

Board of Directors Special Meeting Agenda

May 7, 2020, 2 p.m.

City of Carlsbad | Council Chambers | Virtual Meeting

Per State of California Executive Order N-29-20, and in interest of public health and safety, we are temporarily taking actions to prevent and mitigate the effects of the COVID-19 pandemic by holding Clean Energy Alliance Joint Powers Authority meetings electronically or by teleconferencing. All public meetings will comply with public noticing requirements in the Brown Act and will be made accessible electronically to all members of the public seeking to observe and address the Clean Energy Alliance Joint Powers Authority Board of Directors. The meetings can be watched via livestream at www.carlsbadca.gov . You can participate in the meeting by e-mailing your comments to the Secretary at clerk@carlsbadca.gov prior to commencement of the agenda item. If you desire to have your comment read into the record at the meeting, please indicate so in the first line of your e-mail and limit your e-mail to 500 words or less. These procedures shall remain in place during the period in which state or local health officials have imposed or recommended social distancing measures.

CALL TO ORDER:

ROLL CALL:

FLAG SALUTE:

BOARD COMMENTS & ANNOUNCEMENTS

PRESENTATIONS

APPROVAL OF MINUTES:

Minutes of the Meeting held Jan. 16, 2020

Minutes of the Meeting held Feb. 20, 2020

Minutes of the Meeting held April 16, 2020

ACTION:

NEW BUSINESS

Item 1: Clean Energy Alliance Financial Pro-Forma Review; 5-year Goals & Vision Discussion

Clean Energy Alliance (CEA) discussion of goals/vision for next 5 years to include discussion on CCA programs, citizen advisory committee, strategic plan and inclusive sustainable workforce policy.

RECOMMENDATION

Provide direction on CEA programs, economic revitalization opportunities, citizen advisory committee, strategic plan and inclusive sustainable workforce policy

Item 2: Clean Energy Alliance Board Policy Regarding Handling Unsolicited Proposals

RECOMMENDATION

Clean Energy Alliance Board provide direction on policy regarding handling of unsolicited proposals.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

ADJOURN:

NEXT MEETING: May 21, 2020, 2 p.m., City of Solana Beach, City Hall (635 S. Highway 101)

Reasonable Accommodations

Persons with a disability may request an agenda packet in appropriate alternative formats as require by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the Carlsbad City Clerk's Office at 760-434-2808 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or clerk@carlsbadca.gov by noon on the Monday before the Board meeting to make arrangements.

Written Comments

To submit written comments to the Board, please contact the Carlsbad City Clerk's office at clerk@carlsbadca.gov. Written materials related to the agenda that are received by 5:00 p.m. on the day before the meeting will be distributed to the Board in advance of the meeting and posted on the Authority webpage. To review these materials during the meeting, please see the Secretary

**Clean Energy Alliance - Board of Directors
Meeting Minutes
January 16, 2020 - 2 p.m.
City of Del Mar Town Hall
1050 Camino del Mar, Del Mar California 92014**

CALL TO ORDER

Chair Schumacher called the meeting to order at 2:00 p.m.

ROLL CALL

Present: Chair Cori Schumacher; Vice Chair Ellie Haviland, and Board Member Kristi Becker

Absent: None

Staff Present: Interim Chief Executive Officer Barbara Boswell; Special Regulatory Counsel, Ty Tosdal; Del Mar City Manager Scott Huth; Solana Beach City Manager Greg Wade; Del Mar Administrative Services Director/City Clerk Ashley Jones; Carlsbad Intergovernmental Affairs Director Jason Huber; Del Mar Environmental Sustainability and Special Projects Manager Clement Brown; and Carlsbad Community Relations Manager Nikki Matosian

PLEDGE OF ALLEGIANCE

Vice Chair Haviland led the Pledge of Allegiance.

PUBLIC COMMENT

- 1) Lane Shurman, 1260 Santa Luisa, Solana Beach – Representing the San Diego Energy Alliance, expressed concern about the Board’s direction regarding the product being pursued with regard to emission standards.
- 2) Debra Schade, 529 Mar Vista Road, Solana Beach – Representing the Solana Beach School District, expressed the District’s interest in the CEA’s efforts and how that supports the District’s goals.

BOARD COMMENTS & ANNOUNCEMENTS

Chair Schumacher reported that she participated today in a conference call with Cal CCA regarding legislative advocacy and partnerships.

APPROVAL OF MINUTES:

Minutes of the Special Meeting held November 5, 2019

IT WAS MOVED BY VICE CHAIR HAVILAND, SECONDED BY BOARD MEMBER BECKER TO APPROVE THE NOVEMBER 5, 2019 MEETING MINUTES. (VOTE 3-0)

Ayes: Vice Chair Haviland, Chair Schumacher and Board Member Becker; Noes: 0; Absent: 0; Abstain: 0.

NEW BUSINESS

ITEM 1: ADMINISTRATIVE, OPERATIONAL AND REGULATORY AFFAIRS UPDATE

Interim CEO Boswell and Special Regulatory Counsel Tosdal provided a presentation on this item.

RECOMMENDATION: Receive and file administrative, operational and regulatory affairs update.

Questions from the Board focused on tracking of SDG&E seasonal rate changes.

ITEM 2: CLEAN ENERGY ALLIANCE CCA ROADMAP, COMMITTEES AND NEW MEMBER ATTRACTION

RECOMMENDATION: Receive report on Community Choice Aggregation actions and provide direction regarding committees and new member attraction.

Interim CEO Boswell provided a presentation on this item covering required next steps and related timing for each between January and April 2020; formation of Board committees.

Board questions focused on clarification on the color coding of action items included in the presentation timeline; timing for Board goal setting workshop; staff capacity with regard to committee support if formed.

Board discussion focused on concern about capacity to work on committee formation at this time, support for deferring exploring formation of committees until after launch time and focusing efforts on getting the CEA off of the ground; support for engaging the public and use of alternate board members to help keep things moving through committees; potential to use committees to help with public education and outreach; suggestion that an Ad-Hoc committee be formed with focus on goal setting, staffing, and energy mix recommendations with two committee appointees for each board member; potential and interest in attracting other participating agencies/members; value in creating a solid base before expanding to include new members and looking for new members that have aligned goals and would be a good fit; could be some benefit in staying smaller for procurement purposes; need to create goals for JPA prior to developing a new member recruitment strategy; approach to outreach with other potential members; how adding new members may help to minimize risk; risk of missing out on potential new members who may be recruited by other CCA JPA's if the CEA Board puts that effort on hold; and factors for attraction could consider geographic location, load size, or both.

There was concensus among the Board to grow the board. Next steps is to develop a strategy which identifies criteria to priortize new member recruitment. Cities currently undergoing or have already completed a feasibility study as a first priority and other cities in the geographic zone and SDG&E territory.

The Board directed Interim CEO Boswell to return at a future meeting, when appropriate, with a recommendation for formation of an Ad-Hoc citizen's advisory committee.

ITEM 3: AUTHORIZE REQUEST FOR QUALIFICATIONS FOR CLEAN ENERGY ALLIANCE TECHNICAL CONSULTANT SERVICES

RECOMMENDATION: Direct staff to issue a Request for Proposal for Technical Consultant Services.

A presentation on this item was provided by Interim CEO Boswell, which discussed the needs for a technical consultant.

IT WAS MOVED BY BOARD MEMBER BECKER, SECONDED BY VICE CHAIR HAVILAND TO AUTHORIZE REQUEST TO ISSUE THE RFP (VOTE 3-0)

Ayes: Vice Chair Haviland, Chair Schumacher and Board Member Becker; Noes: 0; Absent: 0; Abstain: 0.

ITEM 4: AUTHORIZE REQUEST FOR PROPOSAL FOR DATA MANAGER/CALL CENTER SERVICES

RECOMMENDATION: Direct staff to issue a Request for Proposal for Data Manager/Call Center Services.

Interim CEO Boswell presented this item to the Board, which identified the need for data manager/call center services.

IT WAS MOVED BY BOARD MEMBER BECKER, SECONDED BY VICE CHAIR HAVILAND TO AUTHORIZE THE RFP. (VOTE 3-0)

Ayes: Vice Chair Haviland, Chair Schumacher and Board Member Becker; Noes: 0; Absent: 0; Abstain: 0.

ITEM 5: SERVICE AGREEMENTS WITH MEMBER AGENCIES

RECOMMENDATION: Authorize Interim CEO Boswell to execute service agreements with Member Agencies at amounts not to exceed \$65,000 for the City of Carlsbad, \$2,800 for the City of Del Mar and \$16,000 for the City of Solana Beach.

Interim CEO Boswell provided a presentation on this item.

IT WAS MOVED BY VICE CHAIR HAVILAND, SECONDED BY BOARD MEMBER BECKER TO APPROVE THE SERVICES AGREEMENTS AND AUTHORIZE INTERIM CEO BOSWELL TO EXECUTE THE AGREEMENTS. (VOTE 3-0)

Ayes: Vice Chair Haviland, Chair Schumacher and Board Member Becker; Noes: 0; Absent: 0; Abstain: 0.

ITEM 6: RESOLUTION DESIGNATING AUTHORIZED CHECK SIGNERS AND ELECTRONIC PAYMENT APPROVERS

RECOMMENDATION: Adopt resolution.

Interim CEO Boswell provided a presentation on this item.

IT WAS MOVED BY VICE CHAIR HAVILAND, SECONDED BY BOARD MEMBER BECKER, TO APPROVE THE RESOLUTION. (VOTE 3-0)

Ayes: Vice Chair Haviland, Chair Schumacher and Board Member Becker; Noes: 0; Absent: 0; Abstain: 0.

ITEM 7: CLEAN ENERGY ALLIANCE PUBLIC OUTREACH AND MARKETING

RECOMMENDATION: Receive report on public outreach and marketing efforts and provide direction.

Carlsbad Community Relations Manager Matosian provided a presentation on this item which focused on communications done to date; potential future activities; and next steps through June 30, 2020.

Board comments and questions focused on avoiding use of powerlines in communications; and how CEA website FAQ's are generated; status of work on logo development; feedback on website; consideration to add information to the website for potential partners to access.

The direction given to staff by Interim CEO Boswell is to have a section on the website that provides a form for individuals to fill out with ideas of services that would be beneficial or projects they might want to consider. She noted this information could be a resource for RFPs to be sent out to.

ITEM 8: APPLICATION TO JOIN CALIFORNIA COMMUNITY CHOICE ASSOCIATION AS AN AFFILIATE MEMBER

RECOMMENDATION:

1. Authorize the Interim CEO to submit an application to California Community Choice Association (CalCCA) for Clean Energy Alliance to join as an affiliate member.
2. Approve annual CalCCA membership dues of \$1,500.

Interim CEO Boswell provided a presentation on this item.

IT WAS MOVED BY BOARD MEMBER BECKER, SECONDED BY VICE CHAIR HAVILAND TO AUTHORIZE THE INTERIM CEO TO SUBMIT AN APPLICATION TO CAL CCA AND APPROVED MEMBERSHIP DUES OF \$1,500. (VOTE 3-0)

Ayes: Vice Chair Haviland, Chair Schumacher and Board Member Becker; Noes: 0; Absent: 0; Abstain: 0.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

Next meeting to be held in Solana Beach on February 20, 2020, at 5 p.m.

ADJOURNMENT

Chair Schumacher adjourned the meeting at 4:11 p.m.

Ashley Jones, Administrative Services
Director/City Clerk

DRAFT

**Clean Energy Alliance - Board of Directors
Meeting Minutes**

February 20, 2020, 2:00 p.m.

City of Solana Beach | City Council Chambers
635 S. Highway 101 | Solana Beach, CA 92014

CALL TO ORDER: 2:00 p.m.

ROLL CALL: Schumacher, Haviland, Becker

FLAG SALUTE

Board Member Becker led the Pledge of Allegiance.

PUBLIC COMMENT

*Time is provided so members of the public can address the Board on items that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment. If you desire to speak during Public Comment, fill out a **SPEAKER CARD** and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name.*

Gretchen Newsom, IBEW (International Brotherhood of Electrical Workers) Local 569, requested that a Strategic Plan and an Inclusive and Sustainable Workforce Policy be added to the task matrix of action items.

Dinah Wilier, SDG&E, spoke about their meeting with CEA in January to discuss replacement of SDG&E's customer information system, Envision, and their efforts to meet the launch timelines outlined in the CEA Implementation Plan, potential unforeseen challenges in this project, the critical testing period that would inform the timing, continuing to work with CEA by way of biweekly calls throughout the Envision launch and critical stabilization period, and meeting the outlined timeline would continue to remain a top priority for SDG&E.

Emily Rogers Guild and Ebba Selling, Swedish American Chamber of Commerce - San Diego, spoke about their organization focused on CleanTech and Life Science industries and announced their Annual Green Connections event in November featuring partners, speakers, and sponsors in renewable energy, smart building, and energy storage.

Lane Sharman, the Center for Community Energy a successor organization to the San Diego Energy District, spoke about their June conference on CCAs (Community Choice Aggregations).

BOARD COMMENTS & ANNOUNCEMENTS: None

PRESENTATIONS: None

APPROVAL OF MINUTES:

Minutes of the Special Meeting held November 19, 2019

Minutes of the Regular Meeting held December 19, 2019

Motion by Vice Chair Haviland, seconded by Board Member Becker to approve the submitted meeting minutes. **Motion carried unanimously 3/0.**

NEW BUSINESS

Item 1: Interim CEO Update

RECOMMENDATION

1. Receive Community Choice Aggregation Update report from Interim CEO.
2. Select Board Member to represent CEA at meeting with California Public Utilities Commission.

Barbara Boswell, Interim CEO (Chief Executive Officer), reviewed the report and presented a PowerPoint (on file) regarding the administrative and operational update.

Ty Tosdal, CEA regulatory Special Counsel, continued the PowerPoint (on file) reviewing the regulatory update.

Motion by Chair Shumacher, seconded by Vice Chair Haviland to appoint Board Member Becker to represent CEA at the CPUC meeting. **Motion carried unanimously 3/0**

Motion by Chair Shumacher, seconded by Vice Chair Haviland to add discussion of a Strategic Plan and an Inclusive Sustainable Workforce Policy to the workshop. **Motion carried unanimously 3/0**

Item 2: Request for Proposal #2020-001 Permanent Banking Services and Credit Solutions Selection

RECOMMENDATION

1. Approve selection of River City Bank to provide permanent banking services to Clean Energy Alliance.
2. Authorize the Interim Chief Executive Officer to execute an agreement for banking services, for a three-year term, with the option to extend for two additional years, subject to General Counsel approval.
3. Authorize the Interim Chief Executive Officer and Interim Treasurer to develop a funding strategy for initial Clean Energy Alliance start-up costs and return to April 2020 for Board consideration.

Barbara Boswell, Interim CEO, reviewed the report.

Motion by Board Member Becker, seconded by Vice Chair Haviland to approve selection of River City Bank for banking services; authorize the Interim CEO to execute an agreement for banking services, for a three-year term, with the option to extend for two additional years, subject to General Counsel approval; and authorize the Interim CEO and Interim Treasurer to develop a funding strategy for initial Clean Energy Alliance start-up costs and return to April 2020 for Board consideration. **Motion carried unanimously 3/0**

Rose Cucicea, River City Bank, introduced herself.

Item 3: Request for Qualifications #2020-002 Clean Energy Alliance Technical Consultant Services Selection

RECOMMENDATION

Approve selection of CEA technical consultant and authorize Interim Chief Executive Officer to execute an agreement, for an amount not to exceed \$, subject to General Counsel approval.

Barbara Boswell, Interim CEO, reviewed the report.

Motion by Board Member Becker, seconded by Vice Chair Haviland to approve the selection of Pacific energy advisors to provide technical consulting services to the Clean Energy Alliance; and authorize the interim chief executive officer to execute an agreement for technical consulting services for an amount not to exceed \$75,000 through June 30th, 2020, with the option to extend through fiscal year 2020 2021 for an additional amount of 25,000, subject to General Council approval. **Motion carried unanimously 3/0**

Kirby Dusel, Pacific Energy Advisors, introduced himself and Donna Stein and their experience in the electric utility industry and CCAs.

Item 4: Request for Proposal #2020-003 Data Manager/Call Center Services Selection

RECOMMENDATION

Approve selection of Data Manager/Call Center Services provider and authorize Interim Chief Executive Officer and General Counsel to negotiate agreement for an amount not to exceed \$__.

Barbara Boswell, Interim CEO, reviewed the report.

Dennis Ferment, President EDMS, spoke about their submittal and projected savings, not being selected, their abilities to onboard new systems quickly, and their work with SDG&E on the EDI front since 2001.

Josh Brock, Calpine Energy Solutions, spoke about their current work on various systems testing that would be required to launch CEA, the company being local and passionate about the importance of serving the CCA and earning public trust, and the importance of representing a public entity in speaking with customers.

Gretchen Newsom, IBEW Local 569, requested that Calpine agree to neutrality in the event that their employees or subcontractor employees decided to unionize in the future, which had not been successful at SDG&E's call centers.

Calpine representative said that they had completed neutrality agreements with other vendors and they were generally be supportive of that activity.

Motion by Chair Shumacher, seconded by Vice Chair Haviland to approve selection of Calpine Energy Solutions and authorize the Interim CEO to execute an agreement for services for an amount not to exceed \$720,000 per year for a period of five years, subject to General Counsel approval. **Motion carried unanimously 3/0.**

Item 5: Authorize Execution of San Diego Gas & Electric Community Choice Aggregation Service Agreement; Payment of Community Choice Aggregation Bond and Submittal of Draft Customer Notice to California Public Utilities Commission

RECOMMENDATION

1. Authorize execution of Community Choice Aggregation (CCA) Service Agreement with San Diego Gas & Electric.
2. Approve CCA Bond, in an amount not to exceed \$147,000, to the California Public Utilities Commission (CPUC), pursuant to CPUC Resolution E-4907.
3. Approve submittal of draft customer notice to California Public Utilities Commission pursuant to CPUC Resolution E-4907.

Barbara Boswell, Interim CEO, reviewed the report.

Motion by Chair Shumacher, seconded by Vice Chair Haviland to approved execution of Community Choice Aggregation (CCA) Service Agreement with San Diego Gas & Electric; approve a CCA Bond, in an amount not to exceed \$147,000, to the California Public Utilities Commission (CPUC), pursuant to CPUC Resolution E-4907; and approve submittal of a draft customer notice to California Public Utilities Commission pursuant to CPUC Resolution E-4907. **Motion carried unanimously 3/0**

Item 6: Adopt Resolution Approving Clean Energy Alliance Policies

RECOMMENDATION

Adopt Resolution #2020-### approving Clean Energy Alliance policies related to travel and reimbursement, customer confidentiality and privacy and collections:

1. CEA -001 Travel and Reimbursement Policy
2. CEA-002 Protection of Confidential Information
3. CEA-003 Privacy and Customer Confidentiality Policy
4. CEA-004 Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy
5. CEA-005 – CEA Collections Policy

Barbara Boswell, Interim CEO, reviewed the report and recommend that the title of Resolution CEA-001 be amended to say “A resolution of the board of directors of the clean energy Alliance approving travel and reimbursement, customer confidentiality and privacy policy.”

Motion by Vice Chair Haviland, seconded by Board Member Becker to approve Resolution CEA-001 Travel and Reimbursement Policy modifying the amount of a meal expense from ‘should be moderate’ to ‘should not exceed \$30 per meal and associated gratuities should not exceed 20%,’ Resolution CEA-002 Protection of Confidential Information adding a reference to Board Members, Employees, Agents, etc. to be specifically referenced, Resolution CEA-003 Privacy and Customer Confidentiality Policy, and Resolution CEA-004 Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy. **Motion carried unanimously 3/0**

CLOSING COMMENTS:

Board Members discussed Board Members receiving copies of all RFQs (Request for Quotes) when an RFQ is issued and clarification on setting the agenda through the Staff and the CEO or Board Members submitting requests at the public meeting.

ADJOURN

Chair Schumacher adjourned the meeting at 3:34 p.m.

Angela Ivey, City Clerk of Solana Beach
Interim Acting Board Secretary

**Clean Energy Alliance - Board of Directors
Meeting Minutes
April 16, 2020 - 2 p.m.**

**Del Mar Civic Center – Town Hall
Remote Participation Only
1050 Camino del Mar, Del Mar CA 92014**

CALL TO ORDER: 2 p.m.

ROLL CALL: Schumacher, Haviland, Becker

FLAG SALUTE

Vice Chair Haviland led the Pledge of Allegiance.

PUBLIC COMMENT

Each person wishing to comment to the Board on any matter not on the agenda shall submit a written comment to the Board Secretary by 1:00 PM the day of the meeting by emailing cityclerk@delmar.ca.us. Please note "CEA Public Oral" in the subject line of your email. If you desire to have your comment read into the record at the Board meeting, please indicate so in the subject line of your email and limit your email to 500 words or less. State law prohibits the Board from taking action on items not listed on the agenda. Comments requiring follow up will be referred to staff and, if appropriate, considered at a future Board meeting.

No public comment was received.

BOARD COMMENTS & ANNOUNCEMENTS

None.

PRESENTATIONS

None.

NEW BUSINESS

Item 1: Interim Chief Executive Officer Update

RECOMMENDATION:

1. Receive Community Choice Aggregation Update report from Interim Chief Executive Officer.
2. Receive Community Choice Aggregation Regulatory Affairs report from Special Counsel.

Interim Chief Executive Officer Barbara Boswell presented the Community Choice Aggregation Update report and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

Special Counsel Ty Tosdal presented the Community Choice Aggregation Regulatory Affairs report and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

No public comment on the item was received.

Board discussion focused on public outreach and designating Board and staff members to coordinate outreach efforts to increase CEA membership.

On a motion by Board Member Becker, seconded by Vice Chair Haviland, to direct Interim CEO Boswell to return to the board at the next board meeting with an outreach plan for expansion of the Clean Energy Alliance. Motion carried unanimously, 3/0.

Item 2: Clean Energy Alliance Draft Financial Pro-Forma Review; FY 20/21 Budget and Financing Strategy

Clean Energy Alliance (CEA) receive updated financial pro-forma from Pacific Energy Advisors; discuss FY 20/21 budget and financing strategy.

RECOMMENDATION:

1. Receive report on draft financial pro-forma.
2. Provide direction for FY 20/21 staffing and consulting services and community outreach/communication and marketing.
3. Provide direction on FY 20/21 budget financing strategy.

Interim Chief Executive Officer Barbara Boswell introduced Kirby Dusel and John Dalessi of Pacific Energy Advisors who presented on the draft financial pro-forma and reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

No public comment on the item was received.

On a motion by Vice Chair Haviland, seconded by Chair Schumacher, to direct staff to include in the next pro-forma scenarios of 50%, 75% and 100% renewable base product options and to look at the ability for each city to offer different base product options for their city. Motion carried unanimously, 3/0.

On a motion by Chair Schumacher, seconded by Board Member Becker, to direct staff to include in the next pro-forma two additional scenarios: 1) 100% REC 1 renewables at start-up and 2) phasing in of 100% REC 1 renewables by 2023. Motion carried unanimously, 3/0.

On a motion by Vice Chair Haviland, seconded by Chair Schumacher, to direct staff to include in the next pro-forma scenarios that include a 1% discount rate and a 2% rate discount. Motion carried unanimously, 3/0.

On a motion by Chair Schumacher, seconded by Board Member Becker, to direct staff to return during the FY21 budget discussion with a reserves policy that includes a 5% annual reserves contribution with a minimum 25% reserves contribution achieved in the first five years and a future reserves range with 25% as the minimum and a goal of greater reserves. Motion carried unanimously, 3/0.

On a motion by Board Member Becker, seconded by Vice Chair Haviland provided direction for FY 20/21 staffing and consulting services to continue with all existing agreements. Motion carried unanimously, 3/0.

On a motion by Chair Schumacher, seconded by Vice Chair Haviland, to give Interim Chief Executive Officer Boswell the authority to negotiate financing with third parties including Calpine Energy Solutions with the understanding that the Board's desire is to get the best interest rate possible in order for the Clean Energy Alliance to be able to repay its member agencies \$150,000 advances should they need it in a more expedient manner. Motion carried unanimously, 3/0.

Item 3: Authorization to Enter into a Contract for Energy Transactions Attorney Services

RECOMMENDATION:

Authorize the Interim Chief Executive Officer to enter into a contract for energy transactions attorney services with Hall Energy Law for an amount not to exceed \$100,000 through June 30, 2021, subject to General Counsel approval.

Interim Chief Executive Officer Boswell presented staff's recommendation to enter into an agreement for energy transaction attorney services with Hall Energy Law due to the need for the Clean Energy Alliance to enter into energy supply contracts which requires specialized legal expertise. Interim Chief Executive Officer Boswell reviewed a PowerPoint presentation (on file in the office of the Board Secretary).

No public comment on the item was received.

On a motion by Vice Chair Haviland, seconded by Chair Schumacher, to authorize the Interim Chief Executive Officer to enter into contract for energy transaction attorney services for an amount not to exceed \$100,000 with a staff recommendation to coordinate with San Diego Community Power on the upcoming San Diego Gas & Electric (SDG&E) Resource Adequacy (RA) solicitations as well as other energy procurements, 3/0.

Item 4: Clean Energy Alliance Board Schedule Special Meeting for 5-Year Goals & Vision Workshop

RECOMMENDATION:

Clean Energy Alliance Board schedule special meeting for 5-Year goals & vision workshop to include CCA programs, economic revitalization opportunities, citizen advisory committee, strategic plan and inclusive sustainable workforce policy.

On a motion by Chair Schumacher, seconded by Vice Chair Haviland, the board scheduled the special meeting for May 7, 2020 at 2 p.m. in Carlsbad (or via teleconference if required). Motion carried unanimously, 3/0.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

None.

ADJOURNMENT:

Chair Schumacher adjourned the duly noticed Meeting at 4:50 p.m.

Sarah Krietor, Management Analyst
City of Del Mar

Staff Report

DATE: May 7, 2020

TO: Clean Energy Alliance Board of Directors

FROM: Barbara Boswell, Interim Chief Executive Officer

ITEM 1: Clean Energy Alliance Financial Pro-Forma Review; 5-Year Goals and Vision Discussion

RECOMMENDATION:

1. Review initial draft of Clean Energy Alliance (CEA) Financial Pro-Forma.
2. Discuss CEA 5-Year Goals and Vision and provide direction regarding CCA program prioritization that support JPA goals, climate action plan goals, economic development, local development and support low income.
3. Provide direction to staff regarding a Citizen Advisory Committee Policy.
4. Provide direction to staff regarding a CEA strategic plan.
5. Provide direction to staff regarding an Inclusive Sustainable Workforce Policy.

BACKGROUND AND DISCUSSION:

The Clean Energy Alliance Joint Power Authority was formed by the cities of Carlsbad, Del Mar and Solana Beach in November 2019 for the purpose of establishing a community choice aggregation (CCA or CCE) program in their communities.

Recital 3 of the JPA Agreement states:

“The purposes for the Founding Members...entering into this Agreement include procuring/developing electrical energy for customers in participating jurisdictions, addressing climate change by reducing energy-related greenhouse gas emissions, promoting electrical rate price stability and cost savings, and fostering consumer choice and local economic benefits such as job creation, local energy programs and local power development.”

Recital 6 of the JPA Agreement identifies the following goals of the JPA:

- Provide electricity in a responsible, reliable, innovative and efficient manner;
- Generation rates competitive with San Diego Gas & Electric (SDG&E) with a target 2% discount below SDG&E’s base electric generation product;
- Offer a mix of energy products that is cleaner than SDG&E’s similar service and other options including voluntary 90% & 100% products, with the objective of achieving- and sustaining- the Climate Action Plan goals of the members, at competitive rates;

- An aggregate electric supply portfolio with overall lower greenhouse gas (GHG) emissions than SDG&E, and that supports achievement of members’ greenhouse gas reduction goals and renewable electricity goals;
- An energy portfolio that incorporates energy efficiency and demand response programs and pursues ambitious energy consumption reduction goals;
- Procurement of local generation of renewable power developed by or within member jurisdictions with an emphasis on local jobs, where appropriate, without limiting fair and open competition for projects of programs implemented by the Authority;
- Provide a range of energy product and program options, available to all members and customers, that best serve their needs, their local communities, and support regional sustainability efforts;
- Support low-income households having access to special utility rates including California Alternative Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs;
- Use discretionary program revenues to support the Authority’s long-term financial viability, enhance customer rate stability, and provide all Parties and their customers with access to innovative energy programs, projects and services throughout the jurisdiction of the Authority; and
- Create an administering Authority that seeks to maximize economic benefits and is financially sustainable, well-managed and responsive to regional and local priorities.

The JPA Agreement identifies specific goals regarding its renewable portfolio standards and power supply. Section 6.4 establishes the goal of a renewable energy portfolio from 100% renewable sources, at competitive rates, by no later than 2035. Section 6.5 sets forth a base energy product with a 50% renewable energy content, but in no event lower than SDG&E’s base product, with voluntary opt-up product offerings such as 75% or 100% renewable content.

The Climate Action Plans of Carlsbad¹, Del Mar² and Solana Beach³ set the following goals for their respective cities:

	Carlsbad	Del Mar	Solana Beach
GHG Reduction Target	49%	50%	50%
Target date	2035	2035	2035
GHG Reduction Measures	<i>Rooftop Solar; Energy Efficiency Retrofits; Solar water heater/heat pump installation;</i>	<i>Rooftop solar; Energy Efficiency; CCA Program; Reduce single passenger vehicle trips;</i>	<i>Rooftop Solar; Energy efficiency retrofits; Solar water heating;</i>

¹ City of Carlsbad Climate Action Plan September 2015

² City of Del Mar Climate Action Plan June 2016

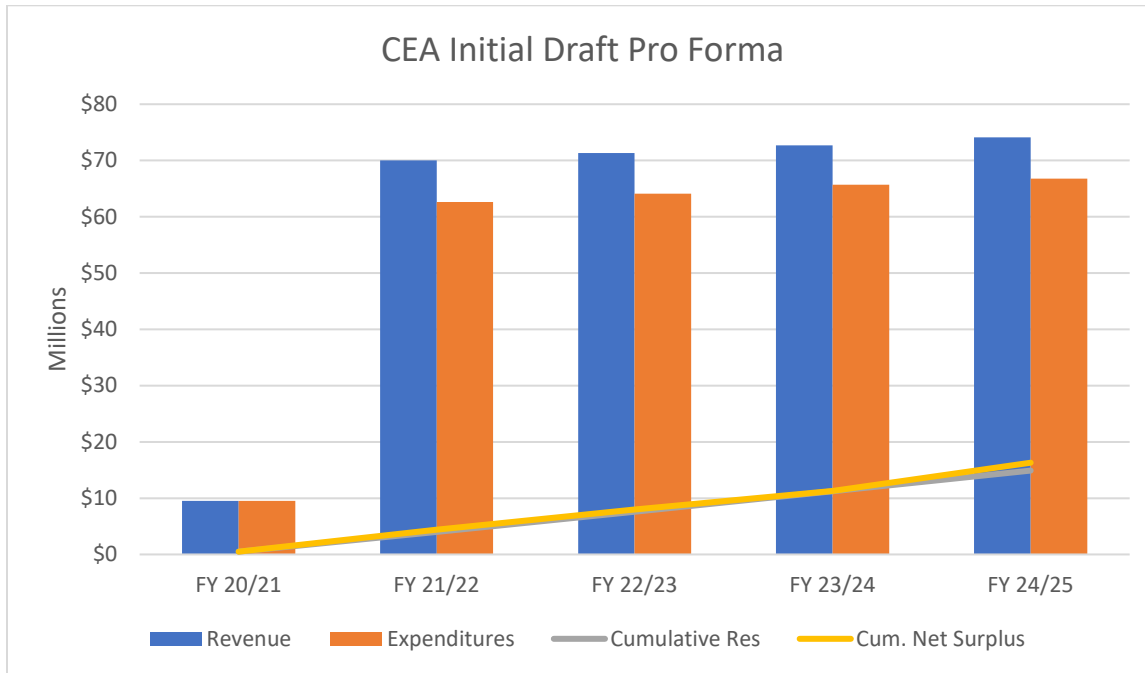
³ City of Solana Beach Climate Action Plan July 2017

	Carlsbad	Del Mar	Solana Beach
	Building cogeneration; Commercial commissioning; CALGreen building code; Increased zero-emissions vehicle travel Transportation Demand Management Citywide renewable projects Water delivery and conservation	Bicycle and pedestrian-friendly streets & sidewalks; Improved public transit service; Reduce water consumption; Water-efficient landscaping; Pool covers to conserve water; Capture methane from landfills; Promote expanded recycling programs	<i>Reduce natural gas water heating; CCA Program</i>

The Climate Action Plans are in alignment with regards to GHG reduction targets and timing. There are also several areas of commonality with the GHG reduction measures including: supporting rooftop solar (residential and commercial), energy efficiency programs, solar and electric water heating and increased use of heat pumps, as well as establishing a CCA program.

Clean Energy Alliance Initial Draft Pro Forma

At its April 16, 2020 regular CEA board meeting, the Board reviewed the initial draft of the CEA CCA financial pro forma. Assumptions that served the basis for the initial draft included a minimum 50% renewable energy default product increasing to 100% by 2035, no category 3 renewable energy credits, rate parity with SDG&E and a 5% of revenue annual reserve contribution. With these assumptions, and current energy market conditions, the financial outlook over the next 5-years is reflected in the following chart:



At the April 16 Board meeting, several alternative program options and assumptions were requested to be evaluated with an updated pro forma to come back to the Board. The updated pro forma with the requested scenarios will be brought before the Board at its May 21, 2020 meeting. The original initial draft pro forma is presented to provide the Board with a basis for discussion regarding the 5-year goals and vision for CEA.

CCA Programs

The annual net surplus generated by the CCA provide funds and opportunity for implementation of Board directed CCA programs that address the priorities and goals of CEA as established by the Board and in the JPA Agreement. Examples of CCA programs, that have been implemented, or are being implemented by CCAs throughout the State of California are shown in the below.

	Climate Action Plan Measures	Economic Development	Clean Energy	Local Development	Support Low-Income
Net Energy Metering	X	X	X		X
Solar Rebates/Incentives	X	X	X	X	X
100% Renewable Energy Product	X		X	X	
Feed-In-Tariff	X	X	X	X	
Demand Response	X	X	X		
Distributed Energy Programs/Incentives	X	X	X	X	
Microgrids/ Local Solar & Storage	X	X	X	X	
Community Grants/Local Innovation	X	X	X		X
Hot Water Heater/Heat Pump Incentives	X	X	X		X
Plumber/Electrician Training for Hot Water Heater/Heat Pump Installation	X	X	X		
Electric Vehicle & Charging Incentives	X	X	X		X
Building DeCarbonization/ Electrification	X	X	X	X	
Energy Efficiency	X	X	X		X

Staff is requesting the Board to prioritize potential CCA programs that CEA will work to implement over the next 5-years, that support climate action plan measures, economic development, clean energy, local development and support of low-income goals. With the current impact of COVID-19 on member agency city economies, CEA has an opportunity to identify and implement programs that can assist in the economic revitalization efforts.

Citizen Advisory Committee

Section 5.9 of the JPA Agreement establishes the authority for the Board to establish an advisory committee to assist the Board in implementing and operating its CCA program. Pursuant to the JPA Agreement, the committees should have equal representation from the member agencies. The Board may establish criteria to qualify for appointment to the committee, establish rules, regulations, policies or procedures to govern the committee.

Citizen Advisory Committees (CAC) have been established by CCAs to provide input to CCA boards and assist in the decision-making process.

Examples of areas that a CEA CAC may address include:

- Community Outreach
- Development of public information
- Finance and Risk Management
- CEA Expansion

Staff is seeking direction from the Board regarding establishing a CAC policy that addresses membership criteria, application process, committee purpose and scope.

Strategic Plan

A strategic plan will provide a process of documenting and establishing the direction of CEA, assessing where CEA is and where CEA is going. It provides a place to record the mission, vision and values, long-term goals and actions plans that will be used to reach those goals.

Staff is seeking direction from the Board regarding development of a strategic plan for CEA.

Inclusive Sustainable Workforce Policy

Inclusive sustainable workforce policies establish procedures and practices regarding hiring staff, procurement of goods and services, procurement of energy, and local development. Attachment A is the Inclusive and Sustainable Workforce Policy from Peninsula Clean Energy, a CCA program in northern California.

Staff is seeking direction from the Board regarding development of an Inclusive Sustainable Workforce Policy for CEA.

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENTS:

Attachment A – Peninsula Clean Energy Inclusive and Sustainable Workforce Policy



Policy Number: 10

Original Adoption Date:
December 15, 2016

Revised: October 25, 2018

Subject: Inclusive and Sustainable Workforce Policy

Policy: One of PCE’s strategic goals is to “foster a work environment that espouses sustainable business practices and cultivates a culture of innovation, diversity, transparency, integrity, and commitment to the organization’s mission and the communities it serves.” PCE recognizes that an inclusive and sustainable workforce helps PCE meet its core mission and goals more effectively, serve its customers in a more culturally sensitive manner, and reflect the businesses we partner with and the community we serve more comprehensively. PCE strives to have a workforce that is as inclusive as the community it serves.

Inclusive Workforce

PCE Staff

PCE relies on its employees to provide clean, cost-effective, alternative energy to its customers. These customers live in diverse communities, and an inclusive workforce comprised of staff who reflect and are invested in these communities allows PCE to serve them more effectively. An inclusive staff also provides good jobs for people from diverse communities.

To help maintain and strengthen PCE’s inclusive staff, PCE will:

- (1) Engage in broad outreach efforts in diverse communities, including disadvantaged and low-income communities, to ensure a diverse pool of candidates for open positions;
- (2) Provide fair compensation that aligns with regional market indicators for compensation levels for each position;
- (3) Be transparent about these practices and lessons learned; and
- (4) Provide contact information for staff who can answer questions about this policy.

Supply Chain

PCE’s commitment to inclusion also extends to its supply chain. Where and from whom PCE purchases goods and services have important consequences for businesses, customers, and their communities. An inclusive supply chain is an important driver for successful delivery of PCE’s services to its customers, and of fair and equitable economic development generally.

To help ensure an inclusive supply chain, PCE will:

- (1) Strive to use local businesses and provide fair compensation in the purchase

of services and supplies;

- (2) Proactively seek services from local businesses and from businesses that have been Green Business certified and/or are taking steps to protect the environment;
- (3) Engage in efforts to reach diverse communities to ensure an inclusive pool of potential suppliers;
- (4) Collect information from suppliers and contractors on the inclusivity of their workforce;
- (5) Include questions about supplier inclusivity in requests for proposals (RFPs) for services;
- (6) Require reporting from developers and large vendors on inclusivity in business ownership and staff;
- (7) Be transparent about these practices and lessons learned; and
- (8) Provide contact information for staff who can answer questions about this policy.

Inclusive Business Practices

To fulfill its core mission to provide energy choices to the diverse residents and communities of San Mateo County, PCE must ensure that its services and information are accessible to all communities. Accordingly, PCE will:

- (1) Strive to provide information on PCE's services in the multiple languages commonly spoken in PCE's service area (including mailers, tabling materials, customer service, call center, workshops and outreach events, advertisements, and other means of customer engagement);
- (2) Conduct marketing and outreach in diverse communities (including advertising in minority-owned media, establishing partnerships with community organizations, and using various media, such as radio and television) to increase awareness of PCE's services and programs;
- (3) Strive to attend important multi-cultural community events with multi-lingual materials and speakers;
- (4) Share information about activities and initiatives that promote inclusion, access, and diverse engagement in the community.

Non-Discrimination Pledge

PCE will not discriminate, and will require that its suppliers do not discriminate, on the basis of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

Sustainable Workforce

Support of local businesses, union labor and apprenticeship and pre-apprenticeship programs that create employment opportunities are important components of building and sustaining healthy and sustainable communities. It is in the interest of Peninsula Clean Energy in San Mateo County (PCE) to provide fair compensation and sustainable workforce opportunities within a framework of competitive service and the promotion of renewable energy, energy efficiency and greenhouse gas reduction.

PCE Recognizes the importance of locally-generated renewable energy in assuring that California is provided with (1) adequate supplies of renewable energy for economic growth, (2) sustained local job opportunities and job creation, and (3) effective means to reduce the impacts of greenhouse gas emissions. PCE also recognizes the opportunities that energy efficiency programs provide for local workforce training and employment.

PCE supports fair compensation in direct hiring, renewable development projects, energy efficiency programs and in procurement of PCE services and supplies. PCE also supports quality State of California approved apprenticeship and pre-apprenticeship training programs in construction craft occupations to foster long-term, fairly compensated employment opportunities for program graduates and believes that local apprenticeship and pre-apprenticeship programs are an efficient vehicle for delivering quality training in construction industry craft occupations.

PCE therefore desires to facilitate and accomplish the following objectives:

- (1) Support for and direct use of local businesses;
- (2) Support for and direct use of union members from multiple trades;
- (3) Support for and use of training and State of California approved apprenticeship programs, and pre-apprenticeship programs from within PCE's service territory; and
- (4) Support for and direct use of green and sustainable businesses.

"Local" is defined as 1.) San Mateo County; 2.) Nine Bay Area Counties (Alameda, Contra Costa, Marin, Napa, San Mateo, San Francisco, Santa Clara, Solano, Sonoma); 3.) Northern California; 4.) California. Preference will be give first to San Mateo County; second, to the Nine Bay Area Counties; third, to Northern California; fourth, to California.

PCE will support the objectives stated above in the following ways:

PCE Power Purchase Agreements with Third Parties

PCE shall collect information from respondents to any bidding and/or RFP/RFQ process regarding past, current and/or planned efforts by project developers and their contractors to:

- Employ workers and use businesses from the PCE service territory.
- Employ properly licensed (A, B, C10, C7, C46) contractors and California Certified electricians.
- Utilize multi-trade project labor agreements on the proposed project or any prior project developments.
- Utilize local apprentices, particularly graduates of local pre-apprenticeship programs.
- Pay workers the correct prevailing wage rates for each craft, classification and type of work performed.
- Display a poster at jobsites informing workers of prevailing wage requirements.
- Provide workers compensation coverage to on-site workers.
- Support and use State of California approved apprenticeship programs.

Relevant information submitted by proposers will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.

PCE Owned Generation Projects

Any PCE-owned renewable development project shall use local businesses, union labor, and apprenticeship programs through multi-trade agreements and/or through multiple agreements for work. Each construction contractor or subcontractor performing work on any PCE-owned project shall use a combination of local labor, union labor and apprenticeship programs, and shall follow fair compensation practices including proper assignment of work to crafts that traditionally perform the work. For each renewable energy project, PCE or its construction contractor shall require of its regular workforce that at least 50% of all “journey level” employees shall be graduates of a State of California approved apprenticeship program and at least 20% shall be enrolled and participating in a local State of California approved apprenticeship program. Apprenticeship programs must be approved by the State Department of Apprenticeship Standards.

PCE Feed-In Tariff Price Projects

PCE shall use best efforts to ensure each construction contractor or subcontractor performing work on any PCE Feed-in Tariff project utilize local businesses, union labor, multi-trade agreement, apprenticeship programs, and fair compensation practices including proper assignment of work to crafts that traditionally perform the work.

PCE Energy Efficiency Projects

PCE shall use best efforts to support local businesses, union labor, and local apprenticeship programs in the implementation of its energy efficiency programs. PCE shall use best efforts to ensure each construction contractor or subcontractor performing work on any PCE energy efficiency program utilize local businesses, union labor, local apprenticeship, and fair compensation practices in program implementation including proper assignment of work to crafts that traditionally perform the work.

Staff Report

DATE: May 7, 2020
TO: Clean Energy Alliance Board of Directors
FROM: Barbara Boswell, Interim Chief Executive Officer
ITEM 1: Clean Energy Alliance Board Policy Regarding Handling of Unsolicited Proposals

RECOMMENDATION:

Provide direction regarding development of an Unsolicited Proposal Policy.

BACKGROUND AND DISCUSSION:

The Clean Energy Alliance (CEA) Joint Powers Authority Agreement identifies the goal of providing innovative energy programs, projects and services to its customers. Typically, these programs, projects and services would be sourced through solicitation processes such as Request for Proposal or Request for Qualifications. However, there may be instances where public or private sector entities or individuals have an innovative project or idea that they desire to propose to the Board outside of the normal solicitation processes.

An Unsolicited Proposal Policy establishes procedures and practices regarding how unsolicited proposals would be submitted and how they would be handled once submitted. Attachment A is a sample Unsolicited Proposal Policy from SANDAG.

Staff is seeking direction regarding development of an Unsolicited Proposal Policy.

FISCAL IMPACT

There is no fiscal impact associated with this item.

ATTACHMENTS:

Attachment A – SANDAG Unsolicited Proposal Policy



Board Policy

No.: **040**

Unsolicited Proposals and Partnership Requests

SANDAG normally develops its own requirements, solicits proposals or bids, and contracts with entities whose proposals or bids are deemed most advantageous to SANDAG, however, the Board of Directors recognizes the valuable, innovative ideas or sources of revenue that educational and nonprofit institutions, private sector entities, and individuals may bring to propose relevant projects or partnerships that they believe are within the purview of SANDAG and will help meet SANDAG goals. This policy outlines how SANDAG staff will process unsolicited proposals to contract with SANDAG as a consultant or contractor, and partnership requests seeking to work with SANDAG in a public private partnership (P3) or other similar arrangement.

1 Scope of Policy

- 1.1 This policy is intended to provide high-level policy considerations and procedures to guide SANDAG management decisions when responding to unsolicited proposals and partnership requests (unsolicited offers). The Board of Directors hereby delegates authority to the Executive Director to create written procedures and to contract with parties submitting unsolicited proposals or partnership requests consistent with the requirements of this policy and Board Policy No. 017: Delegation of Authority.
- 1.2 An "unsolicited proposal" is defined as a written proposal to perform a proposed task or effort, initiated and submitted to SANDAG by a prospective consultant or contractor without a solicitation from SANDAG, with the objective of obtaining a contract award from SANDAG. The unsolicited proposal is the formal means by which business proposals are brought to the attention of SANDAG, submitted in the hope that the SANDAG will contract with the offeror for goods or services.
- 1.3 An "unsolicited partnership request" is a written request that SANDAG participate in a P3 or other partnership arrangement. Unlike a consultant or contractor arrangement, a partnership request calls for the requesting partner(s) to assume responsibility and financial liability for performing all or a significant number of functions in connection with a project. In transferring responsibility and risk for multiple project elements to the partner, SANDAG would reduce its controls and risks regarding the project. Additionally, the partner would receive the opportunity to earn a financial return or other benefits commensurate with the risks it would assume.
- 1.4 An "offeror" is the term used in this policy to refer to entities or persons submitting an unsolicited offer, which may be in the form of an unsolicited proposal or partnership request.
- 1.5 The following types of correspondence will not be considered under this policy: (1) written inquiries regarding SANDAG interest in research and/or development areas, (2) proposal explorations, (3) technical inquiries, (4) research descriptions, (5) offers to sell commercial off-the-shelf equipment or software, (6) a proposal that overlaps with the scope of work in a pending competitive procurement, and (7) proposals or requests that would require SANDAG to act outside SANDAG authority, inconsistently with applicable laws, or outside the purview of the agency.

2 Role of SANDAG Staff

- 2.1 Offerors may engage in preliminary discussions with SANDAG staff to gauge SANDAG interest in a potential unsolicited proposal or partnership request. Both SANDAG and offeror staff, however, must exercise caution to ensure that these preliminary communications do not lead to inadvertent collaboration on the development of a work statement that would subsequently be incorporated in an unsolicited offer. This would potentially invalidate the unsolicited nature of the offer or disqualify it from being considered due to concerns about unfair competition. Discussions between a potential offeror and SANDAG staff other than SANDAG Contracts and Procurement Division (CPD) staff should be limited to preliminary discussions of general concepts only. Discussions with non-CPD staff should be used solely to gauge SANDAG potential interest and determine whether the unsolicited offer would be of interest to SANDAG. If a potential offeror wishes to pursue the proposal or request after preliminary discussions, SANDAG staff should refer the offeror to this Board Policy and the CPD.
- 2.2 In cooperation with the Office of General Counsel, the CPD is responsible for: (1) establishing contracting policies and procedures consistent with Board Policies and applicable laws that are needed to address matters unique to unsolicited proposals and partnerships; (2) processing solicitations and proposals; and (3) processing unsolicited offers. The CPD will endeavor to ensure prompt and impartial evaluation in all of its function areas.

3 Preparation and Submission of Proposals

- 3.1 All unsolicited offers submitted for SANDAG consideration should be addressed to:

Contracts and Procurement Division
Attention: Unsolicited Offers
SANDAG
401 B Street, Suite 800
San Diego, CA 92101
unsolicitedoffers@SANDAG.org

- An unsolicited offer submitted directly to anyone other than CPD personnel cannot be acted upon officially until it is submitted to the CPD. If an offer is not sent by email, five copies of each offer must be delivered to SANDAG, one of which must be a manually signed original. Unsolicited offers should be prepared in conformance with this policy and any written procedures developed under the authority of the Executive Director. Offerors may submit their proposals or requests in their own format as long as the required data are provided. Email submissions may be made to the email address above, provided a single, manually signed hard copy is mailed concurrently. All electronic submissions must be in PDF and OCR format.
- 3.2 An unsolicited offer must meet all of the following requirements in order to be eligible for formal evaluation: (1) it must be in writing; (2) contain a novel, innovative, or otherwise meritorious concept, application, approach, or method; (3) be independently originated and developed by the offeror; (4) be prepared without SANDAG staff supervision or direct SANDAG staff assistance; and (5) present the proposed work or project in sufficient detail to allow a determination to be made that SANDAG support could be worthwhile and the proposed work could enhance, benefit, and provide valuable input to SANDAG mission or responsibilities.
 - 3.3 The following information must be included in unsolicited offers:
 - 3.3.1 Name(s) and address(es) of entity(ies) or persons submitting the offer.
 - 3.3.2 Type(s) of organization(s) (for profit, nonprofit, educational, small business, other) submitting the offer.

- 3.3.3 In the case of participation of other key entities or persons not participating as an offeror, provide identifying information for such entities or persons.
 - 3.3.4 Names and telephone numbers of the offeror's technical and business personnel whom SANDAG may contact for evaluation and negotiation purposes.
 - 3.3.5 Identification of whether the offer is intended to be an unsolicited proposal or unsolicited partnership request.
 - 3.3.6 Identification of any proprietary data that the offeror intends to be used by the agency only for evaluation purposes. (See Section 3.4 for instructions).
 - 3.3.7 Names of any other Federal, State, local agencies, or other parties receiving the offer.
 - 3.3.8 Date of submission of the offer.
 - 3.3.9 A signature of a responsible official authorized to contractually obligate the offeror.
 - 3.3.10 Technical information, including a concise title and an abstract (approximately 200 words) of the proposed effort or partnership.
 - 3.3.11 A reasonably complete discussion stating the objectives of the project or partnership, method of approach, the nature and extent of the anticipated results, and the manner in which the project or partnership will help support the SANDAG mission.
 - 3.3.12 The names and brief background information of the offeror's key personnel who would be involved.
 - 3.3.13 The type of support, if any, the offeror requests of SANDAG; e.g., financial, facilities, real property rights, equipment, materials, profit sharing, or personnel resources.
 - 3.3.14 A cost estimate for the proposed contract award, or estimated amount of investment from offeror and amount, if any, sought from SANDAG. The estimate must be sufficiently detailed, by element of cost, for meaningful evaluation by SANDAG and include subcontractors, partners, or any potential private equity contribution the offeror would provide. Offeror also must provide its estimate of the projected total net value or cost of the proposal or partnership to SANDAG and offeror over the life of the program, project, or service.
 - 3.3.15 Period of time for which the offer is valid (minimum of three months).
 - 3.3.16 Proposed schedule.
 - 3.3.17 A statement, if applicable, regarding proposed cost or revenue sharing.
 - 3.3.18 Identification of any organizational conflicts or financial conflicts of interest with SANDAG, its member agencies, or the members of the Board of Directors.
 - 3.3.19 A brief description of the offeror's organization and previous relevant work or experience.
 - 3.3.20 A statement demonstrating the financial ability of the offeror to perform the project or venture.
- 3.4 Proprietary Data

Whenever possible, an offeror should submit a proposal without restrictions on the use of technical data provided. All offers shall be public records. The offeror must state whether or not the proposal contains proprietary information that constitutes a trade secret pursuant to California Civil Code section 3426.1. If an unsolicited offer includes trade secret data that the offeror does not want disclosed for any purpose other than evaluation of the offer, the title page shall be marked with the following legend:

USE AND DISCLOSURE OF DATA

The trade secret information in this offer shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate the offer; provided, that if a contract or partnership agreement is executed with offeror as a result of or in connection with submission of this data, SANDAG shall have the right to duplicate, use, or disclose the data to the extent provided in the contract. This restriction does not limit SANDAG's right to use information contained in the data if it is obtainable from another source without restriction. The data subjected to this restriction are contained in Page(s) [insert page numbers] of the offer.

The offeror also shall mark each restricted page with the following legend:

Use or disclosure of data in sections or paragraphs [insert section or paragraph numbers] on this page is trade secret and is therefore subject to the restriction on the title page of this offer.

An unsolicited offer will be returned to the offeror if it is marked with a different legend than that provided in paragraph (a) above. The offeror will be informed that the offer cannot be considered because it is impracticable for SANDAG to comply with the offeror's requirements. The offeror shall also be informed, however, that the offer will be considered if it is resubmitted with the legend provided above.

4 Evaluation of Proposals

- 4.1 Preliminary Review. Prior to making a Comprehensive Evaluation of a document submitted as an unsolicited offer, the CPD will determine that the document contains sufficient information to enable meaningful evaluation. The CPD will notify the potentially interested SANDAG Department Director(s) and coordinate a preliminary review of the offer. If the Department Director(s) in his/her/their sole discretion, deems the offer in SANDAG's best interest to further evaluate, the CPD will notify the offeror. If the document lacks information required by this policy or other procedures promulgated by SANDAG the offeror will be notified and given the opportunity to submit the needed information. The Comprehensive Evaluation cannot begin until the needed information is received and one or more Department Directors has authorized the expenditure of the funds within SANDAG's approved budget to conduct a Comprehensive Evaluation. If it is determined that the submission does not meet the criteria for Comprehensive Evaluation as an unsolicited offer, a reply will be sent to the offeror, indicating the reason(s) for not considering it. SANDAG will endeavor to notify an offeror whether or not its offer will progress to a Comprehensive Evaluation within 60 days of receipt of the offer. Offerors shall have neither vested rights in this decision, nor ability to protest a decision by SANDAG not to conduct a Comprehensive Evaluation.
- 4.2 Comprehensive Evaluation. Upon acceptance of an unsolicited offer for Comprehensive Evaluation, CPD will convene a panel of CPD staff and experts to perform an independent evaluation. The decision as to whether favorable action will be taken on the offer will be based upon an assessment by the panel of the potential contribution of the proposed project or partnership arrangement to the objectives of SANDAG and whether the risk and cost to SANDAG can be justified under the circumstances. SANDAG staff or consultants will conduct cost, economic or market analyses to evaluate the current and future market conditions and determine whether the project or partnership arrangement is viable and in the best interest of SANDAG. The offeror will need to be available to the evaluation team to answer questions and provide additional information without charge to SANDAG. An offeror must establish it and/or its team or partners have sufficient technical experience and readiness to proceed.
- 4.3 Privacy Impacts. SANDAG may determine that an offer involving exchange of data raises public privacy concerns that require further assessment. SANDAG may require a privacy impact assessment to occur prior to fully evaluating an offer.

- 4.4 If it is determined to be in the best interest of SANDAG, other local, state, or Federal agencies may be approached to share in the evaluation and consideration of the offer.
 - 4.5 When the Comprehensive Evaluation has been completed, CPD will inform the offeror of the results of the evaluation. If SANDAG determines the offer is viable and worthy of pursuit in its sole discretion, it will evaluate whether to utilize Section 5 or 6 of this policy as the next step in the process.
 - 4.6 Normally, unsolicited offers are not returned after completion of the evaluation. They are retained in a secure location for a period of time and then destroyed after two years. If the offeror wishes the offer to be returned, a statement to that effect should be clearly made in the submission.
- 5 Determinations Regarding Competitive Process
 - 5.1 SANDAG will determine in its sole discretion whether competition exists from other potential offerors.
 - 5.2 If SANDAG determines competition may exist, the CPD shall publicly notice the unsolicited offer on its website and in any other locations directed by SANDAG management, and allow for other offerors to submit an abbreviated competing proposal within 30 days for consideration by SANDAG. The public notice shall include the evaluation criteria that SANDAG will use to evaluate competing offers.
 - 6 Determinations Regarding Whether a Sole Source Contract is Appropriate
 - 6.1 SANDAG will utilize written procedures to evaluate whether a contract award or partnership agreement can be justified without a competitive process. Such procedures shall be consistent with SANDAG sole source justification procedures and will be dependent upon the sources of funding SANDAG would use and the circumstances of each offer.
 - 6.2 The offeror may claim, or it may appear from an offer, that no other entity or person could offer the same product, service, or partnership arrangement. In the case of software, technology or other intellectual property, it may appear that only the offeror can perform. These circumstances alone, however, will not justify a sole source contract. The concept will be evaluated on its own merit, including analysis of revenue producing potential and opportunities for cost recovery for the applicable project or program. In many cases, the offeror will have competitors that could offer SANDAG similar solutions, but with different options, functionality, costs or risks. A competitive process should be used to select the consultant, contractor or partner, unless SANDAG staff determines that the proposed concept itself is proprietary, or the proposal concerns a specific piece of real property with unique attributes essential to SANDAG's interests to which the offeror has exclusive ownership and/or negotiating authority.
 - 6.3 The essential consideration in whether or not to accept an unsolicited offer without competition (i.e., to engage in contract negotiations on a sole source basis) is whether or not the offer is presenting a proprietary/trade secret concept or real property interest that is itself essential to contract performance. If an offeror is merely presenting a rationale for doing certain work that could be done by others if given the chance to compete, then there is no permissible basis to authorize a sole source. In the case of a proprietary software product that is being offered to achieve a certain goal, SANDAG could not, for example, release proprietary programming codes in a competitive solicitation. Staff should, however, if it deems the proposal one it recommends pursuing, compete the contract award in terms of describing what the mission or goal is in order to see what other firms might offer in terms of software solutions. In other words, staff cannot assume that the product being offered in the unsolicited proposal is the only, or best, product available to meet the objectives of the agency.

7 Partnership Requests that Include Joint Development Proposals

Offers including proposed joint use and development on SANDAG-developed and/or owned property will be evaluated using the following additional criteria:

- 7.1 Whether the project will negatively impact present or future public transportation facilities.
- 7.2 Whether the project is consistent with regional and local community policies and plans.
- 7.3 Whether the project demonstrates a fiscal benefit to SANDAG or a public transportation operator.
- 7.4 Whether the project provides economic development potential to SANDAG and/or the community.
- 7.5 Whether the project increases accessibility to public transportation.
- 7.6 Whether the project addresses community needs for housing, employment, services, or recreational facilities.

8 Board of Directors Participation

- 8.1 As set forth in Board Policy No. 017: Delegation of Authority, the Executive Director and his/her delegates may enter into agreements not currently incorporated in the budget and make other modifications to the budget in an amount up to \$300,000 per transaction so long as the overall budget remains in balance. If, in order to act upon an offer, a modification of more than \$300,000 would be necessary, such action shall be brought to the Executive Committee if under \$500,000 or to the Board of Directors for amounts in excess of \$500,000 as prescribed by Board Policy No. 001 Allocation of Responsibilities.
- 8.2 For all offers that progress to the Comprehensive Evaluation Stage, the Executive Director will report actions taken to the Board in summary written form at the next regular meeting of the Board.

9 SANDAG Liability

- 9.1 This policy and the procedures it describes do not commit SANDAG to evaluate an offer within a certain period of time, execute a contract, or to expend any public funds. SANDAG has no obligation to reimburse an offeror for any costs it incurs in preparing or submitting an offer or in providing information to SANDAG as it evaluates an offer.
- 9.2 All unsolicited offers submitted to SANDAG become the property of SANDAG and public records and, as such, may be subject to public review and use by SANDAG. Documents protected by law from public disclosure will not be disclosed by SANDAG if clearly marked as described in Section 3.4 of this policy. Trade secrets may be marked as confidential only to the extent they meet the requirements of California Civil Code section 3426.1(d). Only information claimed to be a trade secret at the time of submittal to SANDAG and marked as required in this policy will be treated as a trade secret. To the extent that an entire offer is marked as confidential or a trade secret, such designations will not be effective, and the offer will be rejected. To the extent that an offeror marks any information as either confidential or a trade secret, the offeror thereby agrees to defend and indemnify SANDAG in the event that SANDAG's non-disclosure is challenged in any legal action. Please see SANDAG Board Policy No. 015: Records Management Policy for information regarding the treatment of documents designated as confidential by SANDAG.
- 9.3 Offerors who wish to release information regarding evaluation, selection, or contract awards information in a press release or its promotional materials prior to the time a public announcement is made by SANDAG must receive prior written approval from SANDAG.

Adopted: June 28, 2019