expanding the scope of work, and to extend the termination date.

This proposed Sixth Amendment to the CSA with Stantec will increase the compensation amount to account for an increased number of EV charging projects and

extend the term. Ava is aiming to develop several more EV fast charging hubs, which will require Design Engineering services; thus, Ava staff seek to increase the not to exceed amount of this CSA by \$150,000 to account for the additional cost of these services, for a total compensation amount not to exceed \$550,000. Ava is also seeking to extend the term of the CSA to June 30, 2025 to account for the time it will take to develop these infrastructure projects.

Fiscal Impact

All program costs will be funded through the Local Development budget.

Attachments

- A) Resolution of the Board of Directors Authorizing the CEO to Negotiate and Execute a Sixth Amendment to the Consulting Services Agreement with Stantec

- B) Draft Sixth Amendment to the Consulting Services Agreement with Stantec

RESOLUTION NO. R-2023-XX
A RESOLUTION OF THE BOARD OF DIRECTORS
OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO
NEGOTIATE AND EXECUTE A SIXTH AMENDMENT TO THE CONSULTING
SERVICES AGREEMENT WITH STANTEC

WHEREAS The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The city of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The city of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Stantec was selected through a competitive selection process, and among the submissions received in response to a solicitation of written quotes, Stantec was selected as the most qualified consultant to provide electric vehicle charging infrastructure design engineering services to Ava; and

WHEREAS in February 2021, the CEO executed a Consulting Services Agreement with Stantec for electric vehicle (“EV”) charging infrastructure design engineering services, and the Consulting Services Agreement has been amended five times, most recently, in May 2023. The prior amendments to the Agreements added additional compensation, expanded the Scope of Work, and extended the termination date; and

WHEREAS Ava seeks to develop several more EV fast charging hubs, which will require increasing the total amount of compensation of the Agreement by \$150,000 to account for the additional cost of these services, and to extend the term of the Agreement to June 30, 2025, to account for the time it will take to develop these infrastructure projects.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The CEO is hereby authorized to negotiate and execute a Sixth Amendment to the Consulting Services Agreement with Stantec for EV charging design engineering services for the purpose of expanding the scope of work, extending the term of the Agreement to June 30, 2025, and increasing the total compensation by \$150,000, for a total amount not to exceed \$550,000. This Agreement will be approved as to form by the General Counsel.

ADOPTED AND APPROVED this 20th day of December 2023.

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

Sixth Amendment to Consulting Services Agreement by and Between Ava Community Energy Authority and Stantec Consulting Services

This Sixth Amendment to the Agreement with Stantec Consulting Services for Consulting Services (“Sixth Amendment”) is made this 20th day of December, 2023, by and between the Ava Community Energy Authority, a Joint Powers Agency formed under the laws of the State of California (“Ava”) and Stantec Consulting Services, a New York corporation (“[Stantec]”), for the purposes of adding additional compensation, adding additional services to the scope, extending the termination date, and updating the hourly rates of compensation.

Recitals

- A. Ava and Stantec entered into that certain Consulting Services Agreement dated February 1st, 2021 (“Agreement”), wherein Stantec agreed to provide engineering Services to Ava, with compensation not to exceed \$8,900.
- B. Ava and Stantec entered into that certain First Amendment to the Consulting Services Agreement on June 4, 2021 to add additional compensation, increasing the not-to-exceed amount by \$11,100 to cover additional services of electrical engineering, civil engineering, and project management services for a total amount not to exceed \$20,000, to update the scope of services, to extend the term through December 31, 2021.
- C. Ava and Stantec entered into that certain Second Amendment to the Consulting Services Agreement on January 20, 2022 to add additional compensation, increasing the not-to-exceed amount by \$29,000 to cover additional services of electrical engineering, civil engineering, and project management services for a total amount not to exceed \$49,999, and to extend the term through December 31, 2022.
- D. Ava and Stantec entered into that certain Third Amendment to the Consulting Services Agreement on May 1, 2022, to add additional compensation, increasing the not-to-exceed amount by \$50,000 to cover additional services of electrical engineering, civil engineering, and project management services for a total amount not to exceed \$99,999, and to extend the term through June 30, 2023.
- E. Ava and Stantec entered into that certain Fourth Amendment to the Consulting Services Agreement on June 16, 2022 to add additional compensation, increasing the not-to-exceed amount by \$150,001 for a total amount not to exceed \$250,000.
- F. Ava and Stantec entered into that certain Fifth Amendment to the Consulting Services Agreement on May 17, 2023, to add additional compensation, increasing the not-to-exceed amount by \$150,000 to cover additional services of electrical engineering, civil engineering, and project management services for a

total amount not to exceed \$400,000, and to extend the term through December 29, 2023.

- G. On October 24, 2023, East Bay Community Energy Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.
- H. Ava and Stantec now desire to amend the Agreement to add additional compensation, increasing the not-to-exceed amount by \$150,000 for a total amount of \$550,000 and to update and expand the scope of work to include the Electric Vehicle ("EV") Design Engineering services for additional cities in Ava's service territory, and extend the term to June 30, 2025.

Now therefore, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 2 of the Agreement ("Term") is amended to extend the term of the Agreement through June 30, 2025.
2. Section 6 of the Agreement ("Compensation and Payment") is amended in part to increase the total compensation of the Agreement by \$150,000 for a total amount not to exceed five hundred and fifty thousand dollars (\$550,000).
3. Exhibit A ("Scope of Work") of the Agreement is replaced in its entirety by Exhibit A, attached hereto.
4. Exhibit B ("Schedule") of the Agreement is replaced in its entirety by Exhibit B, attached hereto.
5. Exhibit E ("Compensation/Budget") of the Agreement is replaced in its entirety by Exhibit E, attached hereto.
6. All other terms and conditions in the Agreement not otherwise modified by this Sixth Amendment will remain in full force and effect.

In witness whereof, the Parties have entered this Amendment on the date written above.

Ava Community Energy Authority,
A Joint Powers Authority

Stantec,
A New York Corporation

Nick Chaset
Chief Executive Officer

David Kennedy
Title:

Date:

Date: _____

Approved as to form:

Name: Wicus Postma
Principal

Date: _____

Ava General Counsel

Exhibit A

Scope of Work

General Design and Engineering

Stantec will provide general design and engineering services on behalf of Ava on future Electrical, Civil, and Structural Engineering

Stantec will provide electrical, civil, and structural engineering, as well as project management services for the feasibility assessments of the power service and reconfiguration of the parking stalls related to the installation of the EV Charging Stations at approximately 10-15 locations across Ava's service area.

Stantec's tasks will include, but not be limited to, the following:

projects related to public DC fast charging and municipal fleet charging, including attending meetings with Ava and their affiliated municipalities and to advise on project design.

- PG&E Applications
 - PG&E pre-assessments, including applications for new service
 - PG&E Estimates
 - Overall Project Management/coordination
 - Client calls
- Develop Issue for Bid Documents
 - Electrical plan set
 - Civil plan set
 - QA/QC
 - Specifications
 - Project management/coordination
- Develop electrical Opinion of Probable Construction Cost
- Develop working drawings, specifically single line diagrams and site plans
- Develop and provide CAD files for each project
- Review and assist with comments on PG&E Design drawings
- Coordinate with Ava staff and Ava's DC fast charging project developer on project design questions and potential modifications

DRAFT

Exhibit B

Schedule

Milestones and deliverables to be scheduled as directed by EBCE.

DRAFT

DRAFT

Exhibit E**Compensation/Budget**

The maximum compensation under this Agreement is not to exceed \$550,000. Compensation will be based on the following rates;

Staff Classification	Rate
Project Manager	\$228/hr
Engineer	\$199/hr
Designer	\$165/hr
Drafter	\$147/hr
Clerical	\$147/hr

DRAFT



Staff Report Item 9

TO: Ava Community Energy Authority

FROM: Howard Chang, Chief Operating Officer

SUBJECT: Amend Administrative Procurement Policy

DATE: December 20, 2023

Recommendation

Adopt a Resolution to amend the Administrative Procurement Policy.

Background and Discussion

On February 7, 2018, the Board of Directors approved a Resolution adopting an Administrative Procurement Policy. The policy was most recently amended and restated on June 21, 2023. Staff worked with General Counsel to make necessary and appropriate changes to the policy.

This Amendment clarifies the following:

- Memorializes the name change to Ava Community Energy throughout the document,
- Amends Section IX removing references to signing authority related to Power Purchase Agreements, as this is governed by a separate Policy, the Risk Management Policy, and
- Includes additional language on competitive bidding and prevailing wages related to Public Works Projects in two sections.

Fiscal Impact

There is no anticipated fiscal impact associated with these amendments.

Committee Recommendation

Ava's Energy Risk Oversight Committee approved staff proposed transaction authorities for power in August 2023. The Administrative Procurement Policy needs to be amended to ensure consistency.

Attachments

- A. Resolution to Amend the Administrative Procurement Policy
- B. Amended and Restated Procurement Policy (with redline changes from previous version)
- C. Amended and Restated Procurement Policy (Clean)

RESOLUTION NO. R-2023-XX
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE AVA COMMUNITY ENERGY AUTHORITY TO ADOPT AN AMENDED AND
RESTATED ADMINISTRATIVE PROCUREMENT POLICY 1.10

WHEREAS The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The city of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The city of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Ava seeks to amend various sections of the Administrative Procurement Policy;

WHEREAS on February 7, 2018, the Board approved an Administrative Procurement Policy. On March 18, 2022, the Board approved an Amended and Restated Administrative Procurement Policy 1.8. On June 21, 2023, the Board approved an Amended and Restated Administrative Procurement Policy 1.9; and

WHEREAS it would be useful to make certain clarifications and adjustments in order to continue to facilitate efficient business operations.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Board hereby adopts the Eighth Amended and Restated Administrative Procurement Policy, attached as Exhibit A and listed as Policy # 1.10, which makes clarifications regarding: the correct name of the Authority, removes references to signing authority related to Power Purchase Agreements, as this is governed by a separate Policy, the Risk Management Policy and includes additional language in Section VIII related to prevailing wages and prevailing wages thresholds.

ADOPTED AND APPROVED this 20th day of December, 2023.

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board



SEVENTH-EIGHTH AMENDED AND RESTATED ADMINISTRATIVE PROCUREMENT POLICY

Policy Number 1.109

~~June 21, 2023~~ December 20, 2023

Agenda Item #8

Resolution Number R-2023-30

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I. PURPOSE

It is in the interest of East Bay-Ava Community Energy (“EBCEAva”) to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings.

II. TYPES OF CONTRACTS

1. Contracts for Goods and Non-Professional Services. As used in this policy, “General Contractual Services” means:
 - 1.1. Any and all supplies, articles, equipment, or personal property furnished to or used by an organizational unit of EBCEAva; and
 - 1.2. Most types of services, excluding professional services as defined below, under which the contractor provides services which are required by EBCEAva, but not furnished by the EBCEAva’s own employees.
2. Contracts for Professional Services. As used in this policy, “Professional Services” means:
 - 2.1. The services of attorneys, physicians, architects, engineers, consultants, auditors, or other individuals or organizations possessing a high degree of professional, unique specialized technical skill or expertise, not always adaptable to competitive bidding. Professional Services are not considered General Contractual Services for the purpose of these procurement procedures.
3. Power Procurement Contracts
 - 3.1. Contracts for energy (also known as Power Purchase Agreements or PPAs) or energy related products ~~shall be subject to the requirements and signing authorities set out in Section IX of this are addressed in the Risk Management Policy/Power Procurement Purchase Agreement Policy/Policy.~~
4. All Contracts

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- 4.2. No [EBCEAva](#) employee, official, or director shall split purchases into more than one purchase in order to avoid the procurement requirements in this policy. Splitting purchases does not allow for a competitive marketplace, increases administrative workflow, and may create ethical issues.
- 4.3. No [EBCEAva](#) employee, officer, or Director shall accept, directly or indirectly, any gift, rebate, money or anything else of value from any person or entity if such gift, rebate, money or anything of value is intended, or appears, to reward or be an inducement for conducting business, placing orders with, or otherwise using the employee's position to secure an agreement with [EBCEAva](#).
- 4.4. Prior to signing any agreement for General Contractual Services or Professional Services, the individual signing shall ensure all of the following:
- 4.4.1. The contract compensation has been budgeted for in the current [EBCEAva](#) budget;
- 4.4.2. That adequate funds have been appropriated by the Board;
- 4.4.3. That such funds are unexpended and unencumbered sufficient to pay the expense of the contract; and
- 4.4.4. That any agreement for General Contractual Services or Professional Services for an amount of \$5,000 or more in one calendar year has been approved as to form and content by the General Counsel or his/her designee, except when the CEO, COO, CIO, or designee may, in his or her discretion, authorize the execution of standard form consumer agreements, where [EBCEAva](#) is in a similar position as other consumers in the market, related to widely marketed products and where the vendor has stated they are not open to negotiation, including, but not limited to, credit card agreements, and standard consumer license agreements for widely marketed software such as Microsoft Office, or other similar agreements.
- 4.5. [EBCEAva](#) shall report on all new contracts, regardless of scope or contract value, at each Board meeting, except non-disclosure agreements, ~~and~~ personnel contracts, and Power Purchase Agreements. Unless subject to the attorney client privilege or some other legal protection, as a public agency, [EBCEAva](#) shall release all public records, including contracts, as required by the Public Records Act.
- 4.6. Agreements with existing vendors may be amended and/or extended to allow for the continuation of services for no more than a total term of five (5) years. Such amendments/extensions are subject to the applicable signing authority identified in Tables 1-4 based on the total dollar amount of the agreement.
- 4.7. The CEO may suspend the requirements of Section III (General Contractual Services Procurement) or Section V (Professional Services Procurement) for any agreement. Furthermore, the COO may suspend the requirements of Section III or Section V for any agreement they would otherwise have the authority to sign. However, all agreements for which the required procurement procedures have been suspended pursuant to this Section II. 4.7 must be approved by the Chair and Vice Chair of the Board of Directors and must comply with signing authority restrictions identified in Section III, Table 2, and Section V, Table 4.

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5. Promotional Items and Bulk Purchases

5.1. The purchase of office supplies, promotional items, and similarly low risk goods bought in bulk online or otherwise are subject to the relevant procurement methods identified in Section III, but do not require a Consulting Services Agreement or other agreement.

45.1.1 For the purpose of defining “office supplies” as it relates to procurement, the meaning is understood to be “a consumable item/product used regularly in an office environment to perform departmental personnel’s daily work assignments.” Office Supplies to include but are not limited to: Pens, Pencils, Markers, Note Pads, Composition/Theme Books, Post-It-Notes, Paper (other than for copier,), Index Cards, Labels, File Folders, File Organizers, Envelopes, Staplers, Scissors, Tape, Pushpins, Binders, Binder Index Systems, Paper Clips, Rubber bands, and Computer Hardware (excluding any software or subscription services)..

6. Combined Services and Purchases.

6.1. Where an agreement combines services with the purchase of supplies as defined in Section 5 above, the expenditure related to purchase of supplies shall be calculated separately from the expenditure related to the services provided for the purpose of determining approval authority under this Policy.



GENERAL CONTRACTUAL SERVICES PROCUREMENT

1. Procurement Method

1.1. Table 1 indicates the appropriate procurement method for the purchase of General Contractual Services of certain dollar amounts.

~~4.4.1.2.~~ Where applicable, California state law requirements for competitive bidding or public works contracting shall be followed. Such requirements may include, but are not limited to competitive bidding or informal requirements for public works construction projects and prevailing wages requirements. ~~(For~~

~~4.2.1.3.~~ Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 1. At his or her discretion, the CEO may direct that an agreement for General Contractual Services is awarded through the Formal Bidding Procedures described herein.

Table 1

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Formal Bidding Procedure	> \$100,000	RFP/RFQ
Solicit 3 written quotes; may be in electronic format	\$50,000 - \$100,000	Quotes must include provider's name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers' name, address, phone number and amount of the verbal proposal in EBCEAva's records
No solicitation necessary	< \$10,000	Seek the lowest price for the highest quality
Purchase Order Can Be Used	<\$5,000	* A contract is not required for the purchase of goods or low-risk off-site services under \$5,000

2. Signing Authority

2.1. Table 2 indicates the appropriate signing authority for the purchase of General Contractual Services of certain dollar amounts.

2.2. Nothing in this section prohibits EBCEAva staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 2

SIGNING AUTHORITY	DOLLAR AMOUNT per FISCAL YEAR	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000	All contracts
General Counsel	\$0-\$50,000	All contracts related to the activities or functions of the Office of the General Counsel

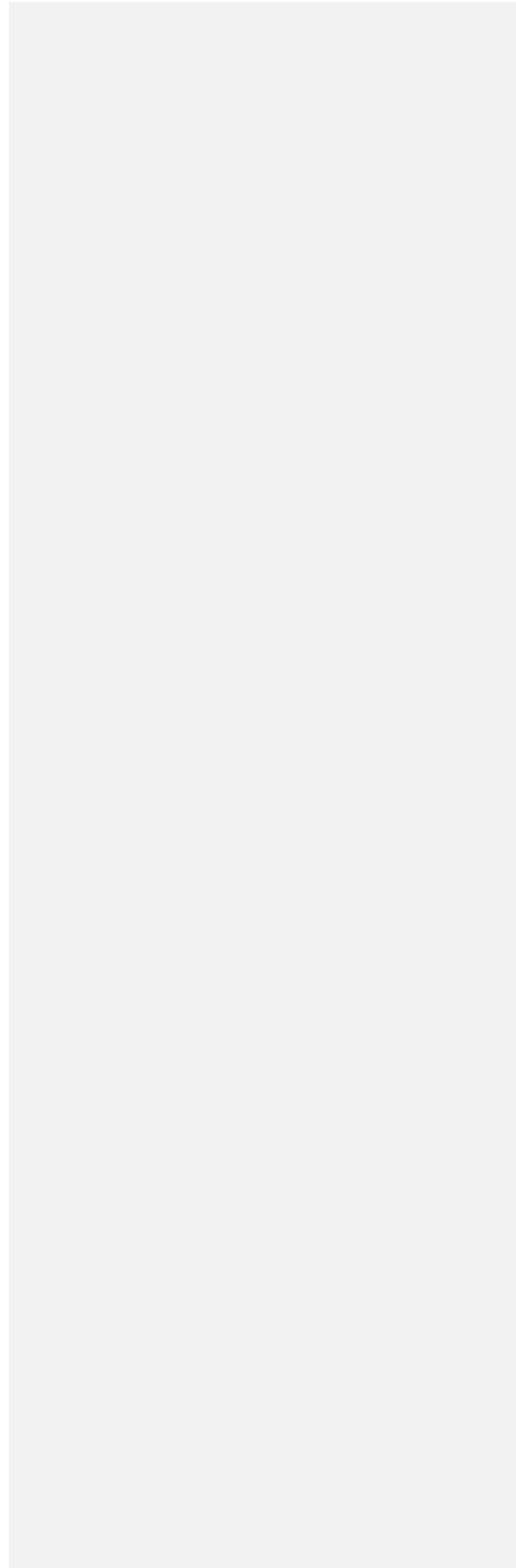


Community
Energy

Chief Operating Officer

\$0-\$25,000

All contracts related to the activities or functions of the Office of the COO





Chief Information Officer	\$0-\$15,000	All contracts related to the activities or functions of the Office of the Chief Information Officer
Senior Director or Vice President	\$0-\$10,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

III. FORMAL RFP/RFQ PROCEDURES

Except as otherwise specifically directed in writing by the CEO, agreements for the purchase of General Contractual Services for a total amount that exceeds \$100,000 per fiscal year shall be procured as follows:

1. Formal RFP/RFQ Invitations. Invitations to participate in the Request for Proposal/Request for Qualifications (RFP/RFQ) process shall include a general description of the supplies or services sought by [EBCEAva](#), and shall specify the time, place and date for opening responses.
2. Evaluation. Proposals received through a competitive solicitation shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant [EBCEAva](#) staff and an evaluation committee selected by the relevant staff, CEO, COO or General Counsel, or at the discretion of the Board, members of a designated Board subcommittee.
3. Selected Respondent. "Selected Respondent" as used in this policy shall mean that respondent who best responds in price, quality, service, fitness, or capacity to the particular requirements of [EBCEAva](#). Price alone shall not be the determining factor but shall be considered along with other factors, including but not limited to the following:
 - 3.1. [EBCEAva](#) seeks to support companies and contractors that reflect its values and has identified four vendor/contractor categories that shall be given special consideration during bid evaluation and selection. In competitive solicitations, these categories shall receive bonus percentages/points ranging from 2.5% - 5% for a maximum bonus total of 12.5% in a bid scoring process:
 - 3.1.1 Businesses within Service Territory: [EBCEAva](#) desires to support business within its service territory. Businesses with office(s) located in [EBCEAva](#)'s service territory and businesses that have at least 25% of their workforce who reside in [EBCEAva](#)'s service territory shall receive a bonus equal to 5% or 5 points out of a 100-point scoring system in competitive solicitations.
 - 3.1.2 Union Labor: [EBCEAva](#) desires to support the use of union labor where possible. [EBCEAva](#) shall make its best effort to work with unionized contractors and subcontractors in the provision of goods and services to [EBCEAva](#). Businesses who use union labor and/or unionized contractors shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
 - 3.1.3 Disabled Veteran Business Enterprises: [EBCEAva](#) desires to support Disabled Veteran Business Enterprises (DVBEs). Businesses that are registered with the California Department of General Services as a DVBE shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.



3.1.4 Disadvantaged Communities: [EBCEAva](#) desires to support businesses located in a Disadvantaged Community (DAC) as identified by the California Environmental Protection Agency’s (CalEPA) CalEnviroScreen Tool. Businesses with a primary office (i.e. where work is primarily conducted for [EBCEAva](#)) located in a DAC, as determined by the latest version of the Tool at the time, shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.

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3.2. [EBCEAva](#) is committed to the highest standards of responsible behavior and integrity in all of its business relationships. [EBCEAva](#) will consider a company’s business practices, environmental track record, and commitment to fair employment practices and compensation in its procurement decisions.

3.3. Award of Contract. [EBCEAva](#) shall award the contract to purchase goods or services to the Selected Respondent, unless such an award would be prohibited by California law.

IV. PROFESSIONAL SERVICES PROCUREMENT

1. Procurement Method

- 1.1. Table 3 indicates the appropriate procurement method for the purchase of Professional Services of certain dollar amounts.
- 1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 3. At his or her discretion, the CEO may direct that an agreement for Professional Services is awarded through the Formal Bidding Procedures described herein.

Table 3

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Solicit 3 written quotes; may be in electronic format	\$50,000 and above	Proposal must include provider’s name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers’ name, address, phone number and amount of the verbal proposal in EBCEAva ’s records
No solicitation is necessary	\$0 - \$10,000	Seek the lowest price for the highest quality

2. Signing Authority

- 2.1. Table 4 indicates the appropriate signing authority for an agreement for Professional Services of certain dollar amounts.
- 2.2. Nothing in this section prohibits [EBCEAva](#) staff from seeking approval of a more senior signing authority than is permitted by this policy.



Table 4

SIGNING AUTHORITY	DOLLAR AMOUNT per Fiscal Year	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000	All contracts
General Counsel	\$0-\$50,000	All contracts related to the activities or functions of the Office of the General Counsel
Chief Operating Officer	\$0-\$25,000	All contracts related to the activities or functions of the Office of the COO
Chief Information Officer	\$0-\$15,000	All contracts related to the activities or functions of the Office of the Chief Information Officer
Senior Director or Vice President	\$0-\$10,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

V. SOLE SOURCE PROCUREMENT

1. Under some circumstances, [EBCEAva](#) competitive solicitation requirements may be dispensed with when the goods or services are only available from one source either because the brand or trade name article, goods, or product or proprietary service is the only one which will properly meet the needs of the [EBCEAva](#) or the item or service is unique and available only from a sole source.
2. Sole source purchasing, whereby the procurement methods identified in Tables 1-4 are not required, is authorized when the goods or services contemplated are only able to be performed by a sole provider, such as the holder of an exclusive patent or franchise, for the purchase of unique or innovative goods or services including but not limited to computer software and technology, or for purchases of goods or services when there is a demonstrated need for compatibility with an existing item or service used by [EBCEAva](#).
3. A sole source may be designated when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of [EBCEAva](#).
4. The following factors are not sufficient to justify a sole source procurement:
 - 4.1. Personal preference for product or vendor
 - 4.2. Cost
 - 4.3. Vendor performance
 - 4.4. Local service (this may be considered an award factor in competitive bidding)
 - 4.5. Features that exceed the minimum requirements for the goods or services



VI. EMERGENCY PROCUREMENT

1. In the event of an emergency, the CEO may suspend the normal purchasing and procurement requirements for goods and services related to abatement of the impacts or effects of the emergency.
2. An emergency is deemed to exist in the following circumstances:
 - 2.1. There is an unexpected occurrence requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, including the provision of energy or power to ~~EBCE~~Ava customers; or
 - 2.2. There is immediate need to prepare for national or local defense; or
 - 2.3. There is a breakdown in infrastructure or an essential service which requires the immediate purchase of supplies or contractual services to protect the public health, or safety or property; or
 - 2.4. A local emergency or disaster has been declared.

VII. COOPERATIVE PURCHASING

1. The procurement methods identified in Table 1 -4 shall not be required when the contract for goods or services will be provided by another governmental agency.
2. ~~EBCE~~Consistent with state law, Ava may adopt another governmental agency's agreement with a contractor ("Piggyback Agreement") as its own without adhering to the procurement methods identified in Table 1-4 if that Piggyback Agreement is the product of the respective governmental agency's formal competitive solicitation process, provided that that agency's procurement is not in conflict with California law.

VIII. PUBLIC PROJECTS

1. Uniform Public Construction Cost Accounting Act. ~~EBCE~~Ava adheres to the alternative bidding procedures provided by the Uniform Public Construction Cost Accounting Act, California Public Contract Code section 22000 et seq. (UPCCAA) Public projects (as defined in Section 22002 of the California Public Contract Code) that do not exceed the dollar limits in Section 22032(b) of the Public Contract Code (as such limits currently exist or may subsequently be amended), may be let to contract by informal procedures as set forth in the UPCCAA.
- ~~4.2.~~ Contracts for construction, alteration, demolition, installation, repair work, or maintenance exceeding \$1,000 in value shall require contractor compliance with Labor Code Section 1720, including the requirement that a contractor pay prevailing wages. Note: Contracts for installation of furniture or equipment onto the premises (such as installation of cubicles or hanging of monitors or screens) in excess of this amount require the payment of prevailing wages.-
- ~~2.3.~~ At the time of the adoption of this Policy, the UPCCAA applied to the following types of projects:
 - ~~2.4.3.1.~~ Public projects include construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This includes painting or repainting of any publicly owned, leased, or operated facility.

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2.2.3.2 Public projects up to \$60,000¹ may be performed by [EBCEAva](#) employees, by negotiated contract, or by purchase order pursuant to the UPCCAA.

2.3.3.3 Public projects up to \$200,000² may be contracted using informal procedures as set forth in the UPCCAA.

3.4 Pre-Qualified List. A list of contractors may be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission (CUCCAC).

4.5 Notice.

4.4.5.1 Where a public project is to be performed, a notice inviting informal bids shall be mailed, faxed, or emailed not less than ten (10) days before bids are due to all contractors for the category of work to be bid as shown on the Pre-Qualified list developed in accordance with this Section IV, and to all construction trade journals as specified by the CUCCAC in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department soliciting bids, provided, however; if there is no list of qualified contractors maintained by [EBCEAva](#) for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the CUCCAC.

4.2.5.2 The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.

5.6 Award of Contract. The CEO and his or her designee is authorized to award public project contracts, subject to the signing authority permitted by Table 5. Nothing in this section prohibits [EBCEAva](#) staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 5

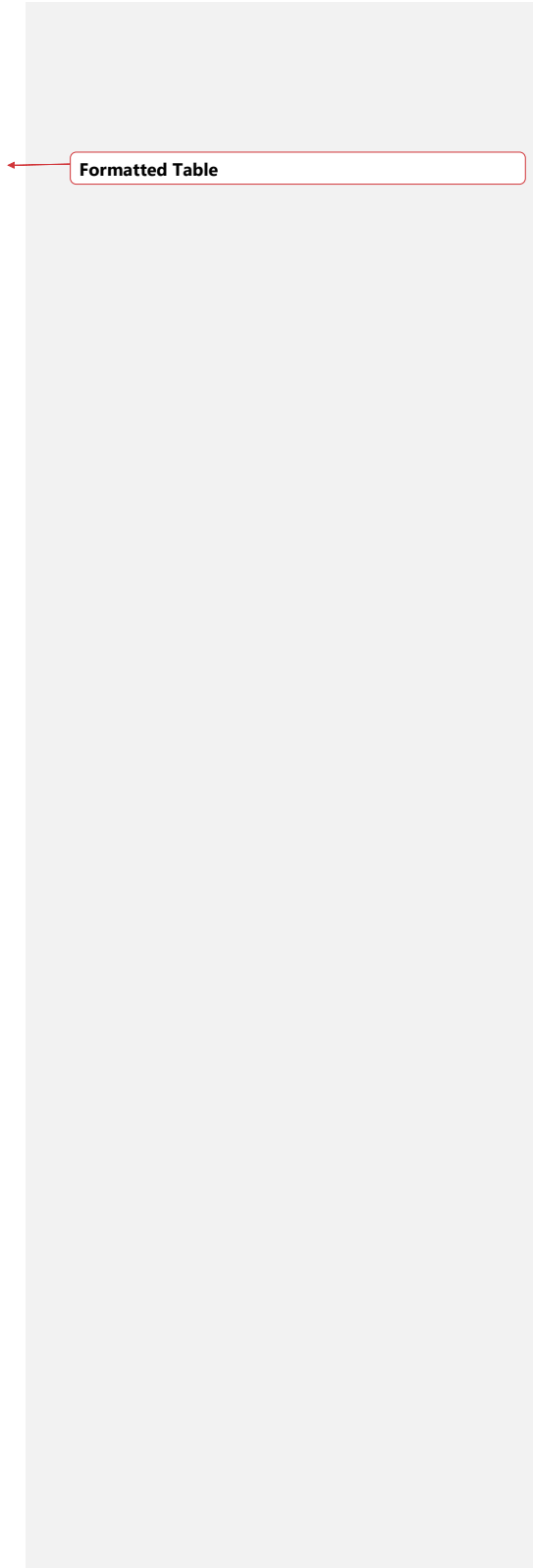
SIGNING AUTHORITY	DOLLAR AMOUNT per fiscal year
Executive Committee of the Board of Directors or Board of Directors Approval	> \$100,000
Chief Executive Officer, or his/her designee	\$0 - \$100,000
General Counsel	\$0-\$50,000
Chief Operating Officer	\$0-\$25,000
Senior Director or Vice President	\$0-\$10,000

¹ As may be amended from time to time. Current dollar amount should be confirmed. See https://www.sco.ca.gov/ard_cuccac.html.

² As may be amended from time to time. Current dollar amount should be confirmed. See https://www.sco.ca.gov/ard_cuccac.html



Director	\$0-\$5,000
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IX. PROCUREMENT OF POWER

~~EBCEAva~~ must secure sufficient power resources and energy attributes to serve its customers, comply with State law and meet ~~EBCEAva~~'s and its member agencies' goals. ~~The Procurement of Power will be governed by Ava's Risk Management Policy. The Board shall approve the form of all master power purchase agreements. The signing authority in Section 4 shall not apply to power and energy attribute procurement. The following EBCE staff shall be authorized to enter into power purchase agreements and other agreements to secure power and energy attributes providing such agreements are in substantially the same form as the Board approved master power purchase agreements, and that all transactions and agreements are in strict compliance with EBCE's Risk Management Policy:~~

1.

- ~~4.1. The CEO is authorized to enter into agreements in accordance to the approved Risk Management Policy.~~
- ~~4.2. The COO is authorized to enter into agreements in accordance to the approved Risk Management Policy, provided that transactions shall not be over two years in duration and \$10,000,000 in total compensation.~~
- ~~4.3. The Director of Power Resources is authorized to enter into agreements in accordance to the approved Risk Management Policy, provided that transactions shall not be over one year in duration and not be over \$2,000,000 in compensation.~~
- ~~4.4. With dual signatures, the COO and Director of Power Resources are authorized to enter into agreements with equivalent authority as the CEO in accordance with the approved Risk Management Policy.~~

X. MISCELLANEOUS

1. The following signing authorities shall apply, after review and approval of the named agreements by the General Counsel, or his/her designee, except where in conflict with the Joint Powers Agreement, state, or federal law:
 - 1.1. Non-Disclosure Agreements – Director level and above,
 - 1.2. Banking and Treasury Administration – COO level and above, and
 - 1.3. Release of Liability and Indemnification – Director level and above

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EIGHTH AMENDED AND RESTATED ADMINISTRATIVE PROCUREMENT POLICY

Policy Number 1.10

December 20, 2023

Agenda Item #

Resolution Number #

I. PURPOSE

It is in the interest of Ava Community Energy (“Ava”) to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings.

II. TYPES OF CONTRACTS

1. Contracts for Goods and Non-Professional Services. As used in this policy, “General Contractual Services” means:
 - 1.1. Any and all supplies, articles, equipment, or personal property furnished to or used by an organizational unit of Ava; and
 - 1.2. Most types of services, excluding professional services as defined below, under which the contractor provides services which are required by Ava, but not furnished by the Ava’s own employees.
2. Contracts for Professional Services. As used in this policy, “Professional Services” means:
 - 2.1. The services of attorneys, physicians, architects, engineers, consultants, auditors, or other individuals or organizations possessing a high degree of professional, unique specialized technical skill or expertise, not always adaptable to competitive bidding. Professional Services are not considered General Contractual Services for the purpose of these procurement procedures.
3. Power Procurement Contracts
 - 3.1. Contracts for energy (also known as Power Purchase Agreements or PPAs) or energy related products are addressed in the Risk Management Policy.
4. All Contracts
 - 4.1. When procuring goods and services utilizing federal funds (e.g. grant funds), Ava shall comply with all federal project requirements and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (See 2 CFR § 200)



- 4.2. No Ava employee, official, or director shall split purchases into more than one purchase in order to avoid the procurement requirements in this policy. Splitting purchases does not allow for a competitive marketplace, increases administrative workflow, and may create ethical issues.
- 4.3. No Ava employee, officer, or Director shall accept, directly or indirectly, any gift, rebate, money or anything else of value from any person or entity if such gift, rebate, money or anything of value is intended, or appears, to reward or be an inducement for conducting business, placing orders with, or otherwise using the employee's position to secure an agreement with Ava.
- 4.4. Prior to signing any agreement for General Contractual Services or Professional Services, the individual signing shall ensure all of the following:
 - 4.4.1. The contract compensation has been budgeted for in the current Ava budget;
 - 4.4.2. That adequate funds have been appropriated by the Board;
 - 4.4.3. That such funds are unexpended and unencumbered sufficient to pay the expense of the contract; and
 - 4.4.4. That any agreement for General Contractual Services or Professional Services for an amount of \$5,000 or more in one calendar year has been approved as to form and content by the General Counsel or his/her designee, except when the CEO, COO, CIO, or designee may, in his or her discretion, authorize the execution of standard form consumer agreements, where Ava is in a similar position as other consumers in the market, related to widely marketed products and where the vendor has stated they are not open to negotiation, including, but not limited to, credit card agreements, and standard consumer license agreements for widely marketed software such as Microsoft Office, or other similar agreements.
- 4.5. Ava shall report on all new contracts, regardless of scope or contract value, at each Board meeting, except non-disclosure agreements, personnel contracts, and Power Purchase Agreements. Unless subject to the attorney client privilege or some other legal protection, as a public agency, Ava shall release all public records, including contracts, as required by the Public Records Act.
- 4.6. Agreements with existing vendors may be amended and/or extended to allow for the continuation of services for no more than a total term of five (5) years. Such amendments/extensions are subject to the applicable signing authority identified in Tables 1-4 based on the total dollar amount of the agreement.
- 4.7. The CEO may suspend the requirements of Section III (General Contractual Services Procurement) or Section V (Professional Services Procurement) for any agreement. Furthermore, the COO may suspend the requirements of Section III or Section V for any agreement they would otherwise have the authority to sign. However, all agreements for which the required procurement procedures have been suspended pursuant to this Section II. 4.7 must be approved by the Chair and Vice Chair of the Board of Directors and must comply with signing authority restrictions identified in Section III, Table 2, and Section V, Table 4.



5. Promotional Items and Bulk Purchases

- 5.1. The purchase of office supplies, promotional items, and similarly low risk goods bought in bulk online or otherwise are subject to the relevant procurement methods identified in Section III, but do not require a Consulting Services Agreement or other agreement.

4.1.1 For the purpose of defining “office supplies” as it relates to procurement, the meaning is understood to be “a consumable item/product used regularly in an office environment to perform departmental personnel’s daily work assignments.” Office Supplies to include but are not limited to: Pens, Pencils, Markers, Note Pads, Composition/Theme Books, Post-It-Notes, Paper (other than for copier.), Index Cards, Labels, File Folders, File Organizers, Envelopes, Staplers, Scissors, Tape, Pushpins, Binders, Binder Index Systems, Paper Clips, Rubber bands, and Computer Hardware (excluding any software or subscription services)..

6. Combined Services and Purchases.

- 6.1. Where an agreement combines services with the purchase of supplies as defined in Section 5 above, the expenditure related to purchase of supplies shall be calculated separately from the expenditure related to the services provided for the purpose of determining approval authority under this Policy.



GENERAL CONTRACTUAL SERVICES PROCUREMENT

1. Procurement Method

- 1.1. Table 1 indicates the appropriate procurement method for the purchase of General Contractual Services of certain dollar amounts.
- 1.2. Where applicable, California state law requirements for competitive bidding or public works contracting shall be followed. Such requirements may include, but are not limited to competitive bidding or informal requirements for public works construction projects and prevailing wages requirements.
- 1.3. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 1. At his or her discretion, the CEO may direct that an agreement for General Contractual Services is awarded through the Formal Bidding Procedures described herein.

Table 1

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Formal Bidding Procedure	> \$100,000	RFP/RFQ
Solicit 3 written quotes; may be in electronic format	\$50,000 - \$100,000	Quotes must include provider's name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers' name, address, phone number and amount of the verbal proposal in Ava's records
No solicitation necessary	< \$10,000	Seek the lowest price for the highest quality
Purchase Order Can Be Used	<\$5,000	* A contract is not required for the purchase of goods or low-risk off-site services under \$5,000

2. Signing Authority

- 2.1. Table 2 indicates the appropriate signing authority for the purchase of General Contractual Services of certain dollar amounts.
- 2.2. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 2

SIGNING AUTHORITY	DOLLAR AMOUNT per FISCAL YEAR	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000	All contracts
General Counsel	\$0-\$50,000	All contracts related to the activities or functions of the Office of the General Counsel



Chief Operating Officer	\$0-\$25,000	All contracts related to the activities or functions of the Office of the COO
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Chief Information Officer	\$0-\$15,000	All contracts related to the activities or functions of the Office of the Chief Information Officer
Senior Director or Vice President	\$0-\$10,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

III. FORMAL RFP/RFQ PROCEDURES

Except as otherwise specifically directed in writing by the CEO, agreements for the purchase of General Contractual Services for a total amount that exceeds \$100,000 per fiscal year shall be procured as follows:

1. **Formal RFP/RFQ Invitations.** Invitations to participate in the Request for Proposal/Request for Qualifications (RFP/RFQ) process shall include a general description of the supplies or services sought by Ava, and shall specify the time, place and date for opening responses.
2. **Evaluation.** Proposals received through a competitive solicitation shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant Ava staff and an evaluation committee selected by the relevant staff, CEO, COO or General Counsel, or at the discretion of the Board, members of a designated Board subcommittee.
3. **Selected Respondent.** "Selected Respondent" as used in this policy shall mean that respondent who best responds in price, quality, service, fitness, or capacity to the particular requirements of Ava. Price alone shall not be the determining factor but shall be considered along with other factors, including but not limited to the following:
 - 3.1. Ava seeks to support companies and contractors that reflect its values and has identified four vendor/contractor categories that shall be given special consideration during bid evaluation and selection. In competitive solicitations, these categories shall receive bonus percentages/points ranging from 2.5% - 5% for a maximum bonus total of 12.5% in a bid scoring process:
 - 3.1.1 **Businesses within Service Territory:** Ava desires to support business within its service territory. Businesses with office(s) located in Ava's service territory and businesses that have at least 25% of their workforce who reside in Ava's service territory shall receive a bonus equal to 5% or 5 points out of a 100-point scoring system in competitive solicitations.
 - 3.1.2 **Union Labor:** Ava desires to support the use of union labor where possible. Ava shall make its best effort to work with unionized contractors and subcontractors in the provision of goods and services to Ava. Businesses who use union labor and/or unionized contractors shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.
 - 3.1.3 **Disabled Veteran Business Enterprises:** Ava desires to support Disabled Veteran Business Enterprises (DVBEs). Businesses that are registered with the California Department of General Services as a DVBE shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.



3.1.4 Disadvantaged Communities: Ava desires to support businesses located in a Disadvantaged Community (DAC) as identified by the California Environmental Protection Agency's (CalEPA) CalEnviroScreen Tool. Businesses with a primary office (i.e. where work is primarily conducted for Ava) located in a DAC, as determined by the latest version of the Tool at the time, shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.

- 3.2. Ava is committed to the highest standards of responsible behavior and integrity in all of its business relationships. Ava will consider a company's business practices, environmental track record, and commitment to fair employment practices and compensation in its procurement decisions.
- 3.3. Award of Contract. Ava shall award the contract to purchase goods or services to the Selected Respondent, unless such an award would be prohibited by California law.

IV. PROFESSIONAL SERVICES PROCUREMENT

1. Procurement Method

- 1.1. Table 3 indicates the appropriate procurement method for the purchase of Professional Services of certain dollar amounts.
- 1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 3. At his or her discretion, the CEO may direct that an agreement for Professional Services is awarded through the Formal Bidding Procedures described herein.

Table 3

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Solicit 3 written quotes; may be in electronic format	\$50,000 and above	Proposal must include provider's name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers' name, address, phone number and amount of the verbal proposal in Ava's records
No solicitation is necessary	\$0 - \$10,000	Seek the lowest price for the highest quality

2. Signing Authority

- 2.1. Table 4 indicates the appropriate signing authority for an agreement for Professional Services of certain dollar amounts.
- 2.2. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

**Table 4**

SIGNING AUTHORITY	DOLLAR AMOUNT per Fiscal Year	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000	All contracts
General Counsel	\$0-\$50,000	All contracts related to the activities or functions of the Office of the General Counsel
Chief Operating Officer	\$0-\$25,000	All contracts related to the activities or functions of the Office of the COO
Chief Information Officer	\$0-\$15,000	All contracts related to the activities or functions of the Office of the Chief Information Officer
Senior Director or Vice President	\$0-\$10,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

V. SOLE SOURCE PROCUREMENT

1. Under some circumstances, Ava competitive solicitation requirements may be dispensed with when the goods or services are only available from one source either because the brand or trade name article, goods, or product or proprietary service is the only one which will properly meet the needs of the Ava or the item or service is unique and available only from a sole source.
2. Sole source purchasing, whereby the procurement methods identified in Tables 1-4 are not required, is authorized when the goods or services contemplated are only able to be performed by a sole provider, such as the holder of an exclusive patent or franchise, for the purchase of unique or innovative goods or services including but not limited to computer software and technology, or for purchases of goods or services when there is a demonstrated need for compatibility with an existing item or service used by Ava.
3. A sole source may be designated when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of Ava.
4. The following factors are not sufficient to justify a sole source procurement:
 - 4.1. Personal preference for product or vendor
 - 4.2. Cost
 - 4.3. Vendor performance
 - 4.4. Local service (this may be considered an award factor in competitive bidding)
 - 4.5. Features that exceed the minimum requirements for the goods or services



VI. EMERGENCY PROCUREMENT

1. In the event of an emergency, the CEO may suspend the normal purchasing and procurement requirements for goods and services related to abatement of the impacts or effects of the emergency.
2. An emergency is deemed to exist in the following circumstances:
 - 2.1. There is an unexpected occurrence requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, including the provision of energy or power to Ava customers; or
 - 2.2. There is immediate need to prepare for national or local defense; or
 - 2.3. There is a breakdown in infrastructure or an essential service which requires the immediate purchase of supplies or contractual services to protect the public health, or safety or property; or
 - 2.4. A local emergency or disaster has been declared.

VII. COOPERATIVE PURCHASING

1. The procurement methods identified in Table 1 -4 shall not be required when the contract for goods or services will be provided by another governmental agency.
2. Consistent with state law, Ava may adopt another governmental agency's agreement with a contractor ("Piggyback Agreement") as its own without adhering to the procurement methods identified in Table 1-4 if that Piggyback Agreement is the product of the respective governmental agency's formal competitive solicitation process, provided that that agency's procurement is not in conflict with California law.

VIII. PUBLIC PROJECTS

1. Uniform Public Construction Cost Accounting Act. Ava adheres to the alternative bidding procedures provided by the Uniform Public Construction Cost Accounting Act, California Public Contract Code section 22000 et seq. (UPCCAA) Public projects (as defined in Section 22002 of the California Public Contract Code) that do not exceed the dollar limits in Section 22032(b) of the Public Contract Code (as such limits currently exist or may subsequently be amended), may be let to contract by informal procedures as set forth in the UPCCAA.
2. Contracts for construction, alteration, demolition, installation, repair work, or maintenance exceeding \$1,000 in value shall require contractor compliance with Labor Code Section 1720, including the requirement that a contractor pay prevailing wages. Note: Contracts for installation of furniture or equipment onto the premises (such as installation of cubicles or hanging of monitors or screens) in excess of this amount require the payment of prevailing wages.
3. At the time of the adoption of this Policy, the UPCCAA applied to the following types of projects:
 - 3.1. Public projects include construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This includes painting or repainting of any publicly owned, leased, or operated facility.



- 3.2. Public projects up to \$60,000¹ may be performed by Ava employees, by negotiated contract, or by purchase order pursuant to the UPCCAA.
- 3.3. Public projects up to \$200,000² may be contracted using informal procedures as set forth in the UPCCAA.
4. Pre-Qualified List. A list of contractors may be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission (CUCCAC).
5. Notice.
- 5.1. Where a public project is to be performed, a notice inviting informal bids shall be mailed, faxed, or emailed not less than ten (10) days before bids are due to all contractors for the category of work to be bid as shown on the Pre-Qualified list developed in accordance with this Section IV, and to all construction trade journals as specified by the CUCCAC in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department soliciting bids, provided, however; if there is no list of qualified contractors maintained by Ava for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the CUCCAC.
- 5.2. The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.
6. Award of Contract. The CEO and his or her designee is authorized to award public project contracts, subject to the signing authority permitted by Table 5. Nothing in this section prohibits Ava staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 5

SIGNING AUTHORITY	DOLLAR AMOUNT per fiscal year
Executive Committee of the Board of Directors or Board of Directors Approval	> \$100,000
Chief Executive Officer, or his/her designee	\$0 - \$100,000
General Counsel	\$0-\$50,000
Chief Operating Officer	\$0-\$25,000
Senior Director or Vice President	\$0-\$10,000

¹ As may be amended from time to time. Current dollar amount should be confirmed. See https://www.sco.ca.gov/ard_cuccac.html.

² As may be amended from time to time. Current dollar amount should be confirmed. See https://www.sco.ca.gov/ard_cuccac.html



Director	\$0-\$5,000
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IX. PROCUREMENT OF POWER

1. Ava must secure sufficient power resources and energy attributes to serve its customers, comply with State law and meet Ava's and its member agencies' goals. The Procurement of Power will be governed by Ava's Risk Management Policy.

X. MISCELLANEOUS

1. The following signing authorities shall apply, after review and approval of the named agreements by the General Counsel, or his/her designee, except where in conflict with the Joint Powers Agreement, state, or federal law:
 - 1.1. Non-Disclosure Agreements – Director level and above,
 - 1.2. Banking and Treasury Administration – COO level and above, and
 - 1.3. Release of Liability and Indemnification – Director level and above



Consent Item 10

TO: Ava Community Energy Authority

FROM: Diego Ponce de Leon Barido, Head of Technology & Analytics

SUBJECT: **Fourth Amendment to the Agreement with AIQUEOUS, LLC**

DATE: December 20th 2023

Recommendation

Adopt a Resolution authorizing the CEO to negotiate and execute an Amendment to the Consulting and Online Services Agreement with AIQUEOUS, LLC to increase the compensation by up to \$70,000 for a total amount not to exceed \$430,000.

Background and Discussion

Ava entered into an Agreement with AIQUEOUS, LLC (AIQUEOUS) in November 2020 to license AIQUEOUS' POWERPATH application and receive consulting services to implement, configure, and support that application on Ava's Customer Relationship Management (CRM) platform. Ava has been pleased with both the performance of the software and the implementation and support services it has received from AIQUEOUS. In addition to receiving expert assistance in configuring its own CRM application, Ava was also able to automate the processing of five of its Local Development programs via its CRM, by working with AIQUEOUS and the POWERPATH application.

Ava's team would like to continue to license POWERPATH and continue to receive support from AIQUEOUS, as it plans to further enhance its CRM functionality and expand its portfolio of marketing activities and local programs. Therefore, Ava's team is requesting authorization for an Amendment to the existing Agreement to add additional compensation to support the furthered collaboration and consulting services with

AIQUEOUS and the continued development of Ava's CRM platform, which is needed to support the growing marketing activities and local development programs.

Fiscal Impact

Ava staff seeks to amend its existing Consulting and Online Services Agreement with AIQUEOUS to increase the total compensation by up to \$70,000 through the current term, with total compensation not to exceed \$430,000.

Attachments

- A. Resolution Authorizing the Chief Executive Officer to Negotiate and Execute an Amendment with AIQUEOUS, LLC for Software Licensing and Consulting Services

RESOLUTION NO. R-2023-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

**OF AVA COMMUNITY ENERGY AUTHORITY THE CHIEF EXECUTIVE OFFICER TO
NEGOTIATE AND EXECUTE A CONTRACT AMENDMENT WITH AIQUEOUS, LLC
FOR SOFTWARE LICENSING AND CONSULTING SERVICES**

WHEREAS The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The city of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The city of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Ava is pursuing the continuous implementation and expansion of its marketing and local development activities using a Customer Relationship Management (“CRM”) solution,

WHEREAS Ava executed a Consulting and Online Services Agreement with AIQUEOUS, LLC (“AIQUEOUS”) in November 2020 to provide Software Licensing and Consulting Services associated with its CRM activities (“Agreement”) with compensation not to exceed \$82,500. The Agreement was modified first on November 1, 2020, to add \$60,000 in additional compensation and to extend the term through October 31, 2022, again on July 25, 2022, to add \$117,500 in compensation and to extend the term through June 30, 2023, and most recently on July 1, 2023 to add \$100,000 in compensation and to extend the term through June 30, 2024,

WHEREAS Ava is pleased with the software and services it has received from AIQUEOUS,

WHEREAS Ava wishes to continue licensing the software from AIQUEOUS and has identified additional configuration needs that will require additional compensation,

WHEREAS Ava would like to amend the Agreement to add an additional \$70,000 of compensation with total compensation not to exceed \$430,000.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Board hereby authorizes the Chief Executive Officer to negotiate and execute an Amendment to the Agreement, subject to the approval of General Counsel, with AIQUEOUS for additional compensation up to the amount of \$70,000 for a total compensation amount not to exceed \$430,000.

ADOPTED AND APPROVED this 20th day of December, 2023

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board



Consent Item 11

TO: Ava Community Energy Authority

FROM: Doug Allen, Modeler-in-Chief

SUBJECT: **A Resolution Authorizing Ava to Execute an Integrated Resource Planning Consulting Agreement with First Principles Advisory**

DATE: December 20, 2023

Recommendation

Approve a Resolution authorizing the Chief Executive Officer to negotiate and execute a Consulting Services Agreement with First Principles Advisory, LLC for support in expanding the capabilities of the model used to perform the capacity expansion optimization to be filed with the California Public Utilities Commission (CPUC), as part of the Integrated Resource Planning (IRP) process. First Principles Advisory will provide technical support to Ava staff in operating the capacity expansion tool, while working with the tool developer to expand the capabilities of the tool to enable more sophisticated analyses specific to Ava's needs within the California regulatory landscape. This contract has a fixed price component of \$75,000, dedicated to the expansion of the tool capabilities, and a time and materials not-to-exceed component of \$50,000 for staff training and support, with total compensation not to exceed \$125,000.

Background and Discussion

This vendor was selected following the solicitation of bids from multiple potential consulting partners, with experience in open-source planning tools and the California regulatory landscape. First Principles Advisory provided a bid that builds on past work done in the IRP context, positions Ava Community Energy to bring more analytical capabilities in-house, and establishes an internal planning process in parallel to that required by the CPUC. This will allow for the ongoing development of scenarios and plans that better reflect the concerns specific to Ava Community Energy, while reducing

the incremental work necessary to be a good-faith and constructive participant in the biennial IRP process at the CPUC.

Fiscal Impact

This Agreement will be funded with \$125,000 from the previously approved Power Resources Budget.

Attachments

- A) Resolution of the Board of Directors of Ava Community Energy Authority Authorizing Ava to Execute an Integrated Resource Planning Consulting Agreement with First Principles Advisory

- B) DRAFT Consulting Services Agreement between Ava Community Energy and First Principles Advisory, LLC

RESOLUTION NO. R-2023-XX
A RESOLUTION OF THE BOARD OF DIRECTORS
OF AVA COMMUNITY ENERGY AUTHORITY AUTHORIZING AVA TO EXECUTE AN
INTEGRATED RESOURCE PLANNING CONSULTING AGREEMENT WITH FIRST
PRINCIPLES ADVISORY

WHEREAS The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The city of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The city of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Ava, as a load-serving entity, is required by California Public Utilities Code section 454.52 to submit a biennial Integrated Resource Plan (“IRP”) to the California Public Utilities Commission (“CPUC”), laying out Ava’s long-term vision for resource procurement in the context of the state’s climate and energy industry goals, and employing a capacity expansion model to generate an optimized portfolio that meets both state and organizational goals;

WHEREAS consistent with Ava’s Administrative Procurement Policy, Ava selected First Principles Advisory LLC from among the firms from whom bids were solicited;

WHEREAS First Principles Advisory LLC has previously successfully assisted Ava with the compilation and submission of an IRP using the open-source GridPath portfolio optimization platform;

WHEREAS beginning work on the 2024 IRP in the coming months will position Ava to develop and submit an IRP that contributes to an understanding of the evolving California energy landscape in a timely fashion, while also preparing the internal team to expand the in-house analytical capability for portfolio planning;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Authorize the Chief Executive Officer to negotiate and execute a Consulting Services Agreement with First Principles Advisory LLC for support in expanding the capabilities of the model used to perform the capacity expansion optimization to be filed with the CPUC as part of the IRP process. This contract will be subject to approval of General Counsel and compensation will not exceed \$125,000 through December 31, 2024.

ADOPTED AND APPROVED this 20th day of December, 2023.

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

**Consulting Services Agreement for
Services By And Between Ava Community Energy Authority and
First Principles Advisory LLC**

This Consulting Services Agreement (“Agreement”) is made this [xx] day of [Month], 2023 (“Effective Date”) by and between Ava Community Energy Authority, a joint powers authority formed under the laws of the State of California (“Ava”) and First Principles Advisory LLC, a California corporation (“Consultant”) for the purpose of providing Integrated Resource Planning support services to Ava.

Section 1. Recitals

1.1 The Authority is an independent joint powers authority duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (“Act”) with the power to conduct its business and enter into agreements.

1.2 Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement pursuant to the terms and conditions described herein.

NOW THEREFORE, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties to this Agreement, agree as follows:

Section 2. Term

The term of this Agreement is from the Effective Date of this Agreement through 12/31/2024, unless terminated earlier pursuant to Section 8.

Section 3. Scope of Work/Compliance with Laws and Regulations

3.1 Consultant agrees to perform the scope of work (the “Work”) in Exhibit A in accordance with the compliance schedule in Exhibit B.

3.2 Consultant represents and warrants that it has the skill and expertise to perform the Work. Consultant agrees to obtain any and all necessary licenses, approvals or permits necessary to perform the Work.

3.3 Consultant and its Subconsultants must comply with all federal, state and local laws and regulations in performing the Work under this Agreement.

Section 4. Consultant Staffing

Exhibit C contains a list of Consultant's project manager and all team members. Consultant will not change or substitute the project manager or any team members or add additional team members without consultation with Ava.

Section 5. Subconsultants

5.1 Consultant agrees to use only those Subconsultants listed on Exhibit D. Consultant shall notify Ava within a reasonable period of time of any changes, additions, or removals of a Subconsultant.

5.2 Consultant agrees to require all Subconsultants to comply with the terms of this Agreement, including without limitation, maintaining insurance in compliance with the insurance obligations under Section 9, the Confidentiality requirements under Section 11 and indemnifying Ava under Section 12.

Section 6. Compensation and Payment

6.1 The maximum compensation under this Agreement is \$125,000.

6.2 For the portion of the work under this Agreement is to be performed on a time and materials basis, Consultant must submit invoices to Ava on a monthly basis, complete with the name of the individual that conducted the Work, the time spent, and a brief description of the tasks performed during that time. On all invoices, Consultant must include the contract number provided by Ava and the total compensation left on the Agreement after deducting the amount of the invoice. Notification to Ava is required once the contract budget has been used up by 80% (including invoiced work and work that may not have been invoiced yet) which is \$100,000 for this Agreement. Invoices must be submitted to Ava by the 20th of the month following the month in which Consultant performed the Work.

6.3 For the portion of the Work under this Agreement is to be performed on a task or project basis, the Consultant will submit an invoice within thirty (30) days of completing the project to the satisfaction of Ava for full payment, unless other arrangements have been made.

6.4 Ava will not agree to pay any markups on Subconsultant Services or supplies unless such markups are included in Exhibit E, Compensation/Budget and such markups were included in Consultant's bid, if applicable.

6.5 The following are conditions on Ava's obligation to process any payments under this Agreement:

6.5.1 If the Consultant is a U.S. based person or entity, the Consultant must provide to Ava a properly completed Internal Revenue Service Form W-9 before Ava will process payment. If the Consultant is a U.S based person or entity but has neither a permanent place of business in California nor is registered with the California Secretary of State to

do business in California, the Consultant must provide Ava with a properly completed California Franchise Tax Board form related to nonresident withholding of California source income before Ava will process payment.

6.5.2 If the Consultant is not a U.S. based person or entity, the Consultant must provide Ava with the applicable Internal Revenue Service form related to its foreign status and a California Franchise Tax Board form related to nonresident withholding before Ava will process payment.

6.6 Ava agrees to pay invoices within forty-five (45) days of receipt. Invoices may be sent to Ava by U.S. mail or electronic mail to AP@avaenergy.org. Invoices will be deemed received on the next business day following the date of transmission via electronic mail or three days after placement in the U.S. mail.

6.7 Ava, as a Joint Powers Authority, is a separate public entity from its constituent members and will be solely responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Consultant acknowledges that it will have no rights and agrees not to make any claims, take any actions or assert any remedies against any of Ava's constituent members in connection with this Agreement.

Section 7. Records Retention and Ownership of Work Product

7.1 The Consultant must retain all ledgers, books of accounts, invoices, vouchers, cancelled checks, background materials, or other records relating to its performance under this Agreement for a period of three years following termination of this Agreement.

7.2 Ava owns all rights, including without limitation, all licenses, copyrights, service marks and patents, in and to all Work Product(s), whether written or electronic, without restriction or limitation upon their use and immediately when and as created by the Consultant, any Subconsultants, or any other person engaged directly or indirectly by the Consultant to perform under this Agreement. "Work Product(s)" means all writings, reports, drawings, plans, data, video, media, photographs, renderings, plans, software, models, and other similar documents and materials developed or created by Consultant or its Subconsultants on behalf of or for use by Ava under this Agreement. All Work Product(s) will be considered "works made for hire," and together with any and all intellectual property rights arising from their creation will be and remain the property of Ava without restriction or limitation upon their use, duplication or dissemination by Ava. Consultant agrees not to obtain or attempt to obtain copyright protection in its own name for any Work Product.

Section 8. Termination

8.1 Ava may terminate this Agreement for any reason by giving Consultant written notice. The termination notice may set the date of termination, but if no such date is given, termination is effective seven (7) days following the date of the written notice.

8.2 Ava may terminate this Agreement immediately upon written notice for any material breach of this Agreement by Consultant or any of its Subconsultants. If Ava terminates this Agreement for cause and obtains the same services from another consultant at a greater cost, the Consultant is responsible for such excess costs in addition to any other remedies available to Ava.

8.3 Upon termination for any reason, Ava has the option of requiring the Consultant to complete work up to the date of termination or to cease work immediately. Ava has the further option to require Consultant to provide Ava any finished or unfinished Work or Work Product prepared by the Consultant up to the date of termination.

8.4 Ava will pay Consultant the reasonable value of services satisfactorily rendered by the Consultant to Ava up to the date of written Notice of Termination. If Ava authorizes Consultant to continue performing the Work through the date of termination, Ava will pay Consultant the reasonable value of services satisfactorily rendered up through the date of termination, providing such services are in compliance with the Compensation/Budget in Exhibit E.

8.5 Upon termination of this Agreement, and at no cost to Ava, Consultant, its Subconsultants and anyone working for Ava under control of Consultant must return all Work Product to Ava. Consultant may only retain copies of the Work Product by express written permission of Ava.

Section 9. Insurance

9.1 Consultant must procure, maintain and comply with the insurance requirements in Exhibit F throughout the full Term of this Agreement. Consultant must provide proof of insurance either in the form of a certificate of insurance or, if requested by Ava, a copy of the insurance policy, prior to performing any work under this Agreement.

9.2 Consultant agrees to stay in compliance with the insurance coverage requirements during the term of this Agreement. Consultant must give Ava ten (10) days written notice and obtain Ava's written approval prior to making any modifications that would reduce its insurance coverage.

9.3 Consultant must either include Subconsultants under its insurance policies or require each Subconsultant to comply with the insurance obligations in Exhibit F.

Section 10. No Discrimination or Conflict of Interest

10.1 Consultant represents and warrants, on behalf of itself and its Subconsultants, that it has not and will not discriminate against anyone based on his/her age, color religion, sex, sexual orientation, disability, race or national origin.

10.2 Consultant represents and warrants, on behalf of itself and its Subconsultants, that it is familiar with local, state and federal conflict of interest laws, that in entering into this Agreement it is not violating any of the conflict of interest laws, that it will avoid any conflicts of interest during the term of this Agreement, and that it will notify Ava immediately if it identifies any conflicts of interest Consultant understands that violations of this Section 10 could result in immediate termination of this Agreement and disgorgement of compensation.

10.3 In accordance with the California Political Reform Act (Cal. Gov't Code section 81000 *et seq.*), Consultant will cause each of the following people performing services under this Agreement to file a Form 700 within 30 days after the person begins performing services under this Agreement and subsequently on an annual basis in conformance with the requirements of the Political Reform Act by filing the original with the Ava Clerk to the Board of Directors. Form 700 submissions should be sent to cob@avaenergy.org, with carbon copy to the AVA contact. Each of the identified positions must disclose interests in accordance with the AVA Resolution-2018-7, Conflict of Interest Code, which may be amended from time to time. For the work currently outlined in Exhibit A, this Agreement does not require the Filing of Form 700 at this time.

Name	Position or Assignment

Section 11. Confidentiality

11.1 Except as authorized by Ava or as otherwise required by law, Consultant shall not disclose to any third party/ies any draft or final Work Product, discussions or written correspondence between Consultant and its Subconsultants or discussions or written correspondence between Consultant and Ava staff. In the event Consultant receives a request from any third-party requesting disclosure of any Work Product, discussions, communications or any other information Consultant is prohibited from disclosing, Consultant will immediately notify Ava and wait for direction from Ava before disclosing the information.

11.2 For the purposes of this Section 11, “third parties” refers to any person or group other than Ava staff and Board members. For example, “third parties” include community groups, Board advisory groups, other governmental agencies, other consultants or members of the community.

11.3 This Section 11 will survive the expiration or termination of this Agreement.

11.4 The Parties acknowledge that this Consulting Services Agreement, and any future agreement between the parties, will be subject to public disclosure under the California Public Records Act.

Section 12. Indemnity

12.1 Except with regard to any matter involving professional negligence, Consultant agrees, at its sole cost and expense, to indemnify, defend with counsel reasonably approved by Ava, and protect and hold harmless Ava, its officers, directors, employees, agents, attorneys, designated volunteers, successors and assigns, and those Ava agents serving as independent contractors in the role of Ava staff (collectively “Ava Indemnitees”) from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, penalties, judgements, liens and losses of whatever nature (“Claims”) that arise, directly or indirectly, in whole or in part, out of or are in any way related to Consultant’s or Subconsultant’s performance or failure to perform the Work under this Agreement, regardless of whether the Consultant or its Subconsultants acted or failed to act intentionally, willfully, recklessly or negligently. Consultant agrees that its indemnity and defense obligations include all costs and expenses, including all attorney fees, expert fees, mediation, arbitration, or court costs in connection with the defense. Consultant further agrees to indemnify, defend, protect and hold harmless Indemnitees from and against any breach of this Agreement and any infringement of patent rights, trade secret, trade name, copyright, trademark, service mark or any other proprietary right of any person(s) caused by Ava’s use of any services, Work Product or other items provided by Consultant or its Subconsultants under this Agreement.

12.2 With regard to any matter involving professional negligence, Consultant agrees, at its sole cost and expense, to indemnify, defend with counsel reasonably approved by Ava, and protect and hold harmless the Ava Indemnitees from and against any and all Claims to the extent arising out of or resulting from Consultant’s or Subconsultant’s negligence, recklessness, or willful misconduct. In no event shall the cost to defend charged to Consultant exceed the Consultant’s proportionate percentage of fault.

12.3 Consultant’s obligations in Subsection 12.1 and 12.2 do not apply to the extent any Claim results from the negligence or willful misconduct of the Ava Indemnitees.

12.4 Except as limited by Subsection 12.2, Consultant's obligation to defend Ava applies to the maximum extent allowed by law and includes defending Indemnitees as set forth in California Civil Code sections 2778 and 2782.8.

12.5 The Consultant's obligations under Section 12 applies regardless of the existence or amount of insurance the Consultant carries or has made available to Ava.

12.6 The Parties agree that this Section 12 survives the expiration or earlier termination of the Agreement.

Section 13. Consultant is an Independent Contractor

13.1 Consultant and its Subconsultant(s) are and at all times will be independent contractors. Consultant has complete control over its operations and employees and is not an agent or employee of the Ava and must not represent or act as the Ava's agent or employee. Consultant agrees, on behalf of itself and its employees and Subconsultants, that it does not have any rights to retirement benefits or other benefits accruing to Ava employees, and expressly waives any claim it may have to any such rights.

13.2 As an independent contractor, Consultant has complete control over its Subconsultants, Sub, suppliers, affiliates agents and any other person or entity with whom the Consultant contracts in furtherance of this Agreement (collectively "Subconsultants"). Subject to the requirements of Section 5 of this Agreement, Consultant is solely responsible for selecting, managing and compensating its Subconsultants, and for ensuring they comply with this Agreement.

Section 14. Miscellaneous Terms and Conditions

14.1 Ava Authority.

The Chief Executive Officer or his/her designee is authorized to take all actions under this Agreement, including without limitation, amendments that fall within the Chief Executive Officer's signing authority, termination or modification of terms.

14.2 Waiver.

Waiver by either party of any one or more conditions, Sections, provisions or performance of this Agreement will not be a waiver of any other provision; nor will failure to enforce a provision or Section in one instance waive the right to enforce such provision or Section in the future. In no event will payment by Ava to Consultant constitute or be construed as a waiver by Ava of any breach or default of this Agreement, nor will such payment prejudice any of Ava's other rights or remedies.

14.3 Governing Law.

Consultant and Ava agree that this Agreement will be interpreted under the laws of the State of California.

14.4 Venue.

Any litigation resulting from this Agreement will be filed and resolved by a state court in Alameda County, California, or if appropriate, the federal courts in the Northern District of California located in San Francisco.

14.5 Audit Rights.

All records or documents required to be kept pursuant to this Agreement must be made available for audit at no cost to Ava, at any time during regular business hours, upon written request by Ava. Copies of such records or documents shall be provided to Ava at Ava's offices unless an alternative location is mutually agreed upon.

14.6 Recitals and Exhibits.

The Recitals in Section 1 above are intentionally made a part of this Agreement. All Exhibits and any other documents incorporated by reference are a part of this Agreement.

14.7 Notices.

Any notices required to be given under this Agreement must be made in writing and may be delivered a) personally, in which case they are effective upon receipt; b) by U.S. Mail, in which case they are effective three (3) days following deposit in the U.S. Mail, unless accompanied by a return receipt in which case, they are effective upon the date on the receipt; or c) by electronic mail, in which case they are effective upon confirmation of receipt, and if no confirmation of receipt, they are effective one day after transmission, providing that a hard copy is also sent via U.S. mail. All notices must be sent to the addresses below:

AVA

Attn: Doug Allen
Ava Community Energy
1999 Harrison Street, Suite 2300
Oakland, CA 94612
Email: dallen@avaenergy.org
Phone: 510.998.5899

Consultant

Attn: James Himelic
First Principles Advisory LLC
1116 Sills Ct #3
Capitola, CA 95010
Email: jhimelic@firstprinciples.run
Phone: 520.979.1375

14.8 Assignment.

Except to the extent this Agreement authorizes Consultant to use Subconsultants, Consultant will not assign any part of this Agreement without the Ava's prior written consent. Ava at its sole discretion, may void this Agreement if a violation of this provision occurs.

14.9 Integrated Agreement.

The Recitals, this Agreement and the Exhibits attached to this Agreement contain the complete understanding between Ava and Consultant and supersedes any prior or contemporaneous negotiations, representations, agreements, understandings and statements, written or oral respecting the Work up through the Effective Date of this Agreement.

14.10 Amendments.

Any and all amendments or modifications to this Agreement must be made in writing and signed by each Party before such amendment will be effective.

14.11 Government Claims Act.

Nothing in this Agreement waives the requirements to comply with the Governmental Claims Act, where applicable.

14.12 Severability.

If a court of competent jurisdiction holds any Section or part of this Agreement to be invalid or unenforceable for any reason and the Work can still be performed, the Parties agree to sever the invalid or unenforceable Section from this Agreement and that all remaining Sections or parts of this Agreement will continue to be enforceable.

14.13 Counterparts.

This Agreement may be executed in one or more counterparts, all of which taken together will constitute one and the same instrument and each of which will be deemed an original.

14.14 No Party Deemed Drafter.

This Agreement will be considered for all purposes as prepared through the joint efforts of the Parties and will not be construed against one Party or the other as a result of the preparation, substitution, submission, or other event of negotiation, drafting or execution hereof.

14.15 Supplier Diversity.

Ava is required to report to the California Public Utilities Commission on their diverse suppliers, as defined by CPUC General Order 156. Consistent with the California Public Utilities Code and California Public Utilities Commission policy objectives, Contractor agrees to document and provide information to Ava regarding Contractor's status and any engagement of women, minority, disabled veteran, and LGBT owned

business enterprises in its provision of Services under this Agreement. Specifically, Contractor agrees to complete Ava's Supplier Diversity questionnaire, which may be updated or revised during the term of the Agreement, and otherwise reasonably cooperate with Ava to provide the information described above. Contractor shall provide such information in the timeframe requested by Ava and in no event later than January 31 of the year following the Effective Date of this Agreement.

Section 15. Authorized Signatories

15.1 Proper Countersignatures

Type of Entity	Authorized Signatories		
For a corporation:	Pursuant to California Corporations Code Section 313 proof of authority to execute the Agreement is established if one of the corporate officers listed in Column A below and one of the corporate officers listed in Column B below both sign the documents.		
	Column A	AND	Column B
	Chairman of the Board, or		Secretary, or
	President, or		Assistant Secretary, or
	Vice President		Chief Financial Officer, or Assistant Treasurer
	If the agreement is signed by any combination of persons other than those listed above or by an individual, then the agreement must be accompanied by a copy of the Board minutes, resolution, Corporate Secretary's certificate, or articles of incorporation stating that the signatories have the authority to bind the corporation.		
For a general partnership, a limited partnership, or a limited liability partnership:	All the general partners must sign the Agreement (a general partnership agreement is sufficient to establish the names of all general partners) unless the person signing the Agreement provides proof that he/she has authority to bind the partnership.		
For a limited liability company (LLC)	Copies of the following documents should be provided to establish who has authority to bind the LLC: (1) State Forms LLC-1 and LLC-12 if the company was formed in California; and (2) the operating agreement for the LLC – whether formed in California or another state.		
For a sole proprietor, or a sole proprietor doing business under another name:	Only the individual who owns the business can sign. Either a Fictitious Business Name Statement or a Business Tax Certificate is sufficient to establish the authority of an individual to bind a sole proprietorship.		

[signatures on following page]

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IN WITNESS WHEREOF, the parties have caused the Agreement to be executed as of the date set forth above.

First Principles Advisory, LLC
A Limited Liability Corporation

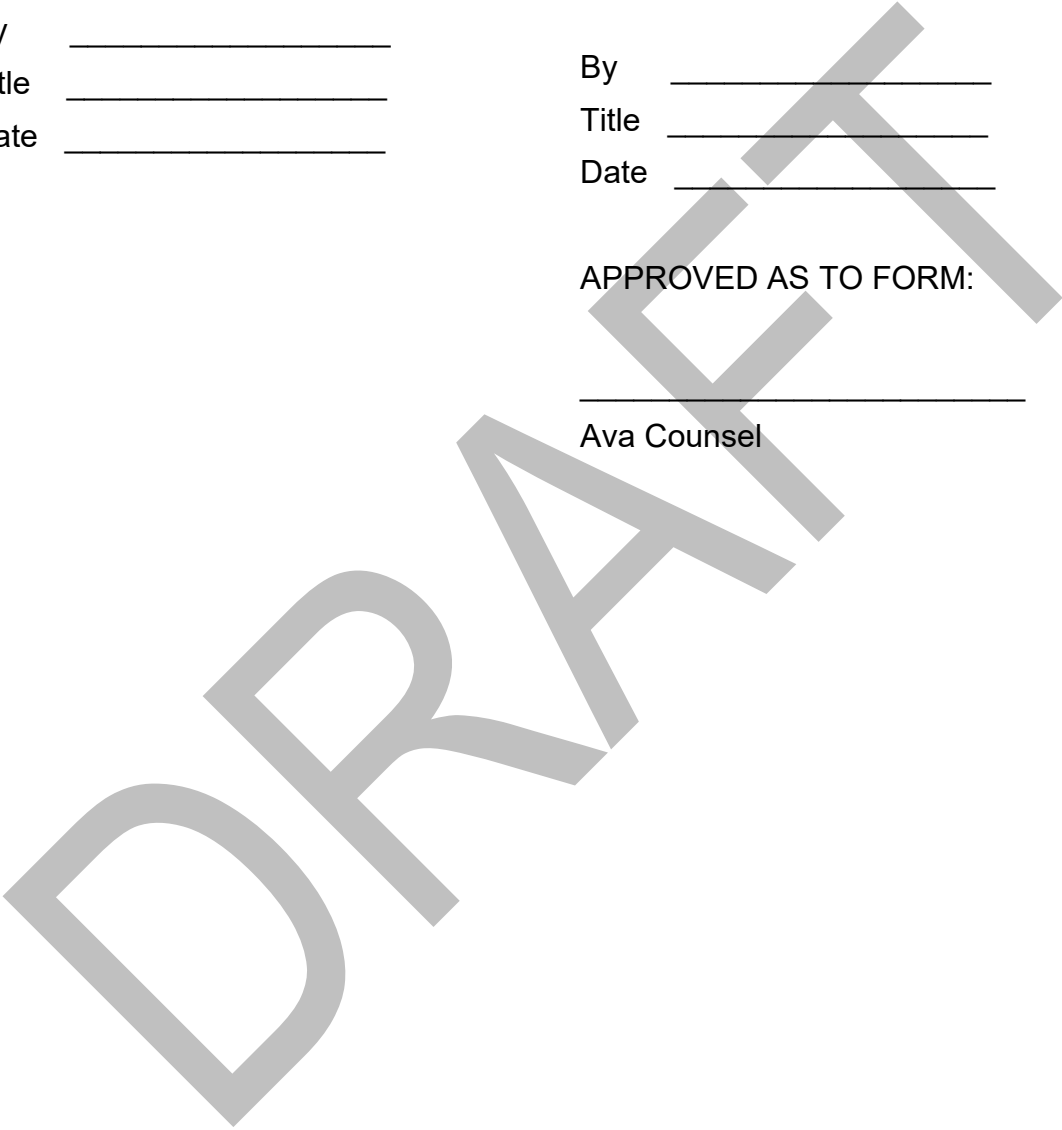
By _____
Title _____
Date _____

AVA COMMUNITY ENERGY AUTHORITY
A Joint Powers Authority

By _____
Title _____
Date _____

APPROVED AS TO FORM:

Ava Counsel



LIST OF EXHIBITS

EXHIBIT A: SCOPE OF WORK

EXHIBIT B: SCHEDULE

EXHIBIT C: CONSULTANT STAFFING

EXHIBIT D: SUBCONSULTANTS

EXHIBIT E: COMPENSATION/BUDGET

EXHIBIT F: INSURANCE REQUIREMENTS

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Exhibit A**SCOPE OF WORK**

1. Work with Ava employees to develop processes to programmatically generate input files for and execute model runs using the open-source GridPath modeling platform

a. Consultant's primary responsibility under this requirement will be providing sample files for Ava staff to use as templates and troubleshooting issues with files generated from the processes designed by Ava staff

Response:

First Principles advisory will support Ava staff in the development of workflow processes related to model setup, execution, and querying and visualizing model results. First Principles has extensive experience in creating the input files required for a successful execution of a GridPath model run. Moreover, the firm has built extensive visualization tools to assist in the analysis of modeling results. These dashboards query GridPath results and present them in both Excel-based Power Pivot tables and Microsoft BI. First Principles can leverage its experience in this area to assist Ava, as the organization works on building out agency-specific processes that are compatible with their existing internal IT systems and data analytics procedures.

2. Lead efforts to expand GridPath capabilities to include:

a. Analysis of the slice-of-day RA framework

b. Expanded ability to incorporate alternative objectives for optimization

i. For example, adding the ability to incorporate marginal emissions accounting into the optimization rather than simply system averages

c. Incorporate ability to run stochastic optimizations over uncertain futures

Response:

First Principles will work with Blue Marble Analytics to update the GridPath software so that it can incorporate the CPUC's RA Slice-of-Day accounting in addition to optimizing for 24/7 GHG-free emission policies.

First Principles Advisory, in joint collaboration with Dr. Patankar, proposes to develop systematic approaches to explore parametric uncertainties in power system models to assist ACE in obtaining a better understanding of how uncertainty impacts their long-term planning procedures. The objective of this work is for GridPath to go beyond deterministic optimization by incorporating Decision Making Under Uncertainty (DMUU)

tools, which allow the model to better account for uncertainty in key inputs. The results from these stochastic optimization exercises can inform stakeholder's decisions as they relate to uncertainty in key risk variables affecting the selection of the preferred portfolio. It achieves this by systematically evaluating the impact of uncertain parameters on decision outcomes, helping decision-makers assess the value of additional information and the potential cost savings associated with reducing uncertainty in the power system or other complex domains.

While incorporating uncertainties in power system models such as GridPath is challenging, Decision Making Under Uncertainty strategies provide a self-consistent framework for evaluating parametric uncertainties, allowing power system modelers to examine future technology and fuel pathways under specific modeling objectives to develop more robust long-term plans. For example, in a stochastic optimization formulation of the problem, it requires the modeler to develop a scenario tree, assign subjective probabilities and outcomes to each branch in a tree, and then optimize the model over a whole tree. Moreover, a powerful aspect of STOCHASTIC OPTIMIZATION is its ability to calculate the Expected Value of Perfect Information (EVPI) and the Expected Cost of Imperfect Information (ECIU) in decision-making scenarios.

EVPI quantifies the potential value of acquiring perfect information about uncertain variables in the power generation portfolio, offering insight into the maximum benefit that can be achieved through additional data acquisition or improved forecasting methods. Conversely, ECIU measures the cost associated with acting on imperfect information, highlighting the financial consequences of making decisions based on incomplete or inaccurate data. By computing these metrics within the decision support system, power system stakeholders will be empowered to make informed choices regarding data investments, risk mitigation strategies, and portfolio optimization, ultimately enhancing their ability to thrive in a dynamic and uncertain energy market.

Failure to address uncertainties in key input variables can lead to suboptimal decision-making, which could jeopardize an organization's ability to meet its long-term carbon reduction goals in a cost-effective manner. This risk highlights the pressing necessity for advanced modeling techniques that account for unpredictability and variability in LSEs' portfolios.

Overall, this task will leverage the expertise of the Binghamton University graduate student, Dr. Patankar (faculty), and staff to support First Principles mission to help their client make informed decisions. Co-supervised by Binghamton University faculty and Sponsor personnel, one graduate research associate (GRA) would work on specific projects as tentatively outlined in this proposal. More specifically, the GRA will assist in the following main tasks:

- Task 1: Data Integration: Create hypothetical power system data for First Principal Advisory's client, including generation, fuel consumption, operating condition, maintenance records, candidate resources, retail gross consumption, etc.

- Task 2: Model Modification: Adapt GridPath¹ to accommodate stochastic variables and scenarios, allowing for probabilistic representations of uncertain demand projections, renewable generation, and fuel price parameters within the model. Incorporate EVPI and ECIU calculations as a part of post-processing scripts.
- Task 3: Scenario Generation: Develop algorithms or methods for generating multiple scenarios reflecting different possible future states of the power system, considering factors like weather, demand variability, and fuel price fluctuations.
- Task 4: Objective Function Refinement: Modify the model's objective function to optimize decisions under uncertainty, considering cost and risk factors.
- Task 5: Solver Selection: Choose suitable solvers and optimization algorithms capable of efficiently handling stochastic linear programming problems.
- Task 6: Data Validation: Validate the model using historical data and real-world scenarios to ensure it accurately represents the power system's behavior.
- Task 7: Testing and Sensitivity Analysis: Conduct extensive testing and sensitivity analysis to assess the model's performance under various uncertainty levels and compare results against deterministic models.
- Task 8: Create comprehensive documentation detailing the modified model's structure, assumptions, and data sources, ensuring transparency and replicability.
- Task 9: Provide training to power system professionals and analysts on using the updated GridPath model effectively, especially in uncertainty modeling.
- Task 10: Validation with Case Studies: Validate the model's effectiveness by applying it to real-world case studies, evaluating its ability to provide actionable insights and improved decision support.

By pursuing these action items and thoroughly testing the modified GridPath model, this project aims to empower power system stakeholders with a powerful tool for making informed decisions that account for the inherent uncertainties in the energy landscape and provide helpful matrices such as Expected Value of Perfect Information (EVPI) and

¹ The project proposal references GridPath as the proposed platform to implement DMUU. However, the project team requests that there is risk in GridPath's architecture ultimately not being able to support this functionality, and thus the project team would investigate the ability for other open-source platforms such as MIT's GenX model to provide deterministic functionality that is comparable to GridPath and would satisfactorily comply with all the CPUC IRP-related modeling requirements.

Expected Cost of Ignoring Uncertainty (ECIU), ultimately enhancing grid reliability and resilience.

Project Outcomes and Deliverables

According to the proposed research tasks, the outcome will appear in the technical reports, program codes, and digital data set. All these data will be appropriately generated and stored in the archive. The PI will use appropriate digital data format, e.g., spreadsheet file (Microsoft Excel) or comma-separated values (CSV) file format, for the scenario data and numerical experimental results. Also, the mathematical optimization will be developed using free, commercially compatible, and open-source languages, Julia, and the generated program codes will be compiled and packaged as standalone binary executable files that contain everything needed to run the program, e.g., metadata and resources.

3. Technical support for development of IRP filing

- a. Assistance with preparation of necessary portfolios per CPUC guidance
- b. Guidance on development of additional scenarios consistent with EBCE's goal of making the Integrated Resource Planning an ongoing process

Response:

First Principles Advisory will assist AVA staff in generating a conforming portfolio for IRP compliance as well as any additional alternative portfolios the agency wishes to evaluate. In addition, First Principles will provide support, as needed, to ensure the agency is successful in completing its IRP filing requirements by providing support for any modeling-related topics. This can include documenting the modeling process in the Narrative, ensuring accurate alignment between the RDT and the defined portfolio in GridPath, and technical assistance with the Clean System Power (CSP) calculator workbook. Although the modeling completed under this work order will be primarily for IRP compliance, the nature of the modeling workflow will be such that AVA can seamlessly utilize the framework to provide support on future RFP procurement exercises.

Additional Services:

Consultant will not provide additional services outside of the services identified in Exhibit A, unless it obtains advance written authorization from the project manager or lead Ava representative prior to commencement of any additional services.

Exhibit B

SCHEDULE

As directed by Ava. This analysis will need to be completed in time for the filing of the Integrated Resource Plan in the fall of 2024, though finalizing some of the knowledge transfer may last until the end of the year.

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Exhibit C

CONSULTANT STAFFING

Jim Himelic, Founder, First Principles Advisory.

Ana Mileva, Founder, Blue Marble Analytics.

Professor Neha Patankar, SUNY Binghamton.

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Exhibit D

SUBCONSULTANTS

Subconsultants must be authorized in advance, in writing by Ava.

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Exhibit E

COMPENSATION/BUDGET

, First Principles will be compensation for each of the two components of the work:

i) Technical support and model expansion, without a focus on stochastic optimization working with Blue Marble Analytics. First Principles will provide IRP assistance to Ava and deterministic upgrades to Gridpath on a time and materials basis at a rate of \$250/hr, with a not-to-exceed amount of \$50,000.

ii) Technical support and model expansion including work towards stochastic optimization working with Prof Patankar, First Principles will provide Ava with stochastic optimization and other DMUU strategies functionality in GridPath for an additional fixed cost of \$75,000.²

The maximum compensation under this Agreement is \$125,000.

² Professor Patankar is still finalizing this number, but this is our best estimate at this time. There is the risk that this amount could be up to \$85k, depending on the ultimate scope. In the spirit of getting this functionality built, First Principles Advisory is willing to credit Ava Community Energy with up to \$10k for work related to Task 1, effectively reducing the NTE from \$50k to \$40k, should the project require it.

Exhibit F

INSURANCE REQUIREMENTS

A. Minimum Scope and Limits of Insurance. Consultant must procure, and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of Two Million Dollars (\$2,000,000.00) per project or location. If Consultant is a limited liability company, the commercial general liability coverage must be amended so that Consultant and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. If Consultant has no employees while performing Services under this Agreement, workers' compensation policy is not required, but Consultant must execute a declaration that it has no employees.

4) Professional Liability/Errors & Omissions Insurance with minimum limits of Two Million Dollars (\$2,000,000.00) per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Exhibit E must be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide.

C. Additional Insured/Additional Named Insured. The automobile liability policies must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional insureds. The commercial general liability policy must contain an endorsement naming Ava, its officers, employees, agents and volunteers as additional named insureds.

D. Primary and Non-Contributing. The insurance policies required under this Agreement must apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to Ava. Any insurance or self-insurance maintained by Ava, its officers, employees, agents or volunteers, will be in excess of Consultant's insurance and will not contribute with it.

E. Consultant's Waiver of Subrogation. The insurance policies required under this Agreement will not prohibit Consultant and Consultant's employees, agents or Subconsultants from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against Ava.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by Ava. At Ava's option, Consultant must either reduce or eliminate the deductibles or self-insured retentions with respect to Ava, or Consultant must procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Consultant agrees not to cancel any insurance coverage during the Term. Consultant further agrees not to, reduce or otherwise modify the insurance policies required by this Agreement during the term of this Agreement, without the prior written approval of Ava. The commercial general and automobile liability policies required under this Agreement must be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to Ava. If any insurance policy required under Agreement is canceled or reduced in coverage or limits, Consultant must, within two business days of notice from the insurer, phone and notify Ava via electronic mail and certified mail, return receipt requested, of the cancellation of or reductions to any policy.

H. Ava Remedy for Noncompliance. If Consultant does not maintain the policies of insurance required under this Agreement in full force and effect during the term of this Agreement, or in the event any of Consultant's policies do not comply with the requirements of this Exhibit F, Ava may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, Ava may, but has no duty to, take out the necessary insurance and pay, at Consultant's expense, the premium thereon. Consultant must promptly reimburse Ava for any premium paid by Ava or Ava, in its sole discretion, may withhold amounts sufficient to pay the premiums from payments due to Consultant.

I. Evidence of Insurance. Prior to the performance of Services under this Agreement, Consultant must furnish Ava with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Agreement. The endorsements are subject to Ava's approval. Ava may request, and Consultant must provide complete, certified copies of all required insurance policies to Ava. Consultant must maintain current endorsements on file with Ava. Consultant must provide proof to Ava that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant must furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Consultant will not be construed as a limitation of Consultant's liability or as full performance of Consultant's duty to indemnify Ava under Section 12 of this Agreement.

K. Subconsultant Insurance Requirements. Consultant's insurance coverage must include its Subconsultants or Consultant must require each of its Subconsultants that perform Work under this Agreement to maintain insurance coverage that meets all the requirements of this Exhibit F.

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Consent Item 12

TO: Ava Community Energy Board of Directors

FROM: Annie Henderson, Chief Customer Officer

SUBJECT: Sponsorship Agreement with the Oakland Roots Sports Club for the 2024 season of the Roots and Soul soccer teams

DATE: December 20, 2023

Recommendation

Approve a Resolution authorizing the CEO to negotiate and execute a Sponsorship Agreement with the Oakland Roots Sports Club (“Oakland Roots SC”) for the 2024 season of the Roots and Soul. The \$196,000 sponsorship would make Ava Community Energy (Ava) the exclusive Clean Energy Partner of both teams, and the benefits include back of jersey logo placement for both teams, field signage, on-site activation space, and broadcast and streaming commercial spots.

Background and Discussion

Oakland Roots is the first purpose-driven professional sports team in the United States. Their United Soccer League (USL) team is one of the fastest-growing brands in American sports, and they are one of the only remaining professional sports teams in Ava’s service territory. 2023 marked the inaugural USL-W season for the club’s affiliated women’s soccer team, Oakland Soul.

Oakland Roots SC partnerships combine sponsorship opportunities with community impact, creative storytelling, player integration, and employee engagement. Ava is a

founding partner of the Roots, sponsoring the team since 2018, and was also a foundational sponsor of the Oakland Soul in their first and only season (2023).

Ava had a 3-year Partnership Agreement with the Roots, which ran through the 2023 season, and a 2024 Agreement would begin as that term concludes. The past Sponsorship provided significant brand and program promotional opportunities for Ava (as East Bay Community Energy). Our partnership has helped Ava communicate with a diverse local fan-base and have our brand associated with a fun, popular form of community entertainment. Ava's marketing team activated an informational booth at most home games to connect with thousands of attendees at their (usually) sold-out home matches and received digital promotions, streaming television advertising, and other promotional benefits, as described in the Staff Memo presented to the Board in May 2021.

In addition to the benefit of on-site activation presence, this 2024 sponsorship package would make Ava the exclusive Clean Energy Partner of both Roots and Soul, would place the full Ava logo on the back of team jerseys (including on their merchandise jerseys), provide on field signage, and allocate "clock wraps" and commercial spots during streamed games. Additional benefits include social media posts, a press release, and game tickets.

Ava's previous three years of sponsorship of the Roots were at the \$125,000 per year level, and our sponsorship of the Soul in 2023 was \$10,000. The primary reasons for the increase in sponsorship cost for 2024 include the back-of-jersey logo placement (not a previous benefit for Ava), exclusivity as the clean energy partner, and due to their ongoing growth as a brand - as reflected in record levels of fan attendance at games, high levels of merchandise sales, ongoing social media follower growth, and overall valuation as a franchise. The Oakland Soul was recently awarded New Organization of the year by the USL-W soccer league and the USL-W League Fans' Choice Award for "Best Kit".

Ava staff were able to compare this partnership deal with other professional sports sponsorships executed by public agencies including Sacramento Municipal Utility District (with Sacramento Kings, Sacramento River Cats, and Sacramento Republic FC), San Diego Community Power (with San Diego Padres, San Diego Wave FC, and San Diego Loyal SC), and San Jose Clean Energy (with San Jose Earthquakes) to ensure that Ava's sponsorship benefits are commensurate with cost and with comparable sponsorships executed by peer agencies.

Fiscal Impact

The recommended partnership level is \$196,000 (\$150,000 for Roots and \$46,000 for Soul), and the FY2023-24 budget includes \$505,000 for major sponsorships. Amounts paid out to date and expected through the end of the fiscal year, inclusive of this updated sponsorship, will fall within this budget.

Committee Recommendation

This item was scheduled to be presented to the Marketing, Regulatory, and Legislative committee meeting on December 15th, 2023, but the meeting was canceled due to lack of quorum.

Attachments

- A. Resolution of the Board of Directors Delegating Authority to the CEO to Negotiate and Execute a Sponsorship Agreement with the Oakland Roots Sports Club for the 2024 Season of the Roots and Soul Soccer Teams

RESOLUTION NO. R-2023-xx

A RESOLUTION OF THE BOARD OF DIRECTORS

OF AVA COMMUNITY ENERGY AUTHORITY DELEGATING AUTHORITY TO THE CEO TO NEGOTIATE AND EXECUTE A SPONSORSHIP AGREEMENT WITH THE OAKLAND ROOTS SPORTS CLUB FOR THE 2024 SEASON OF THE ROOTS AND SOUL SOCCER TEAMS

WHEREAS The Ava Community Energy Authority (“Ava”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of Ava and parties to the JPA in March of 2020. The city of Stockton, located in San Joaquin County was added as a member of Ava and party to the JPA in September of 2022. The city of Lathrop, located in San Joaquin County, was added as a member to Ava and party to the JPA in October of 2023. On October 24, 2023, the Authority legally adopted the name Ava Community Energy Authority, where it had previously used the name East Bay Community Energy Authority since its inception.

WHEREAS Ava has sponsored the Oakland Roots Sports Club’s soccer team The Roots, since its inception in 2018; and

WHEREAS Ava has sponsored the Oakland Soul soccer team, since its inception in 2023; and

WHEREAS sponsorship of local events, sports, the arts, and entertainment is an ongoing component of Ava’s marketing and branding efforts to increase public awareness about Ava’s programs and services.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF AVA COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Board of Directors hereby authorizes the CEO to negotiate and execute a Sponsorship Agreement with Oakland Roots Sports Club in the amount of \$196,000 (\$150,000 for the Roots and \$46,000 for the Soul), for the 2024 season of the Roots and Soul soccer teams, and the Agreement will be approved as to form by General Counsel.

ADOPTED AND APPROVED this 20th day of December, 2023.

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board



CEO Report Item 13

TO: Ava Community Energy (formally East Bay Community Energy) Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: CEO Report (Informational Item)

DATE: December 20, 2023

Recommendation

Accept Chief Executive Officer (CEO) report on update items below.

Executive Committee Meeting

An Executive Committee meeting was held on Wednesday, December 6, 2023. Members discussed the Community Advisory Committee Member reappointments and CAC Guide updates. The next Executive Committee Meeting will be held on Wednesday, January 10, 2024, at 9am.

Marketing, Regulatory and Legislative Subcommittee Meeting

The December 15, 2023, meeting of the Marketing, Regulatory and Legislative Subcommittee Meeting was canceled. The next Marketing, Regulatory and Legislative Subcommittee Meeting will be held on Friday, February 16, 2024, at 12:00pm.

New Staff

Shuge Luo

Shuge Lou joined Ava on 11/7/23 as the new outreach coordinator on the Marketing and Account Services team. She will engage with and educate members of the public about Ava Community Energy through community outreach, partnerships, and local sponsorships.

Prior to Ava, Shuge worked in community organizing, specifically in environmental justice and affordable housing.

Shuge holds a Bachelor of Arts in Interdisciplinary Studies Field from UC Berkeley College of Letters & Science, where she studied how art and environment help us build more equitable communities.

Dan Bertoldi – Electrification Program Manager

Dan joined Ava on 11/14/2023 as the Electrification Program Manager on the Local Development team. Dan is primarily working on building electrification programs to help transition Ava's communities towards electrified homes and businesses, reduce greenhouse gas emissions from the built environment, and support healthier, more sustainable communities.

Prior to joining Ava, Dan worked at Central Coast Community Energy, the CCA serving the counties of the California Central Coast. There, he managed a portfolio of energy programs that included both building and transportation electrification efforts.

Dan holds a BS in Biology from Notre Dame de Namur University and an MS in Environmental Management from the University of San Francisco.

Andy McElroy – Solar and Storage Associate

Andy joined Ava's Programs team in November 2023 as the Solar and Storage Associate. Andy assists with project management and day to day operations for anything solar or storage related within Ava's various programs.

Prior to joining Ava, Andy was the NorCal Business Development Director for Sunlight Financial, where he managed and trained medium to enterprise size solar installer accounts and interfaced with CALSSA and the CPUC as the de facto policy expert surrounding the 2023 NEM 2.0 sunset.

Andy earned a Masters in Engineering Management at Duke University in Durham, North Carolina. He enjoys spending time with his family, snowboarding, camping, and photography.

Lori Belilla - Director of Business Development, Clean Energy Services

Lori joined Ava on 12/12/23 as the Director of Clean Energy Services. Lori will oversee the development and operation of Ava's Local Services such as: Public DC Fast Chargers, Municipal Fleet Charging as a Service, Solar and Storage as a Service, and Electrification Installation Delivery.

Lori has nearly 20 years of experience in the renewable energy industry and has contributed to the deployment of nearly 2GWs of renewable energy projects ranging from residential, commercial and utility scale globally. Most recently Lori was Vice President at Soltage, LLC., a solar and storage independent power provider. At Soltage,

they led west coast origination and development, and oversaw the technical due diligence and insurance programs for all projects in the Soltage portfolio.

Lori holds a BS in Mechanical Engineering, and Science, Technology and Society, from Rensselaer Polytechnic Institute, and an MBA from Penn State University.



Jessica Guadalupe Tovar, Coordinator EBCPA
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To: Ava Community Energy Board Members

Cc: Ava Community Energy Board Alternates and Community Advisory Committee

Subject: Consent Item C-2023-126 - Community Innovation Grant

December 20, 2023

Dear Ava Community Energy Board Members,
East Bay Clean Power Alliance (EBCPA) is grateful that Ava's Board of Directors called for reinstating the Community Innovation Grant program in 2023, after not making them available since 2019. However, EBCPA is very disappointed in the first and only grant being considered for this program having been granted to a business without a fair application process. We urge the Board to pull Item C-2023-126, from the first Consent Calendar and oppose using Local Development-Community Innovation Grant Funds for a for-profit marketing purpose.

The application requirements for this grant were very different from earlier and more accessible Community Innovation Grants, and designed for community based organizations (CBOs). Earlier grants required an application, not a cumbersome Request For Proposals (RFP). The scope of projects was very limited to Staff's interest in induction cooking compared to past grants being open to "community innovation" and required ability to reach all of Ava's territory which is a challenge for small CBOs. It was announced in the RFP that the grant of \$100,000 would be made over 3 years, totaling \$300,000.

History and Process for Community Innovation Grants

All of those aspects of the application made it difficult for most community-based organizations to apply. This is in contrast to the prior Community Innovation Grant programs. [In 2019 \\$240,000 in Community Innovation Grant funds](#) were given out to 6 different community-based organizations at \$40,000 per CBO. For this reason, we have been advocating for inclusion of smaller-more accessible grants at \$50,000 each with a multi-year commitment to ensure success in the proposed project or program. There is also a violation of a transparent process of making this granting as there was [a subcommittee](#) made up of Community Advisory Committee and Board representatives who field the applications and make the recommendations to the full Board on which organizations are recipients of the Community Innovation Grants. This process was not instituted in granting this round of funds.

Local Development Business Plan Funds Are Investments in Community Benefits & Should Start with our Most Vulnerable Communities within Ava Territory

In contrast, the sole chosen recipient for this years' grant, is Channing St Copper Company, a private, for-profit company that sells \$6,000 induction ranges. A far cry from a community-based organization, and clearly not one that serves low income communities of color. To give \$300,00 to a private company that clearly has a financial interest in increasing the induction range

market for their own product, seems to be a misuse of Local Development funds, and not a way to benefit communities that are the most under-resourced.

Marketing Efforts Should Be Funded with the Marketing Budget

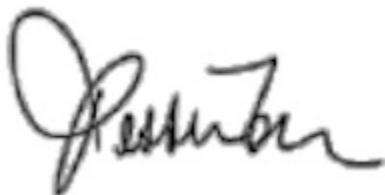
Furthermore, it is inappropriate for the Local Development Business Plan funds to be used for marketing purposes that serve communities with existing capital. The point of the Local Development Business plan is to provide community benefits that start with the most vulnerable communities within Ava Community Energy territory. It would be more appropriate to use marketing funds to fund marketing efforts.

The Agenda Item Indicate a Significant Amount of Funds in a Shorter Time Frame

The description of the item (C-2023-126) describes the purpose of the grant as accelerating clean energy investments that enhance workforce development, promote stronger local economic activity and increase community resilience.” It also offers \$300,000 over 2 years. We understood that the Board approved the possibility of \$300,000 over 3 years.

We urge the Board to ask for details about these lofty goals as we do not understand how an induction range company is going to achieve them. We also urge the Board to call for the next round of Community Innovation Grants to be oriented for community-based organizations. Now is the time to release the millions of funds that the Local Development team has yet to release.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jessica Tovar', written in a cursive style.

Jessica Guadalupe Tovar, Coordinator of East Bay Clean Power Alliance