Silicon Valley Clean Energy Authority
Board of Directors Meeting
Wednesday, May 11, 2016
7:00 pm

Santa Clara County Board Room
70 West Hedding Street, 1st Floor
San Jose, CA

Director Gibbons will attend by teleconference from 55 Alder Lane, North Falmouth, MA 02556. Members of the public may provide testimony at the teleconference location.

AGENDA

Call to Order

Roll Call

Public Comment

The public may provide comments regarding the Closed Session item(s) just prior to the Board beginning the Closed Session. Closed Sessions are not open to the public.

Convene to Closed Session

Public Employee Appointment (Government Code Section 54957)
Title: Chief Executive Officer

Report from Closed Session

Consent Calendar (Action)

1a) Approve Minutes of the April 13, 2016, Board of Directors Meeting
1b) Approve Administrative Services Agreement with the County of Santa Clara

Regular Calendar

2) Elect Chair and Vice Chair (Action)
3) Appoint a Board Executive Committee (Action)
4) Adopt Amended Conflict of Interest Code (Action)
5) Approve Employment Agreement with Chief Executive Officer (Action)
6) Authorize the CEO to Execute Agreements up to $25,000 (Action)
7) Receive Introductory Presentation on Power Supply Procurement and Customer Phasing (Discussion)
8) Receive Report on SVCEA Financing and Authorize RFP for Credit and Banking Services (Action)
9) Receive Communications and Operations Update (Discussion)

Board Member Announcements

Public Comment on Matters Not Listed on the Agenda

Adjourn

svcleanenergy.org
505 W Olive Avenue
Suite 130
Sunnyvale, CA, 94086
1) **Swearing in of new Board members**

Immediately preceding the Board of Directors meeting, Board Clerk Lisa Natusch administered the Oath of Office to Directors Jeannie Bruins (City of Los Altos), John Harpootlian (Town of Los Altos Hills), Rob Rennie (Town of Los Gatos), Steve Tate (City of Morgan Hill), John McAlister (City of Mountain View), Joe Simitian (County of Santa Clara), Howard Miller (City of Saratoga), Jim Griffith (City of Sunnyvale), Liz Gibbons (City of Campbell), Rod Sinks (City of Cupertino) and Daniel Harney (City of Gilroy); and Alternate Directors Don Bray (City of Los Altos), Carl Cahill (Town of Los Altos Hills), Marico Sayoc (Town of Los Gatos), Pat Showalter (City of Mountain View) and Peter Leroe-Munoz (City of Gilroy).

**Call to Order**

Board Clerk Lisa Natusch called the meeting to order in the Santa Clara County Board Room at 5:17 p.m.

**Roll Call**

**Present:**
- Director Jeannie Bruins, City of Los Altos
- Director John Harpootlian, Town of Los Altos Hills
- Director Rob Rennie, Town of Los Gatos
- Director Burton Craig, City of Monte Sereno (arrived at 5:23 p.m.)
- Director Steve Tate, City of Morgan Hill
- Director John McAlister, City of Mountain View
- Director Joe Simitian, County of Santa Clara
- Director Howard Miller, City of Saratoga
- Director Jim Griffith, City of Sunnyvale
- Director Liz Gibbons, City of Campbell
- Director Rod Sinks, City of Cupertino
- Director Daniel Harney, City of Gilroy

**Absent:**
- None.

**Consent Calendar**

No Items.

**Regular Calendar**

2) **Approve Interim Board Chair**
Melody Tovar explained the process for selecting the Interim Board Chair and recommended nomination of Director John McAlister as Interim Chair.

Director McAlister accepted the nomination.

MOTION: Director Sinks moved and Director Bruins seconded the motion to appoint Director John McAlister as Interim Board Chair. The motion carried unanimously (Director Craig absent).

Public Comment on Matters Not Listed on the Agenda
Jeff Byron, resident of Los Altos, commended the Board for their efforts, and commended the Center for Climate Protection for their work.

Swearing in of Director Burton Craig, City of Monte Sereno
Upon Director Craig’s arrival, Board Clerk Natusch administered the oath of office.

Following the swearing in of Director Craig, the Board proceeded with the remaining Regular Calendar Items.

3) **Adopt Conflict of Interest Code**
Greg Stepanicich provided the staff report and responded to Board member questions.

MOTION: Director Simitian moved and Director Griffith seconded the motion to adopt the Conflict of Interest Code.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

Director Simitian requested Stepanicich coordinate with the County Counsel with respect to filing the Form 700.

The motion carried unanimously.

4) **Approve ongoing meeting date and time**
Greg Stepanicich provided the staff report and responded to Board questions. Melody Tovar provided additional information.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Bruins moved and Director Tate seconded the motion to adopt the resolution to set the regular meeting time at 7 p.m.
The motion carried unanimously.

5) **Receive presentation on operations and program development**
Melody Tovar, City of Sunnyvale, presented a program plan overview and information regarding key milestones, resources and staffing, and responded to Board questions. Kirby Dusel and John Dalessi, Pacific Energy Advisors, presented information regarding key technical milestones in the implementation
plan and responded to Board questions. Erin Cooke, City of Cupertino, presented the Communications Plan and responded to Board questions.

6) **Approve initial budget**

Melody Tovar presented the staff report and responded to Board questions.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Griffith moved and Director Sinks seconded the motion to approve the proposed budget.
The motion carried unanimously.

7) **Approve administrative and fiscal services agreement with the City of Sunnyvale**

Melody Tovar presented the staff report. Greg Stepanicich provided additional information.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Bruins moved and Director Tate seconded the motion to approve the agreement in substantially in the form in Attachment 1 to the report with the City of Sunnyvale for administrative and fiscal services and reimbursement, in an amount not to exceed $225,000, and authorize the Board Chair to execute the agreement.
The motion carried unanimously.

8) **Receive an introduction regarding election of officers and appoint the Treasurer-Auditor**

Greg Stepanicich presented the staff report.

MOTION: Director Sinks moved and Director Bruins seconded the motion to appoint Tim Kirby, City of Sunnyvale, as Treasurer-Auditor for SVCEA.
The motion carried unanimously.

9) **Approve administrative services agreement with the City of Cupertino for community engagement and human resources support**

Operations Manager Melody Tovar presented the staff report and responded to Board questions. Communications Manager Erin Cooke provided additional information.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Miller moved and Director Sinks seconded the motion to approve an agreement substantially in the form shown in Attachment 1 with the City of Cupertino for community outreach and human resource services and reimbursement, in an amount not to exceed $155,000; and authorize the Board Chair to execute the agreement.
The motion carried unanimously.
10) **Appoint a Board Ad Hoc Committee to recommend selection of an interim Chief Executive Officer and negotiate a draft agreement for Board approval**

Communications Manager Erin Cooke presented the staff report and stated interviews are scheduled for April 26.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

Directors Sinks, Miller, Rennie, McAlister and Harney expressed interest in serving on the Board Ad Hoc Committee.

MOTION: Director Miller moved and Director Tate seconded the motion to appoint an Ad Hoc Committee comprised of Directors Sinks, Miller, Rennie, McAlister and Harney to conduct Interim CEO interviews and recommend the selection of and a services contract with an Interim Chief Executive Officer for approval at the May Board of Directors Meeting.

The motion carried unanimously.

11) **Approve professional services agreement with Richards Watson and Gershon for legal services**

Operations Manager Melody Tovar presented the staff report.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Gibbons moved and Director Bruins seconded the motion to approve an agreement substantially in the form shown in Attachment 1 with Richards, Watson & Gershon, for legal services in an amount not to exceed $80,000; and authorize the Board Chair to execute the agreement.

FRIENDLY AMENDMENT: Director Bruins offered a friendly amendment to modify the agreement to clarify in Section 5.0 Termination that the authority to terminate is the Board.
Director Gibbons accepted the friendly amendment.

The motion carried unanimously.

12) **Approve professional services agreement with Pacific Energy Advisors for technical services**

Operations Manager Melody Tovar presented the staff report.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Gibbons moved and Director Sinks seconded the motion to approve an agreement substantially in the form shown in Attachment 1 with Pacific Energy Advisors, Inc., for technical consulting services in an amount not to exceed $265,000; and authorize the Board Chair to execute the agreement.

The motion carried unanimously.

13) **Approve professional services agreement with MIG for outreach and community engagement services**
Operations Manager Melody Tovar presented the staff report and noted the provisions in Item 16 of the agreement are still being refined. Communications Manager Erin Cooke responded to Board questions regarding translation of the website into languages other than English.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Miller moved and Director Harney seconded the motion to approve an agreement substantially in the form shown in Attachment 1 to the report with MIG, Inc. for community engagement support services and reimbursement in an amount not to exceed $145,500; and authorize the Board Chair to execute the agreement, also giving staff flexibility regarding Item 16 Testing and Acceptance, and ask staff to bring back a plan at the appropriate time to deal with the Board’s concerns regarding communication across various languages.
The motion carried unanimously.

14) Approve professional services agreement with Joint Venture Silicon Valley for business and stakeholder engagement services

Communications Manager Erin Cooke presented the staff report.

Interim Chair McAlister opened public comment.
No speakers.
Interim Chair McAlister closed public comment.

MOTION: Director Gibbons moved and Directors Miller seconded the motion to Approve agreement substantially in the form shown in Attachment 1 to the report with Joint Venture Silicon Valley for business community engagement and outreach services and reimbursement in an amount not to exceed $68,000; and authorize the Board Chair to execute the agreement.
The motion carried unanimously.

Board Member Announcements
Interim Chair McAlister expressed appreciation to Melody Tovar and Erin Cooke for their work.

Director Gibbons expressed appreciation to Melody Tovar and Erin Cooke for their work.

Public Comment on Matters Not Listed on the Agenda
Bruce Karney, President of Carbon Free Mountain View, reported volunteers are available for various jobs including outreach or translation of web materials.

Ron Swenson expressed appreciation to the Board for bringing climate change to the attention of the community and stated a team of students at San Jose State is working on transportation based solar.

Adjournment
Interim Chair McAlister adjourned the meeting at 7:13 p.m.
Staff Report – Item 1b

To: Silicon Valley Clean Energy Authority Board of Directors

From: Kevin Armstrong

Item 1b: Approve Administrative Services Agreement with the County of Santa Clara for Meeting Support

Date: 5/11/2016

RECOMMENDATION

Approve agreement substantially in the form shown in Attachment 1 with the County of Santa Clara for Board meeting hosting, video recording, and on-site services and reimbursement, in an amount not to exceed $25,000; and authorize the Board Chair to execute the agreement.

BACKGROUND

SVCEA became effective March 31, 2016, and will require time to develop its operational capacity including the hiring of staff to perform the work of SVCEA. In the meantime, SVCEA is proposed to utilize a combination of local member agency staff and consultant support under the direction of an interim contract Chief Executive Officer (CEO) to conduct the business of SVCEA.

SVCEA was established as a result of the multi-jurisdictional collaboration, the Silicon Valley Community Choice Energy Partnership (“SVCCCEP”), which conducted outreach and technical study to evaluate the feasibility of a multi-jurisdictional community choice aggregation program in Santa Clara County. The County of Santa Clara was among the sponsoring agencies for SVCCCEP and is a party to SVCEA. The County of Santa Clara has the appropriate type of facility and the availability to host ongoing SVCEA Board meetings. The County currently serves as host for other outside authorities, including the Valley Transportation Authority and the California High Speed Rail Authority, and so is well-prepared to host SVCEA Board meetings.

ANALYSIS & DISCUSSION

Santa Clara County staff participated in the initial formation activities for SVCEA and is well positioned to provide key support to the Board and interim Chief Executive Officer (CEO) as it conducts the initial activities of launching a community choice energy (CCE) program and develops its organizational capacity. Santa Clara County proposes to provide Board meeting hosting and on-site support services as shown in the table below. On-site coordination will be handled by Santa Clara County’s Sustainability Program Manager with access to...
staffing support from partner departments. These activities are critical to provide SVCEA with an accessible location for Board meetings open to the public.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Labor for Site Coordination and Preparation for hosting of SVCEA Board Meetings.</td>
<td>$18,000</td>
</tr>
<tr>
<td>2.</td>
<td>Expenses related to hosting SVCEA Board Meetings, including beverage service, nameplates, and A/V services.</td>
<td>$7,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

Reimbursements to Santa Clara County will include staffing costs inclusive of salaries and benefits, as well as expenses approved by the CEO. The agreement will be for a term of eight months retroactive to April 1, 2016, with an option to extend the term for an additional six months.

The County Board of Supervisors is scheduled to consider approval of this agreement at its May 24, 2016, meeting.

**ATTACHMENTS**

1. Agreement for Administrative Services and Reimbursement
AGREEMENT BETWEEN THE SILICON VALLEY CLEAN ENERGY AUTHORITY AND
THE COUNTY OF SANTA CLARA FOR ADMINISTRATIVE SERVICES AND
REIMBURSEMENT

This AGREEMENT, effective April 1, 2016, is by and between the SILICON VALLEY CLEAN ENERGY AUTHORITY, an independent joint powers authority ("Authority"), and the COUNTY OF SANTA CLARA, a municipal corporation ("County") (collectively referred to as the “Parties”).

RECITALS:

A. 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.

B. The County of Santa Clara has been a sponsoring partner for the Silicon Valley Community Choice Energy Partnership ("SVCCCEP"), which conducted outreach and technical study to evaluate the feasibility of a multi-jurisdictional community choice aggregation program in Santa Clara County and led the collaboration to form the Authority.

C. The County of Santa Clara has the appropriate facilities available to host ongoing Authority Board of Directors meetings. The County currently serves as host for other outside authorities, including the Valley Transportation Authority and the California High Speed Rail Authority, and so is well-prepared to act as host.

D. The Authority seeks assistance with a variety of administrative functions as the Authority convenes, builds its operational capacity, and hires its own staff.

E. Authority and County desire to enter into an agreement for services and reimbursement upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. TERM
   The term of this Agreement shall commence on April 1, 2016, and shall terminate on November 30, 2016, unless terminated earlier as set forth herein. The Agreement may be extended for a period of six months if mutually agreed by the Parties in writing by November 15, 2016.

2. SERVICES TO BE PERFORMED
   County shall perform the services set forth in Exhibit "A," which is attached hereto and incorporated herein by this reference.

3. REIMBURSEMENT FOR SERVICES
   County shall be reimbursed for costs described in subsections (b) and (c) below incurred by County for services performed pursuant to this Agreement, in a total amount not to exceed twenty-five thousand dollars ($25,000.00).
(a) County shall provide a monthly invoice to Authority providing a breakdown of the costs and expenses incurred by County in providing services pursuant to this Agreement. For services performed by County employees, the invoice shall provide an itemized breakdown of the time spent by each employee.

(b) County shall be reimbursed for staff time costs inclusive of salaries and benefits, but not overhead charges.

(c) County shall be reimbursed for expenses as agreed upon in advance by Authority’s Representative.

(d) Authority shall pay proper invoices within 30 days of receipt.

4. **STANDARD OF CARE**

   County agrees to perform all services required by this Agreement in a manner commensurate with the standards of a reasonable professional having specialized knowledge and expertise in the services provided under this Agreement.

5. **EMPLOYEES OF COUNTY NOT EMPLOYEES OF AUTHORITY**

   Under no circumstances shall the employees of County be considered employees of Authority. County shall be solely responsible and liable for paying all compensation and benefits owed to its employees for the services provided by County under this Agreement.

6. **NO REcourses AGAINST CONSTITUENT MEMBERS OF AUTHORITY.**

   Authority is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated March 31, 2016, and is a public entity separate from its constituent members. Authority shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. County shall have no rights and shall not make any claims, take any actions or assert any remedies against any of Authority’s constituent members in connection with this Agreement.

7. **HOLD HARMLESS AND INDEMNIFICATION**

   Each Party shall defend, indemnify and hold harmless the other Party (including its officers, employees and agents) against any claim, loss or liability arising out of the performance of this Agreement by such Party. Nothing contained herein shall be construed as a waiver of any immunities or defenses that a Party may have under applicable provisions of the law, including the provisions of the California Tort Claims Act (Government Code Section 801 et seq.). This mutual indemnification agreement is adopted pursuant to Government Code Section 895.4 and in lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to Government Code Section 895.6. This provision shall survive expiration or termination of this Agreement.

8. **PROHIBITION AGAINST TRANSFERS**

   County shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of Authority. Any attempt to do so without such consent shall be null and void, and any assignee, sublessee, pledgee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

9. **SUBCONTRACTOR APPROVAL**

   Unless prior written consent from Authority’s Representative is obtained, County shall only use
its officers and employees in the performance of this Agreement.

10. **PARTY REPRESENTATIVES**
   The Chief Executive Officer shall represent the Authority in all matters pertaining to the services to be performed under this Agreement. The County Executive or Deputy County Executive shall represent County in all matters pertaining to the services to be performed under this Agreement.

11. **CONFIDENTIAL INFORMATION**
   County shall maintain in confidence and not disclose to any third party any confidential information or records not subject to disclosure under the California Public Records Act that are prepared or generated by County or provided to County by Authority in the performance of this Agreement.

12. **RECORDS**
   County shall keep and maintain full and complete documentation and accounting records concerning all services performed under this Agreement and shall make such documents and records available to Authority for inspection and copying at any reasonable time. County shall maintain such records for a period of five (5) years following completion of work hereunder. Any reports, data, documents or other records prepared by County for Authority under this Agreement shall be considered the records of Authority and shall not be destroyed without the express written approval of Authority. All financial and accounting records shall be prepared and maintained in accordance with generally accepted accounting principles and all applicable laws.

13. **NOTICES**
   All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States Mail, postage prepaid, addressed as hereinafter provided. Each party may change the address by written notice in accordance with this provision.

   All notices, demands, requests, or approvals shall be addressed as follows:

   **TO AUTHORITY:**
   505 W Olive Avenue
   Suite 130
   Sunnyvale, CA 94086
   Attention: Chief Executive Officer

   **TO COUNTY:**
   County of Santa Clara
   70 W. Hedding Street, 11th Floor
   San Jose, CA 95110
   Attention: Director of Sustainability

14. **TERMINATION**
   Either Party may terminate this agreement by providing no less than sixty (60) days’ written notice to the other party. Authority shall pay County for services satisfactorily performed up to the effective date of termination. In the event of termination, County, within fourteen (14) days following
the date of termination, shall deliver to Authority all records and work products generated by County under this Agreement.

15. **COMPLIANCE**
   County shall comply with all applicable local, state and federal laws.

16. **CONFLICT OF LAW**
   This Agreement shall be interpreted under, and enforced by the laws of the State of California. The Agreement and obligations of the Parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought pursuant to this Agreement shall be filed with the Superior Court of the County of Santa Clara, State of California.

17. **WAIVER**
   A waiver by Authority of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

18. **INTEGRATED CONTRACT**
   This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by a written document signed by both Authority and County.

19. **AUTHORITY TO EXECUTE**
   The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

20. **INSERTED PROVISIONS**
   Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either party.

21. **CAPTIONS AND TERMS**
   The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.
IN WITNESS WHEREOF, the parties have caused the Agreement to be executed as of the date set forth above.

COUNTY OF SANTA CLARA
A Municipal Corporation

By ______________________
Title ______________________
Date ______________________

SILICON VALLEY CLEAN ENERGY
AUTHORITY
A Joint Powers Authority

By ______________________
Title ______________________
Date ______________________

APPROVED AS TO FORM:

__________________________  RECOMMENDED FOR APPROVAL
Name: ______________________
Title: ______________________

Melody Tovar, Operations Manager

APPROVED AS TO FORM:

__________________________
Counsel for Authority

ATTEST:

__________________________
Authority Clerk
Exhibit A
Scope of Services

For the period from April 1, 2016, through November 30, 2016, the County of Santa Clara shall provide the following services to the Silicon Valley Clean Energy Authority:

| 1. Labor for Site Coordination and Preparation for hosting of SVCEA Board Meetings. | $18,000 |
| 2. Expenses related to hosting SVCEA Board Meetings, including beverage service, nameplates, and A/V services. | $7,000 |
| **Total** | **$25,000** |

Budgeted amounts described in the categories above are estimates and may be shifted across categories or tasks provided that the total cost does not exceed the total amount set forth in Section 3 of this Agreement.
Staff Report – Item 2

To: Silicon Valley Clean Energy Authority Board of Directors
From: Melody Tovar, Operations Manager

Item 2: Elect Chair and Vice Chair

Date: 5/11/2016

RECOMMENDATION

Elect the Chair and Vice Chair for the Board of Directors.

BACKGROUND

Section 4.11.1 of the SVCEA Joint Powers Agreement specifies that the Directors shall select, from among themselves, a Chair who shall be the presiding officer of all Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The Agreement also specifies that the term of office continues for one year and there is no limit on the number of terms held by either office.

ANALYSIS & DISCUSSION

The regular Directors listed below have formally expressed interest in one or both offices. Their statements of interest are attached to this report.

<table>
<thead>
<tr>
<th>Chair</th>
<th>Vice Chair</th>
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<tbody>
<tr>
<td>Jim Griffith, Sunnyvale</td>
<td>Jim Griffith, Sunnyvale</td>
</tr>
<tr>
<td>John McAlister, Mountain View</td>
<td>Rod Sinks, Cupertino</td>
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ATTACHMENTS

Director Statements of Interest
Melody Tovar                                         May 5, 2016
Operations Manager
Silicon Valley Clean Energy Authority

Melody,

I wish to express my interest in the election for Chair of the Silicon Valley Clean Energy Authority.

SVCEA was born from a feasibility study initiated by the City of Sunnyvale as a result of Sunnyvale’s Climate Action Plan. This led to my introducing Community Choice Energy (CCE) to the Cities Association of Santa Clara County. The enthusiastic response to the presentation resulted in the cities of Cupertino and Mountain View joining Sunnyvale as partners in the feasibility study. Santa Clara County joined the three cities shortly afterward.

As one of the four founding partners, I’ve been involved in the development of SVCEA since the very beginning, along with Rod Sinks of Cupertino, John McAlister of Mountain View, and Joe Simitian from the County Board of Supervisors.

I respectfully suggest that the four founding representatives are the logical choices to initially lead the Board through the challenges of getting SVCEA staffed and functioning. We four have worked on this subject over the past year, and we have mildest of learning curves. In particular, I understand that Rod Sinks from Cupertino has also expressed an interest in a leadership position. I would welcome the opportunity to continue to work with Rod in whatever capacity the Board sees fit, to lead the Board through its initial steps.

As Chair, I bring leadership experience as current President of the Cities Association of Santa Clara County, as well as Chair of the Santa Clara County Recycling and Waste Reduction Commission. I bring familiarity with the topic of Community Choice Energy, having worked on this particular effort for so long, given Sunnyvale as the origin of our collective CCE efforts. And I bring the passion of a CCE advocate, having lobbied against last year’s AB 2145, the utilities’ CCE-killer bill.

SVCEA needs a dedicated servant to respect the diverse needs and interests of our member agencies, while forming a consensus on our decisions. It will also need a passionate and experienced CCE champion. I believe I can fulfill both roles to the Board’s satisfaction. Accordingly, I respectfully ask the Board to consider my qualifications as Board Chair.

Sincerely,

Jim Griffith
SVCEA Board Representative, City of Sunnyvale
May 4, 2016

Request to be appointment as Chairperson to the Silicon Valley Clean Energy Authority Board

Colleagues

I am requesting to be appointed Chairperson to the Silicon Valley Clean Energy Authority Board.

On behalf of the City of Mountain View, I have been working on the creation of this Board since its inception in February 2015.

I have attended over 9 meetings and have engaged in decisions that have covered the following topics:

- Formation of a Community Choice Energy JPA
- Work plans and timeline development which included:
  - Initial study report
  - Technical Study
  - Program Partners/Geographic Scope
  - Draft Program Goals
  - Funding and Resources
  - Cost sharing
  - Steering and Advisory Committees
- Selection of new CEO

I have experience facilitating meetings as Mayor and regional meetings as Chairperson of the 9 cities collation for a VTA Comprehensive Plan.

If selected as Chairperson, my goal is to make sure the meetings are efficient, productive, and effective. I will response quickly to all correspondence and phone calls.

I am knowledgeable about the program, know the Partners involved and have the time, passion, and commitment to make this CCE the best possible Clean Energy source for the residents of the 11 Cities and the County that make up the SVCEA.

I would be honored to represent the Silicon Valley Clean Energy Authority.

Thank you for your consideration.

Respectfully,

John McAlister
May 5, 2016

Dear Fellow Board Members,

I would appreciate your consideration for appointment to either Chair or Vice Chair of the Silicon Valley Clean Energy Authority.

When Shawn Marshall came to the Cities Association in March 2014 to share the story of Marin Clean Energy, I suggested we add Community Choice Energy (CCE) to our priorities for the year. John McAlister, Jim Griffith and I asked our respective cities to fund incubation of CCE to cover the entire region, which they did, and the County subsequently joined us. We asked the rest of the cities to join us, and we are so grateful you all did. I expect we will all count founding the SVCEA as one of our most significant achievements during our time in office.

Unlike the cities or the County which we serve, SVCEA is a startup business where we will necessarily compete with a powerful incumbent for customers and mindshare. I offer my experience having helped lead two startup companies from infancy to success. This is a startup in the public sector, but it shares common success factors with which I am intimately familiar: strategy to meet our objectives and compete successfully over the long term, agility, risk mitigation, good fiscal management and hard work.

I have the time to devote to serving in this capacity, as I am currently spending my work time solely in public service, including regional assignments on the BAAQMD Board and four of its committees, as Chair of the VTA 85 Corridor Policy Advisory Board, on the Cities Association Board & Executive Committee, and on the County Recycling & Waste Commission.

I expect the next year will require active engagement at the CPUC, in Sacramento and with our residents and businesses. I am able to help our Executive Director with that work. I have spoken on CCE to seven college and high school classes to-date, as well as community and business groups and a number of city councils and council members leading up to adoption. I will also be speaking at the Silicon Valley Energy Summit at Stanford in June. I have participated in Lean Energy US’s monthly webinars to understand programs other CCEs are offering and the rapidly evolving regulatory and political landscape. With the standing permission of my council, I have written or initiated numerous letters to the CPUC and State legislators to preserve the opportunity for CCEs to form and succeed.

I also recommend you consider Jim Griffith for Chair or Vice Chair, based on his key role in the formation of SVCEA as well as his demonstrated leadership at the Cities Association and Recycling & Waste Commission. We both have a keen interest in ensuring our residents’ diverse needs are met.

Sincerely,

Rod Sinks
Staff Report – Item 3

To: Silicon Valley Clean Energy Authority Board of Directors
From: Melody Tovar, Operations Manager

Item 3: Appoint an Executive Committee of the Board of Directors

Date: 5/11/2016

RECOMMENDATION

Appoint an Executive Committee of the Board of Directors to provide policy, administrative, and operational oversight to the Silicon Valley Clean Energy Authority, to be comprised of the Chair, Vice Chair, and three additional Board members.

BACKGROUND

The SVCEA Joint Power Agreement Section 4.6 specifies that the Board may establish an executive committee consisting of a smaller number of Directors and that the Board may delegate to the executive committee such authority as the Board might otherwise exercise, subject to limitations specified in the Agreement or in the Operating Rules and Regulations.

The purpose of the SVCEA Executive Committee is to provide input and support to the CEO on operational and policy matters that benefit from more focused discussion and vetting prior to coming before the full Board for action. Existing community choice energy organizations also utilize executive committees.

ANALYSIS & DISCUSSION

Topics discussed by the Executive Committee would include administrative matters such as staffing plans and related human resource policies, JPA operating and program policies, requests for legislative or regulatory participation, finances and budgeting, and other matters related to the overall operation of the SVCEA.

Staff proposes that the Executive Committee be comprised of SVCEA’s Chair and Vice Chair and three additional Board members. It is anticipated that the Committee will meet every month on a set schedule. The Committee will be a standing committee of the Board of Directors and is thus subject to the Brown Act. Executive Committee members would ideally have the time flexibility to meet during the day if necessary. Committee participation may change over time and would be approved by the Board on an annual basis concurrent with the required annual election of Chair and Vice Chair.
Topics that will be discussed by the Committee will include, but are not limited to:

- Staffing and human resource matters
- Budgeting and agency finances
- Agency policies, procedures and committees of the board
- Participation in regulatory and legislative matters
- Other operational issues as may be necessary

The Executive Committee will make recommendations to the Board of Directors. A Committee member will make a report to the Board on a regular basis to keep the Board apprised of its activities. In addition, the Board may delegate specific authorities to the Executive Committee over time subject to any limitations of state law, the Joint Powers Agreement or the Operating Rules and Regulations. For example, the Board may take action to delegate the final approval of a services agreement.
Staff Report – Item 4

To: Silicon Valley Clean Energy Authority Board of Directors
From: Greg Stepanicich, General Counsel

Item 4: Adopt Amended Conflict of Interest Code
Date: 5/11/2016

RECOMMENDATION

Adopt the attached draft Resolution, adopting an amended Conflict of Interest Code.

BACKGROUND AND DISCUSSION
At its first meeting on April 13, 2016, the Board of Directors adopted a Conflict of Interest Code that requires specified financial disclosures for Board members, alternates, the Chief Executive Officer, General Counsel and certain consultants. After this meeting, we contacted the County of Santa Clara to determine whether the Authority could take advantage of the County’s e-filing system for Form 700’s called eDisclosure. We were informed by the County Counsel’s office that the Authority could utilize this system but only if it amended its Conflict Code to provide for an e-filing option in addition to hard copy filing and incorporate certain standard provisions that the County requires all entities to adopt that participate in eDisclosure.

Therefore, we have prepared an amended Conflict of Interest Code that has been approved by the County Counsel’s office that enables the Board members to file their Form 700’s electronically through eDisclosure or to file manually via hard copy with a wet signature to the Authority’s Filing Official. At this time the Deputy City Clerk of Sunnyvale, Lisa Natusch, has agreed to perform the duties of Filing Official for the Authority. Ms. Natusch has provided the Board members with eDisclosure instructions and login information.

As we noted last month, Government Code Section 82011(b) requires the Santa Clara Board of Supervisors to be the code reviewing body for the Authority’s Conflict of Interest Code. After the Board of Directors adopts the amended Conflict of Interest Code, staff will forward the attached resolution and the Authority’s amended Conflict of Interest Code to Santa Clara County for approval. The Board of Supervisors is required to act upon the Conflict of Interest Code within 90 days after receiving the Code for review. The Board of Supervisors may approve the Code as submitted, make revisions, or return the proposed Code to the Authority’s Board of Directors for review and resubmission back to the Board of Supervisors for approval. County Counsel will recommend the adoption of the amended Conflict of Interest Code so we anticipate that it will be approved by the Board of Supervisors.
ATTACHMENTS

A Resolution of the Board of Directors of the Silicon Valley Clean Energy Authority Amending the Authority’s Conflict of Interest Code
RESOLUTION NO. ________

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY AMENDING THE AUTHORITY’S CONFLICT OF INTEREST CODE

WHEREAS, the Silicon Valley Clean Energy Authority (“Authority”) was formed on March 31, 2016 pursuant to a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy programs in Santa Clara County; and

WHEREAS, the Political Reform Act, Government Code Section 81000, et seq., (the “Political Reform Act”) requires each public agency in California, including the Authority, to adopt and promulgate a conflict of interest code; and

WHEREAS, the Fair Political Practices Commission (the “FPPC”) has adopted a regulation that contains the terms of a Model Conflict of Interest Code (the “Model Code”), codified at 2 California Code of Regulations Section 18730. The Model Code can be incorporated by reference by the Authority in its Conflict of Interest Code; and

WHEREAS, the Board of Directors of the Silicon Valley Clean Energy Authority has previously adopted a conflict of interest code pursuant to Resolution No. 2016-01; and

WHEREAS, the Silicon Valley Clean Energy Authority has reviewed its code with the code-reviewing body, the County of Santa Clara, and determined that changes to the conflict of interest code are necessary.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Silicon Valley Clean Energy Authority rescinds Resolution No. 2016-01 and adopts the following attached Conflict of Interest Code including its Appendices of Designated Positions and Disclosure Categories.

BE IF FURTHER RESOLVED that The Board of Directors of the Authority hereby directs the Secretary of the Board to coordinate the preparation of a revised Conflict of Interest Code in succeeding even-numbered years following notice and instructions from the County of Santa Clara as the code-reviewing body for the Authority, in accordance with the requirements of Government Code Sections 87306 and 87306.5. Future revisions to the Conflict of Interest Code should reflect changes in employee or official designations. If no revisions to the Code are required, the Authority shall submit a response as indicated in the instructions provided by the County of Santa Clara no later than October 1st of the same year, stating that amendments to the Authority’s Conflict of Interest Code are not required.
ADOPTED AND APPROVED this ___ day of ___________, 2016.

_______________________________
Chair

ATTEST:

_______________________________
Clerk
SILICON VALLEY CLEAN ENERGY AUTHORITY
CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code § 81000, et seq., hereinafter referred to as the Act) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (“FPPC”) has adopted a regulation (2 California Code of Regulations § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency’s code. After public notice and hearing, the standard code may be amended by the FPPC to conform to amendments in the Act. Therefore, the terms of 2 California Code of Regulations § 18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference. This regulation and the text here designating positions and establishing disclosure categories shall constitute the conflict of interest code of the Silicon Valley Clean Energy Authority (“Authority”).


Individuals holding a designated position shall file their Statements of Economic Interests with the Authority’s Filing Official, which will make the Statements available for public inspection and reproduction subject to Government Code section 81008. If Statements are received in signed paper format, the Authority’s Filing Official shall make and retain a copy and forward the original Statements to the Filing Officer, the County of Santa Clara Clerk of the Board of Supervisors. If Statements are electronically filed using the County of Santa Clara’s Form 700 e-filing system, both the Authority’s Filing Official and the County of Santa Clara Clerk of the Board of Supervisors will receive access to the e-filed Statements simultaneously.
SILICON VALLEY CLEAN ENERGY AUTHORITY  
CONFLICT OF INTEREST CODE  
APPENDIX "A"

DESIGNATED POSITIONS

<table>
<thead>
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<th>Designated Position</th>
<th>Assigned Disclosure Category</th>
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<tr>
<td>Member of Board of Directors</td>
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</tr>
<tr>
<td>Alternate Member of Board of Directors</td>
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</tr>
<tr>
<td>Chief Executive Officer</td>
<td>1</td>
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<tr>
<td>General Counsel</td>
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<tr>
<td>Consultant</td>
<td>2</td>
</tr>
<tr>
<td>Newly Created Position</td>
<td>*</td>
</tr>
</tbody>
</table>

* Newly Created Position

A newly created position that makes or participates in the making of governmental decisions that may foreseeably have a material effect on any financial interest of the position-holder, and which specific position title is not yet listed in the Authority’s conflict of interest code is included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The Chief Executive Officer of the Authority may determine in writing that a particular newly created position, although a “designated position,” is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the broadest disclosure requirements, but instead must comply with more tailored disclosure requirements specific to that newly created position. Such written determination shall include a description of the newly created position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

As soon as the Authority has a newly created position that must file Statements of Economic Interests, the Authority’s Filing Official shall contact the County of Santa Clara Clerk of the Board of Supervisors Form 700 division to notify it of the new position title to be added in the County’s electronic Form 700 record management system,
known as eDisclosure. Upon this notification, the Clerk’s office shall enter the actual position title of the newly created position into eDisclosure and the Authority’s Filing Official shall ensure that the name of any individual(s) holding the newly created position is entered under that position title in eDisclosure.

Additionally, within 90 days of the creation of a newly created position that must file Statements of Economic Interests, the Authority shall update this conflict-of-interest code to add the actual position title in its list of designated positions, and submit the amended conflict of interest code to the County of Santa Clara Office of the County Counsel for code-reviewing body approval by the County Board of Supervisors. (Gov. Code Sec. 87306.)
DISCLOSURE CATEGORIES

Designated positions must report financial interests in accordance with the assigned disclosure categories.

Category 1: Persons in this category shall disclose:

(a) investments and business positions in business entities, and income (including gifts, loans, and travel payments) from sources that contract with the Authority, or that provide, plan to provide, or have provided during the previous two years, facilities, goods, technology, equipment, vehicles, machinery, or services, including training or consulting services, of the type utilized by the Authority; and

(b) all interests in real property located: in whole or in part within the jurisdiction of the Silicon Valley Clean Energy Authority, or within two miles of the borders of any of the parties to the Joint Powers Agreement for the Authority, or within two miles of any land owned or used by the Authority.

Category 2: Each Consultant, as defined for purposes of the Political Reform Act, shall disclose pursuant to the broadest disclosure category in the Authority’s conflict of interest code subject to the following limitation: The Chief Executive Officer of the Authority may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that are limited in scope and thus is not required to comply fully with the disclosure requirements of the broadest disclosure category, but instead must comply with more tailored disclosure requirements specific to that consultant. Such a written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer’s written determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.
To: Silicon Valley Clean Energy Authority Board of Directors

From: Board of Directors Chief Executive Officer Selection Ad-Hoc Committee

Item 5: Approve Employment Agreement with Chief Executive Officer

Date: 5/11/2016

RECOMMENDATION

Approve Ad-Hoc Committee Recommendation and Employment Agreement with Chief Executive Officer.

BACKGROUND

SVCEA became effective March 31, 2016, and will require a strong and skilled leader to conduct the varied initial activities involved in launching a community choice energy (CCE) program and developing its organizational capacity. In recognizing this key need, the staff from supporting agencies set in motion recruitment efforts in advance of SVCEA’s launch. The efforts were supported by the Board of Directors at its inaugural meeting on April 13, 2016 in its formation of an Ad-Hoc Committee to complete the selection. The five-member Committee identified its top candidate following interviews and reference checks and guided staff on negotiating an employment agreement.

ANALYSIS & DISCUSSION

The Ad-Hoc CEO Selection Committee recommends to the Board the appointment of Tom Habashi as its first Chief Executive Officer via an employment agreement (Attachment 1). Mr. Habashi’s resume (Attachment 2) indicates deep utility industry, public sector, and executive-level experience that positions him well to serve as SVCE’s first leader. Mr. Habashi’s references affirmed both his experience and aptitudes for power supply resource planning and contracting, capital project planning and construction, organizational development and finance, public sector governance and community engagement, among other key skills noted in SVCEA’s Request for Qualifications. Mr. Habashi, a once Bay Area local, will relocate from Portland within three months of his start date of May 23, as set forth in the Agreement.

The Committee recommends that Mr. Habashi be hired as an employee of SVCEA rather than a shorter-term independent contractor arrangement. Approving a longer-term agreement provides a more stable path for both the CEO and SVCEA; this was considered of particular value in a setting where several adjacent communities are considering CCE program formation in the next year or are actively recruiting their executive leadership.
The terms outlined in the Employment Agreement were benchmarked across operational CCEs and Bay Area public sector agency executive leadership positions and reflect SVCE’s formational status, which is absent a complete benefits plan (e.g. healthcare, retirement). As such, the Agreement will provide Mr. Habashi an annual salary of $240,000, 140 hours of paid time off, a $400/month transportation allowance, and $5,000 in relocation costs. The three-year agreement also details a timeline for the CEO’s performance review at 6 months, 1 year, and annually thereafter.

**ATTACHMENTS**
1. Employment Agreement
2. Tom Habashi Resume
EMPLOYMENT AGREEMENT FOR CHIEF EXECUTIVE OFFICER

THIS EMPLOYMENT AGREEMENT (“Agreement”) is entered by and between the Silicon Valley Clean Energy Authority (“SVCEA”) and Tom Habashi, an individual (“EMPLOYEE”). SVCEA and EMPLOYEE are sometimes collectively referred to herein as the “PARTIES”. For identification purposes, this Agreement is dated May 11, 2016.

RECITALS

This Employment Agreement is entered into on the basis of the following facts, understandings and intentions of the PARTIES:

A. SVCEA was formed on March 31, 2016 as 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.) with the power to conduct its business and enter into agreements, including employment agreements.

B. EMPLOYEE possesses the skill, experience, ability, background and knowledge to perform the duties and services provided by this Agreement as the Chief Executive Officer of SVCEA.

C. SVCEA desires to employ EMPLOYEE as its Chief Executive Officer on the terms provided by this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and mutual promises and conditions in this Agreement, it is agreed as follows:

1. Incorporation of Recitals. The foregoing Recitals, and each of them, are incorporated herein as though set forth in full.

2. Duties and Authority. SVCEA shall employ EMPLOYEE as the Chief Executive Officer of SVCEA, with the full power and authority to perform all of the duties of the Chief Executive Officer set forth in Exhibit A attached hereto.

3. Restrictions on Outside Business Activities and Conflicts. During his employment, EMPLOYEE shall devote his full energies, interest, abilities, and productive time to the performance of the Agreement and shall not, without SVCEA’s prior written consent, tender to others services of any kind for compensation, or engage in any other business activity in excess of five (5) hours per calendar week. In addition, EMPLOYEE shall not engage in any activity, for compensation or otherwise, that would interfere or conflict with the performance of his duties under this Agreement, including activities that may reasonably be expected to conflict with the Chief Executive Officer’s duties. Without limitation to the foregoing, a conflict includes, but is not limited to, a conflict of interest under the California Political Reform Act, Government Code § 1090 or other state or federal laws.
4. **Term.** Unless earlier terminated as provided in this Agreement, the term of this Agreement shall commence on May 23, 2016 and end on June 30, 2019. If notice of non-renewal is not given by either PARTY three months prior to the termination date, this Agreement shall renew for successive one-year terms, from July 1 to June 30 of succeeding years.

5. **Salary.** Effective May 23, 2016, SVCEA shall pay EMPLOYEE an annual salary of $240,000, prorated and paid on SVCEA’s normal paydays, subject to legally permissible or required deductions. EMPLOYEE’s salary is compensation for all hours worked and for all services under this Agreement. EMPLOYEE shall be exempt from overtime pay provisions of California law (if any) and federal law. EMPLOYEE’s salary may be adjusted periodically to reflect cost of living increases and merit increases.

6. **Evaluation of Performance.** The Board shall evaluate the performance of EMPLOYEE at or about six months and at or about one year after the commencement of the term of this Agreement and at each year thereafter. Evaluations may be conducted more often at the Board’s discretion. EMPLOYEE will request and schedule the minimum required evaluations as appropriate under the SVCEA’s agenda procedures or as otherwise directed by the Board.

7. **Benefits.** During the Term of this Agreement, EMPLOYEE shall be entitled to participate in any group insurance plan (including medical, dental, vision, life and disability, if any), retirement program or similar plan or program of SVCEA established by the Board during the term of this Agreement to the extent EMPLOYEE is eligible under its provisions. In the event SVCEA establishes a separate benefit program for executive and management employees, EMPLOYEE shall be entitled to participate only in such benefit program. SVCEA may establish additional benefit programs and may modify or eliminate any benefit plan or program in its discretion, in accordance with applicable law. In addition, EMPLOYEE shall be entitled to the following benefits:

   a. **Paid Time Off.** EMPLOYEE will accrue paid time off (PTO) in the amount of 140 hours per year, prorated and credited each pay period. Except as otherwise provided in this Agreement, PTO shall be subject to any SVCEA PTO policy applicable to employees generally.

   b. **Federal Holidays.** EMPLOYEE shall be entitled to all federal holidays or such additional holidays as may be declared by SVCEA.

   c. **Auto and Local Transportation Allowance.** SVCEA shall pay EMPLOYEE an annual transportation allowance of $400 per month, prorated and paid each pay period. The transportation allowance will constitute full compensation for all costs, expenses, mileage allowance, depreciation, maintenance, repairs, insurance, gas, tires, oil and all other incidental expenses associated with the use of EMPLOYEE’s personal automobile on SVCEA business or his use of public transportation. Liability insurance maintained by EMPLOYEE will be primary to any insurance or indemnification provided by SVCEA.
d. **Professional Organizations.** Subject to availability of funds and with prior approval, SVCEA agrees to pay or to reimburse EMPLOYEE for any budgeted, reasonable and necessary membership dues in professional organizations.

8. **Expenses.** During the employment term, and subject to the availability of funds, SVCEA shall reimburse EMPLOYEE for budgeted and reasonable out-of-pocket expenses incurred in connection with SVCEA’s business, including reasonable expenses for air travel, food, and lodging while away from home, subject to such policies as SVCEA may from time-to-time reasonably establish for its employees. Additionally, EMPLOYEE shall be entitled to Board-approved or budgeted and reasonable reimbursement for continuing education expenses, and for attendance at conventions, and conferences. EMPLOYEE may, upon request and prior approval by the SVCEA Board, be reimbursed for budgeted and reasonable expenses incurred in attending additional events that are appropriate to SVCEA’s goals.

9. **Relocation Expenses.** SVCEA will pay EMPLOYEE a non-accountable lump-sum relocation benefit of $5,000.00, to facilitate EMPLOYEE’s move from the Portland, Oregon area to a location closer to the Silicon Valley Area. To be eligible for the relocation benefit, EMPLOYEE must be employed by SVCEA for at least three months and must provide proof of primary residence within either (i) the service area covered by SVCEA or (ii) a 30 miles radius of SVCEA’s principal place of business. If EMPLOYEE does not submit the required proof of primary residence within one year of starting employment, the relocation benefit will be forfeited.

10. **Termination of Agreement.**

   a. **Termination by SVCEA.** EMPLOYEE is employed at the pleasure of the Board, and is thus an at-will employee. The Board may terminate this Agreement and employment relationship at any time with or without cause, and with or without prior notice.

   b. **Termination on Resignation.** EMPLOYEE may terminate the Agreement by giving SVCEA at least 60 days (or more if possible) prior written notice. SVCEA may accelerate the effective date of resignation to any date after the receipt of written notice or, upon request, may reduce the notice period, at its discretion.

   c. **Termination on Death.** If EMPLOYEE dies during the term of this Agreement, this Agreement shall be terminated on the date of EMPLOYEE’s death. All warrants or checks for accrued salary, accrued PTO or other items shall be released to the person designated in writing by EMPLOYEE pursuant to Government Code Section 53245 or, if no designation is made, to EMPLOYEE’s estate.

11. **Severance.** SVCEA shall pay EMPLOYEE for all services through the effective date of termination. EMPLOYEE shall have no right to any additional compensation or payment, except as provided below and except for any accrued and vested benefits.

   a. If SVCEA terminates this Agreement (thereby terminating EMPLOYEE’s
Employment Agreement

Employment) without cause, SVCEA shall pay EMPLOYEE no severance during the first eight (8) months of employment, SVCEA shall pay EMPLOYEE a lump sum severance benefit equal to two (2) months of his then applicable base salary during the ninth (9th) through eighteenth (18th) months of employment and SVCEA shall pay EMPLOYEE a lump sum severance benefit equal to three (3) months of his then applicable base salary thereafter.

b. If SVCEA terminates this Agreement (thereby terminating EMPLOYEE’s Employment) with cause, EMPLOYEE shall not be entitled to any severance. As used in this Agreement, cause shall mean termination due to:

(1) A conviction, plea bargain, judgment or adverse determination by any court, the State Attorney General, a grand jury, or the California Fair Political Practices Commission involving any felony, intentional tort, crime of moral turpitude or violation of any statute or law constituting misconduct in office, misuse of public funds or conflict of interest;

(2) Conviction of a felony;

(3) Conviction of a misdemeanor arising out of EMPLOYEE’s duties under this Agreement and involving a willful or intentional violation of law;

(4) Willful abandonment of duties;

(5) A pattern of repeated, willful and intentional failure to carry out materially significant and legally constituted policy decisions of the Board made by the Board as a body or persistent and willful violation of properly established rules and procedures; and

(6) Any other action or inaction by EMPLOYEE that materially and substantially harms SVCEA’s interests, materially and substantially impedes or disrupts the performance of SVCEA or that is detrimental to employee safety or public safety.

c. If EMPLOYEE terminates this Agreement (thereby terminating EMPLOYEE’s Employment), EMPLOYEE shall not be entitled to any severance.

d. Any other term of this Agreement notwithstanding, the maximum severance that EMPLOYEE may receive under this Agreement shall not exceed the limitations provided in Government Code Sections 53260 – 53264, or other applicable law. Further, in the event EMPLOYEE is convicted of a crime involving an abuse of office or position, EMPLOYEE shall reimburse the SVCEA for any paid leave or cash settlement (including severance), as provided by Government Code Sections 53243 – 53243.4.


a. Integration. Subject to all applicable Government code sections, the Agreement contains the entire agreement between the PARTIES and supersedes
all prior oral and written agreements, understandings, commitments and practices between the PARTIES before the date of this Agreement. No amendments to this Agreement may be made except in writing signed by the PARTIES.

b. Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder of the Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances it shall nevertheless remain in full force and effect in all other circumstances.

c. Notices. Any notices required or permitted under this Agreement must be in writing and shall be deemed effective on the earlier of personal delivery (including personal delivery by facsimile or similar means intended to provide actual delivery on the same day) or the third day following mailing by first class mail to the recipient. Notice to SVCEA shall be addressed to the Secretary of the Board of Directors at the SVCEA’s then principal place of business. Notice to EMPLOYEE shall be addressed to his home address, as then shown in SVCEA’s files.

d. Agreement is Binding. This Agreement shall be binding upon and inure to the benefit of SVCEA, its successor and assigns, and shall be binding upon EMPLOYEE, his administrators, executors, legatees, heirs, and assigns.

e. Waiver. The failure of either PARTY to insist on strict compliance with any of the terms, covenants or conditions of this Agreement by the other PARTY shall not be deemed a waiver of that term, covenant or condition, nor a waiver or relinquishment of any right or power.

IN WITNESS WHEREOF, the PARTIES have executed this Agreement.

_______________________________
Chair, Board of Directors
Silicon Valley Clean Energy Authority
DATE: _________________________

_______________________________
Tom Habashi
DATE:_________________________
Exhibit A
Scope of Duties

EMPLOYEE will plan, organize, direct, and coordinate all operations of the Silicon Valley Clean Energy Authority; supervise and direct staff and consultant and administrative services to the Board of Directors; support any committees established by the Board of Directors; and perform such other duties and services as directed by the Board of Directors to achieve its key milestones as referenced herein. EMPLOYEE will direct all activities of the SVCEA, including operations, resource procurement and planning, organizational development, finance, regulatory affairs, external communications and strategic planning. More specifically, the duties of the EMPLOYEE will include the following:

• Coordinate all aspects of launching and operating the SVCEA Community Choice Energy program and building it into an innovative enterprise that benefits Silicon Valley residents and businesses by providing electric service at stable rates, while expanding renewable energy and energy efficiency programs.

• Attend all Board of Directors meetings and the meetings of any committees established by the Board and be responsible for the preparation of all necessary staff reports for these meetings.

• Understand and comply with Brown Act, Public Records Act and all other applicable laws governing Authority meetings and operations.

• Develop and maintain rapport with Directors, Authority personnel, stakeholders, and community members.

• Consult with and solicit the cooperation of business and community groups and government agencies in assessing, identifying and analyzing renewable energy and energy conservation needs and objectives across participating communities; and develop and prioritize responsive programs to meet those needs and objectives.

• Develop agreements, methods and procedures to implement, administer and evaluate SVCEA's programs; oversee and direct program compliance reviews; develop process improvement plans and strategies to enhance service delivery; review projects and related records in order to assess the progress of projects and to assure program continuity and compliance.

• In coordination with the Board of Directors, engage in strategic planning and resource planning, and implement the adopted strategic plan and resource plan.

• Analyze the impact of proposed, current and newly-enacted state and federal legislation and CPUC decisions and determine impact on operations; and review economic trends and regulatory changes to determine the impact on operations.

• Prepare and administer the SVCEA budget; establish and maintain accounting systems and procedures in order to effectively monitor revenues and expenses, and to provide internal accounting controls and ensure the financial solvency of the Authority; certify the purchase of supplies, equipment and services; direct the preparation, review and approval of fiscal, special and technical reports, and proposals; research, identify, develop and negotiate public and private funding opportunities in order to support programs; submit grant applications for
funding and monitor grant compliance.

- Direct the development of a community engagement and public relations program to gather community feedback and share information with the public about Authority operations, services, programs, goals and objectives; provide consultation to individuals, citizen groups, business organizations, consultants and governmental agencies on all matters related to Authority operations.

- Provide professional consultation and program leadership; prepare clear and concise records and reports; effectively assemble, organize and present, in either written or oral form, the logical conclusions and sound recommendations resulting from analysis of administrative, financial, factual or other information derived from a variety of sources; utilize sound judgment, tactfulness, persuasion and authority in the performance of duties; work under pressure, establish priorities and meet deadlines; establish and maintain effective work relationships with subordinates, officials representing jurisdictions participating in SVCEA, representatives of other agencies, administrative personnel and the general public.

- Provide organizational leadership and grow its capacity through the hiring and supervision of staff, including directing and evaluating the work of SVCEA personnel.

- Represent the Authority at governmental hearings, in front of administrative bodies, and at public meetings.

EMPLOYEE is responsible for assisting the Board of Directors in the timely accomplishment of the following milestones as may be modified by the Board and as is required for launching SVCE in all participating agencies. This schedule shall be reviewed on an annual basis by the Board of Directors and updated according to the current operational goals and strategic plan of Authority, informed also by regulatory and legislative proceedings related to CCEs more broadly.

### Administrative Policies:

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<tr>
<th>Month</th>
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<tr>
<td>June 2016</td>
<td>Approve FY16-17 Budget</td>
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<td>July 2016</td>
<td>Approve Operating Rules and Regulations</td>
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<td>August 2016</td>
<td>Approve Personnel Policies</td>
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<td>September 2016</td>
<td>Approve Personnel Classifications</td>
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<td>Approve Benefits Package</td>
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<td>Approve Salary and Compensation Resolution</td>
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### Contracts:

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<td>June 2016</td>
<td>Approve Energy Services RFP</td>
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<td>June 2016</td>
<td>Approve Program Support Agreement</td>
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<td>July 2016</td>
<td>Authority to Execute Services Agreement With PG&amp;E</td>
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<td>September 2016</td>
<td>Authority to Negotiate Agreements with Benefits Providers</td>
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<td>November 2016</td>
<td>Authorize Energy Services Contract Approval</td>
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<td>September 2016</td>
<td>Approve Data Management Services Agreement</td>
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<td>June 2016</td>
<td>Approve Initial Power Supply Goals</td>
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<td>Form Committees</td>
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### Outreach & Community Engagement:

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<td>July 2016</td>
<td>Present Community Survey Results</td>
</tr>
<tr>
<td>September 2016</td>
<td>Present Community Outreach Summary &amp; Findings</td>
</tr>
<tr>
<td>October 2016</td>
<td>Present Customer Roll-Out Informational Campaign</td>
</tr>
</tbody>
</table>
TOM HABASHI  
1221 SW 10th Ave, Unit 311, Portland, OR 97205  
tomhabashi@gmail.com  
Cell (503) 544-2228

Employment History

Habashi Energy Consulting  
2011 - present

The City of Roseville, California  
Director of Roseville Electric Utility  
1998 - 2010

The City of Palo Alto, California  
Assist Director of Utilities, Resource Management  
1995 - 1998  
Manager of Supply Resources  
1992 - 1995  
Senior Resource Planner  
1986 - 1992  
Power Engineer  
1984 - 1986

The City of Burbank, California  
Assistant Electrical Engineer  
1981 - 1984

Education

BS in Electrical Engineering, Ain Shams U, Cairo, Egypt  
1976

MBA, College of Notre Dame, Belmont, CA  
1989

Registration

Electrical Engineer PE, California  
1986 - 2010

Associations

California Independent System Operator  
Governor

Granite Bay, CA, Municipal Advisory Council  
Board Member

Western Area Power Administration  
Representative

American Public Power Association  
Delegate

California Municipal Utilities Association  
Governor

North Western Public Power Association  
Delegate

Northern California Power Agency  
Alternate Commissioner

Transmission Agency of Northern California  
Commissioner

APPA Home Town Connection  
PPI Board Member
Accomplishments

Energy Efficiency and Renewable Technology

- Promoted energy efficiency and solar generation to mitigate GHG emissions from conventional electric generation. Initiated the Blueprint for Energy Efficiency and Solar Technology (BEST Homes) program to ensure that a minimum of 20% of all new homes built in Roseville would be zero energy homes. The introduction of the program was an overwhelming success and was touted by many developers as the benchmark throughout California.

- Advanced the inclusion of a dedicated center within a community library to promote energy efficiency, water efficiency, and recycling of solid waste. The Roseville Utilities Exploration Center opened to the public in 2008 and has become a focal point of Mahany Community Park, attracting weekly school tours from Roseville and the surrounding communities.

Strategic and Resource Planning

- Developed and updated strategic plans to guide the utilities activities for 3 to 5 years. Developed annual budgets guided by the activities outlined in the strategic plans for power supply acquisitions, capital improvement projects, energy efficiency programs and other administrative functions.

- Developed and implemented several integrated resource plans, supply resource plans, demand side management programs for the cities of Palo Alto and Roseville. The plans progressed from using simple, deterministic analysis of options to sophisticated and critical analyses that considered multi strategies and future scenarios.

- Following the deregulation of the electricity industry in California in 1998, began incorporating elements of risk management in the planning process to ensure accounting for technology, energy market price and other risks. Emphasized resource diversity and a mix of contractual and physical resources to meet demand.

Financial Planning and Rate Design

- Developed energy rates to insure Roseville’s competitive position relative to PG&E and other regional utilities. Designed opt-out programs to allow large and medium sized customers in Palo Alto and Roseville to purchase their electricity from the open market. During my tenure in both utilities, not a single customer chose to opt-out.
Incorporated clear goals in the strategic plan to ensure that Roseville’s electric utility continue to be financially stable. These goals aimed to improve credit worthiness, maintain a healthy rate stabilization fund and lower debt-to-asset ratio.

Resource Development and Management

- Initiated and recommended the development of a 160 MW natural gas fueled power plant in the City of Roseville. Negotiated the necessary agreements needed to permit and construct the power plant. The plant became operational in 2007 and is being relied upon to meet 35% of the city’s electricity needs.

- Oversaw the construction phase of the Northern California Power Agency (NCPA) Calaveras project, a 250 MW hydroelectric facility of which the City of Palo Alto has a 23% ownership. The project meets 20% of the city electric capacity and 10% of its energy needs. Worked closely with the partners of the project to ensure its optimization and effective utilization.

- Managed the contractual relationship between Palo Alto and Roseville utilities and the Western Area Power Administration (WAPA), a federal agency responsible for marketing 2000 MW of hydroelectric generation in California. Managed Roseville and Palo Alto’s interests in a number of power plants developed and operated by NCPA including geothermal, hydroelectric and combustion turbine projects.

Power Transactions

- Negotiated power and natural gas transactions, on behalf of the City of Palo Alto and City of Roseville, valued at over 1 billion dollars, with terms ranging from several months to 20 years. Counter parties varied from large suppliers such as Calpine and Powerex to marketers such Morgan Stanley and Merrill Lynch to public utilities such as Seattle City Light and Sacramento Municipal Utility District.

- Negotiated power exchange arrangements with counter parties in the Pacific Northwest. Power exchange arrangements were designed to provide Roseville with peak capacity in the summer in exchange for energy that Roseville would return during the winter months. These exchanges were ideal to maximize the value of regional resources.

Energy Risk Management

- Initiated a citywide effort in Palo Alto to address the risks associated with energy market price. This effort led to the city’s first energy risk management policies and procedures document. Conduct similar effort at the City of Roseville to address the significant risks facing Roseville, given the sizable open position that Roseville had at the turn of the century.
Recommended the creation of a risk oversight committee in Palo Alto to address market price risks. The committee is comprised of high executive individuals from the city such as the city manager, the city attorney and the finance director. In Roseville, the oversight committee also included members of the city council and the utilities advisory commission. This approach became the model for other public utilities.

Following the construction of the power plant in Roseville, energy risk management expanded substantially to address other risk elements, such as credit risk, weather forecast risk and counter party risks.
Staff Report – Item 6

To: Silicon Valley Clean Energy Authority Board of Directors

From: Melody Tovar, Operations Manager

Item 6: Authorize the CEO to Execute Agreements up to $25,000

Date: 5/11/2016

RECOMMENDATION

Authorize the CEO to Execute Agreements up to $25,000, provided that (1) the expenditures authorized by these agreements are consistent with the approved budget and (2) service agreements are reported at the Board’s next meeting.

BACKGROUND & DISCUSSION

It is anticipated that the Authority will need to enter into various contracts within a short period of time, in order to meet the goal of rolling out Silicon Valley Clean Energy service by April 2017 and to support timely operations thereafter. This includes the purchase of goods as well as services, which could include human-resource services, insurance services, legal services, and other administrative services. To ensure the timely acquisition of goods and services as needed, staff proposes that the Authority Board delegate to the Chief Executive Officer the authority to enter into agreements up to $25,000 each on behalf of the Authority, provided that:

1) Goods: Purchases for goods are consistent with the approved budget and

2) Services: Any services agreement is reported to the Board of Directors at its next meeting, is reviewed and approved by Authority counsel as to form, and is consistent with the approved budget.

Granting this authority is necessary to allow the Authority to continue act expeditiously to ensure the timely launch and operation of the Silicon Valley Clean Energy community choice energy program.
Staff Report – Item 8

To: Silicon Valley Clean Energy Authority Board of Directors

From: Patty J. Kong, Finance and Administrative Services Director, City of Mountain View

Item 8: Receive Report on SVCEA Financing and Authorize RFP for Credit and Banking Services

Date: 5/11/2016

RECOMMENDATION

Receive update and provide feedback on Silicon Valley Clean Energy Authority (SVCEA) financing requirements, options and plans. Authorize the City of Mountain View to finalize and issue a Request for Proposal (RFP) for banking and credit services in order to engage potential banking partners and assess current loan rates and credit terms.

INTRODUCTION

On behalf of the (SVCEA), staff at the City of Mountain View (City) is investigating various financing options and banking services to support SVCEA operations and power supply contracts for the initial phases of program roll out. The financing team working on this project includes Mountain View City Manager Dan Rich; Finance and Administrative Services Director, Patty Kong; and Sustainability Manager, Steve Attinger, with support from Shawn Marshall at LEAN Energy US and John Dalessi from Pacific Energy Advisors. The City has also provided the RFP to Finance Directors and City Managers of the County of Santa Clara, Cities of Sunnyvale and Cupertino for input on the RFP (Attachment 1), and the team will expand to include SVCEA’s CEO once confirmed.

Based on the proforma budget analysis presented in the technical study, SVCEA’s projected credit needs range from $10,000,000 - $15,000,000 depending on the pace of customer enrollment (phasing), and SVCEA organizational expenses including program and staff development. This amount may be adjusted based on the updated financial analysis and feedback provided by the Board regarding the desired phasing of program roll-out to customers. At the outset, these credit needs will be met either through a bank loan and/or loans from member agencies. Over time, as SVCEA revenues are built up, initial loans and program start up costs will be repaid or refinanced by the SVCEA, and it will be able to self-fund a greater portion of its operational expenses and credit capacity in future years.
As per the SVCEA workplan and timeline, the goal is to have identified an SVCEA banking partner, negotiated credit terms (with the bank and/or municipal member agencies) and finalized the required credit guarantee agreements for SVCEA Board approval at its October 12, 2016 Board meeting. A term loan and/or line of credit must be in place by November/early December 2016 in order to execute a power supply contract and hire additional staff to prepare for customer enrollment commencing in April 2017. Please see Attachment 2 for a detailed timeline outlining dates and steps to ensure that the SVCEA meets its financing goals.

ANALYSIS & DISCUSSION

SVCEA’s banking and financing needs generally fall into four categories that combine the credit support of a traditional lender (i.e. the selected bank) with that of its member agencies (i.e. the County and participating Cities). These include:

1) **Line(s) of Credit:**
   SVCEA will require a significant line of credit estimated to be between $10,000,000- $15,000,000, (may be adjusted based on Board direction) depending on customer phasing schedule and revenue projections to support its initial power contract and for early operational expenses such as office rent, internal staffing and other requirements to bring SVCEA into full operation. This “pre-revenue” line of credit is a major component of the draft RFP for banking services. The current approximate rate for this type of short-term credit ranges from 2.5 to 4.0 percent variable rate. The SVCEA Proforma from the Technical Study assumes a rate of 3.0 percent.

   SVCEA has a few options to secure this credit, which is typically guaranteed, refinanced or repaid within a few years of program revenue. One option is to negotiate terms with a bank and include the line of credit as part of an overall package of banking services to SVCEA. A second option is to fully or partially fund the initial credit requirements through municipal loans offered by interested member agencies. In this scenario, short-term credit could be provided at rates and terms that are mutually advantageous to SVCEA and the lending agencies. This latter option is of interest to a few of SVCEA’s member agencies, predicated upon potential rates of return, term length (for example, the SVCEA JPA Agreement includes a four-year repayment term for the initial cost contributions provided for the early operation of the JPA), and the level of credit guaranty needed to mitigate credit risk until SVCEA is revenue positive and operationally stable.

2) **Term Loans:** The initial cost contributions provided by the member agencies and the Line(s) of Credit may be converted to Term Loans that are usually 3-5 years at a fixed rate. These typically will require a guaranty that may be released after approximately one year when the SVCEA is generating positive cash flow. The current rate for a short-term loan of this type is estimated at approximately 3.0-4.0%.

3) **Guaranty Requirements:** A credit guaranty to support the above-mentioned credit needs is proposed as a shared obligation of SVCEA’s member agencies, whether the credit comes from a bank, one or more member agencies, or some combination of both. The guaranty requirements of previous CCAs have typically been in place for only a portion of the overall credit required and only for a limited period of time – generally until the CCA program is revenue positive and program operations are stable (~2 years post launch). Thus, the precise amount and terms of SVCEA’s guaranty requirement is unknown at this time; but, it is proposed that all member agencies will provide a portion of the guaranty,
perhaps on a pro-rata basis based on their voting share as outlined in exhibit D of the JPA Agreement. Staff is also researching whether the guaranties would be provided as cash collateral in an interest-bearing account or as a letter of credit from the member agencies.

4) **General Banking Services:** This component of the financing package includes all non-credit related banking services required for SVCEA and CCA operations. These services could include deposits and disbursements, checking accounts, payroll and electronic transfer of funds, and potentially, the establishment of one or more secured operating accounts (called lockboxes) as required by the energy services provider.

It should be noted that as SVCEA and the program matures over time, it is possible that other credit facilities such as medium term fixed loans, additional working capital and/or bond financing may be considered by the SVCEA Board for future projects and credit capacity.

The attached draft RFP for banking services was prepared by the financing team and reviewed by representatives of several of SVCEA’s member agencies. The purpose of the RFP is to identify a short list of interested and potential banking partners and to gain information on current loan rates and financing terms. This information will help the team identify SVCEA’s best banking partner and will also inform discussions among member agencies that may wish to consider a short-term loan to SVCEA as discussed above.

The specific details in the RFP that specify amount of credit required, levels of deposit, and disbursement activities will be informed by the Board’s feedback on customer phasing and credit preferences. Thus, these details would be added after the May 11 Board meeting with a planned RFP release date of May 20, 2016.

**ATTACHMENTS**
1. Draft RFP for Banking Services
2. Financing Project Timeline
REQUEST FOR PROPOSALS

FOR

BANKING AND CREDIT SERVICES

ISSUED ON:
MAY 16, 2016

PROPOSALS DUE:
July 5, 2016
3:00 p.m. Pacific Time

CONTACT: PATTY J. KONG
FINANCE AND ADMINISTRATIVE SERVICES DIRECTOR
CITY OF MOUNTAIN VIEW
650-903-6006
patty.kong@mountainview.gov
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I. INTRODUCTION

A. INVITATION

The Silicon Valley Clean Energy Authority ("SVCEA") is requesting proposals from qualified contractors ("Contractor") to provide potential credit and operational banking services. The SVCEA is seeking proposals from qualified financial institutions to provide comprehensive banking services for its bank accounts and related depository and cash management operations.

The SVCEA may also require additional services as follows:

1. Line(s) of Credit (LOC)—$10 million to $15 million in LOC may be required in order to secure power purchase contracts.

2. • Working capital.

3. Medium-term fixed loans.

These products will be considered optional additional services that will be at the option of the SVCEA after determining SVCEA’s financial needs. The Contractor should be prepared to provide initial proposals to include such services, but the awarding of such services is not guaranteed.

B. BACKGROUND

Authorized by California law, Community Choice Energy (CCE) enables city and county governments to pool the electricity demand within their jurisdictions to directly procure or generate electrical power supplies on behalf of the residents and businesses in their communities. The main driver for interest in CCE programs in California is the opportunity to accelerate the shift to renewable and low greenhouse gas (GHG) emitting energy sources in support of climate action objectives.

Silicon Valley Clean Energy (SVCE) will provide residents and businesses a new choice to the traditional utility model: a community-controlled power supplier that offers electricity from a higher percentage of renewable energy sources at competitive rates. Twelve (12) communities in Santa Clara County have partnered to offer cleaner, greener power through the creation of a new public agency nonprofit that will commence service as early as April 2017.
SVCEA formed as a Joint Powers Authority (JPA) effective March 31, 2016, with membership consisting of the County of Santa Clara and 11 cities within the County of Santa Clara, California. The member agencies of the JPA are: Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, Mountain View, Saratoga, Sunnyvale, and the County of Santa Clara (Member Agency(ies)).

SVCEA is governed by a Board of Directors consisting of representatives from each Member Agency. The SVCEA Executive Committee administers the day-to-day affairs of the SVCEA and is appointed by the Board of Directors.

The City of Mountain View, has agreed to support the early operations of SVCEA by assisting with obtaining SVCEA’s initial financial services.

C. **SCOPE OF SERVICES AND REQUIREMENTS**

The intent of this solicitation is to establish an agreement with a Contractor to provide banking services and to implement business processes and practices that best serve the banking needs of the SVCEA.

**General Requirements**

If the bank does not have a physical branch in close proximity, please specify in detail in the Request for Proposals (RFP) response how services that might normally be handled in-branch would be accommodated.

Requirements include:

1. The bank must be a Federal or State of California chartered commercial banking institution.

2. The bank must be a qualified depository for public funds pursuant to the applicable State of California codes. All balances must be fully collateralized through the pool collateral system required under the State of California.

3. The bank will provide full account reconcilement, positive pay, electronic fraud protection, electronic deposits and disbursements, online wire entry, and online stop payment placement.

4. The bank must have the ability to provide lockbox services for deposits held as collateral that is a blocked control account; payments from the account are to be disbursed as instructed.
5. The bank must provide cleared accounts payable/payroll checks file that can be imported into an MS Excel file.

6. The bank must provide online reporting that includes a detailed report of prior day transactions.

7. The bank must provide the bank’s current level of public funds deposited and related collateral market value.

8. The bank must be a member of the Federal Reserve System and have access to all services.

9. The bank must be a member of the Federal Deposit Insurance Corporation (FDIC).

10. The bank must be capable of providing the services sought by this proposal.

11. The bank must have branches located in Santa Clara County or ability to process transactions electronically.

12. The bank must have at least two governmental or non-profit agency clients that process $______ of deposits.

Banking pertains to day-to-day banking operations, excluding transactions of investment activities. Banking activities include deposits, disbursements, and related reconciliation. Responsive proposals will specifically address the following topics:

- Deposit process and related structures (sweep accounts, lockbox, targeted balance, etc.).

- Lockbox for deposits held as collateral, that is a blocked control account, payments from the account are to be disbursed as instructed.

- Policies on receiving same-day credit for deposit.

- Disbursement process and warrant accounts.

- Daily cash reconciliation.
• Identification of transactions and fees (e.g., deposits, withdrawals, chargebacks, etc.).

• Reporting needs relating to Operational Banking.

• The security measures for ACH initiation & reception, i.e. ACH blocks & filters.

Deposit Services

All moneys are collected and transferred via ACH deposits.

Required services include:

1. The ability to accept remote deposits.

2. Provision for online access for deposit reconciliation, including images of deposited items, corrections, and returned items.

3. Provision for online and e-mail notification of deposit issues within 24 hours.

Disbursement Services

The SVCEA will issue approximately ___ checks per month through the main operating account. Positive pay services and check reconcilement services are used. Accounts Payable positive pay data is transmitted to the bank weekly. Payroll positive pay may be transmitted biweekly.

It is yet to be determined how frequently Payroll will be processed; for response purposes, assume biweekly. Number of employees is unknown at this time; assume ___ employees receive direct deposit of their pay. However, also assume the need and ability to issue checks.

Required services include:

1. Provision for positive pay services with online transmission of check details.

2. Provision for positive pay exception item review and correction online.
3. Provision for online stop payment services.

4. Provision for an electronic file of paid/cleared images (front and back), in addition to any alternative electronic archival stem used by the bank.

5. Provision for online access to cashed check images.

6. Cash payroll checks at no charge to the employee.

7. Specific payroll transmission deadlines.

8. Specific method allowing reversal of automatic direct deposit errors.

Electronic Transfer of Funds

The SVCEA will process approximately __ ACH Credits and __ ACH Debits each month. A small number of wire transfers are also received or executed annually.

Required services include:

1. Ability to accept and send ACH Transactions.

2. Ability to accept ACH payments from third parties.

3. Provision of ACH debit blocking services.


5. Ability to setup templates for repetitive wires.

Reporting

SVCEA requires access to daily balances and transactions reporting information. SVCEA requires access to prior day reporting, including ledger balance, available balance, and summary and detailed reports of credits and debits posted. Current day reporting requirements will include, but are not limited to, details of electronic debits and credits, wire transfer activity, controlled disbursements, and ACH activity.
Required services include:

1. Provision of online balance reporting services.

2. Allowing access to the bank’s online reporting system to approximately ___ employees with different levels of authorization.

3. Provision of account reconcilement services for disbursements (full, partial, or positive pay, depending on account).

4. Provision of monthly activity statements and reports for all accounts by the 10th day of the following month.

5. Provision of a detailed monthly account analysis statement for each individual account and a consolidated statement showing charges for all account services.


**Bank Balances**

An average collected balance of $___ million will be maintained. Balances would be used to offset service fees and bank charges. SVCEA shall not be required to maintain a minimum balance.

Required services include:

1. Detailed account of all types of items and services that can be applied against account analysis.

2. Total account will be interest bearing and must be 110 percent collateralized at all times pursuant to all applicable sections of the California Government Code.

3. Current and thorough disclosure of overnight sweep account options offered by the bank.
Additional Services

Line(s) of Credit (LOC)

Potential needs for Line(s) of Credit up to $15.0 million to secure power purchase agreements. Please provide terms for LOC, rates, underwriting requirements, and non-standard legal covenants, if any.

Other Loans

Other working capital loans up to $\_\_\_ million may be needed. Please provide terms for other loans, rates for variable, and fixed-rate, underwriting requirements and non-standard legal covenants, if any.

D. POINT OF CONTACT

SVCEA has designated the City of Mountain View (Contact) as the party responsible for fulfillment of this procurement whose contact information is as follows:

Patty J. Kong  
Finance and Administrative Services Director  
City of Mountain View  
500 Castro Street  
Mountain View, CA  94041  
Telephone: 650-903-6006  
E-mail: patty.kong@mountainview.gov

Any inquiries or requests regarding this procurement must be submitted to the Contact in writing. Contractors may contact ONLY the Contact regarding this RFP.

II. CONDITIONS GOVERNING THE PROCUREMENT

This section of the RFP contains the anticipated schedule for the procurement and describes the procurement events and the conditions governing the procurement. The Contact will make every effort to adhere to the anticipated schedule below.
A. **SEQUENCE OF EVENTS**

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<td>May 1, 2016</td>
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<td>2. Pre-Proposal Conference</td>
<td>June 6, 2016</td>
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<td>3. Deadline To Submit Written Questions</td>
<td>June 13, 2016 @ 3:00 PM (PT)</td>
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<td>June 20, 2016</td>
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<td>5. Deadline for Submission of Proposals</td>
<td>July 5, 2016 @ 3:00 PM (PT)</td>
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<td>7. Selection of Shortlist, if applicable</td>
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<td>11. Award of Contract by Board of Directors</td>
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B. **EXPLANATION OF EVENTS**

1. **ISSUE OF RFP**

   This RFP is being issued by the City of Mountain View on behalf of SVCEA.

2. **PREPROPOSAL CONFERENCE**

   A preproposal conference is scheduled for this RFP on June 6, 2016. The preproposal conference is not mandatory, but is highly recommended.

3. **DEADLINE TO SUBMIT WRITTEN QUESTIONS**

   Potential Contractors may submit written questions to this RFP until the deadline as indicated in Paragraph A of Section II. Written questions may be submitted to the Contact via e-mail. Please submit all questions in writing to the Contact, by the due date listed in Paragraph A of Section II.
4. **RESPONSE TO WRITTEN QUESTIONS/RFP ADDENDUM POSTED**

Answers to all questions received by the deadline and any material change to the RFP will be listed on an addendum to the RFP. Additional written questions must be received by the Contact no later than two (2) days after the addendum. The Contact and SVCEA reserve the right to post additional addenda until the RFP closing date and time.

5. **SUBMISSION OF PROPOSAL**

Proposals must be received no later than the deadline specified in Paragraph A of Section II. All received proposals will be time stamped.

All deliveries via express carrier should be addressed as follows:

Patty J. Kong  
Finance and Administrative Services Director  
City of Mountain View  
500 Castro Street  
Mountain View, CA 94041  
Telephone: 650-903-6006  
E-mail: patty.kong@mountainview.gov

Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to this RFP and a complete title must be referenced on the cover page.

6. **PROPOSAL EVALUATION**

An Evaluation Committee (Committee) will review and evaluate the proposals and make a recommendation for an award.

7. **SELECTION OF SHORT LIST(S), IF APPLICABLE**

Contractors that demonstrate their capacity and ability to meet SVCEA’s requirements will be determined to be within the competitive range and selected on the short list of Contractors to progress to the next round of evaluation.
8. **PRESENTATIONS (AT CONTACT OR SVCEA’S OPTION)**

At Contact or SVCEA options, Contractors on the short list may be required to provide a presentation of their proposed solution. Presentations will be held at a date, time, and location to be determined.

9. **SELECTION OF FINALIST FOR NEGOTIATIONS**

At SVCEA’s option, one or more Contractors may be selected as finalists and invited to move forward in the process.

10. **FINAL NEGOTIATIONS**

At SVCEA’s option, one or more Contractors may be selected to enter into final negotiations with the intent of award.

11. **NOTICE OF INTENT TO AWARD**

The Contact or SVCEA will send an e-mail to all Contractors informing them of the proposal that was selected.

12. **COMMENCEMENT OF AGREEMENT**

The date the agreement will become effective.

C. **GENERAL**

1. **INCURRING COST**

This RFP does not commit SVCEA to award, nor does it commit SVCEA to pay any cost incurred in the submission of the proposal, or in making necessary studies or designs for the preparation thereof, nor procure or contract for services or supplies. Further, no reimbursable cost may be incurred in anticipation of a contract award.

2. **CLAIMS AGAINST SVCEA OR THE CITY OF MOUNTAIN VIEW**

Neither your organization nor any of your representatives shall have any claims whatsoever against the SVCEA, City of Mountain View, or any of its respective officials, agents, or employees arising out of or relating to this RFP or these RFP procedures, except as set forth in the terms of a definitive agreement between SVCEA and your organization.
3. **GUARANTEE OF PROPOSAL**

Responses to this RFP, including proposal prices, will be considered firm and irrevocable for one hundred eighty (180) days after the due date for receipt of proposals and/or one hundred eighty (180) days after receipt of a best and final offer, if one is submitted.

4. **BASIS FOR PROPOSAL**

Only information supplied by SVCEA in writing by the Contact in connection with this RFP should be used as the basis for the preparation of Contractor’s proposal.

5. **FORM OF PROPOSALS**

No oral, telephone, facsimile, or electronic proposals will be accepted.

6. **AMENDED PROPOSAL**

A Contractor may submit an amended proposal before the deadline for receipt of proposals. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified in a written format. The Contact will not merge, collate, or assemble proposal materials.

7. **WITHDRAWAL OF PROPOSAL**

Contractors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The Contractor must submit a written withdrawal request signed by the Contractor’s duly authorized representative addressed to and submitted to the Contact.

8. **LATE RESPONSES**

In order for a proposal to be considered, the proposal must be received in person or via courier or mail to the place specified above no later than the RFP due date and time. The time and date stamp will be the basis for determining timeliness of proposals.

9. **NO PUBLIC PROPOSAL OPENING**

There will be no public opening for this RFP.
10. **CALIFORNIA PUBLIC RECORDS ACT (CPRA)**

All proposals become the property of SVCEA, which is a public agency subject to the disclosure requirements of the California Public Records Act (“CPRA”). If Contractor proprietary information is contained in documents submitted to SVCEA, and Contractor claims that such information falls within one or more CPRA exemptions, Contractor must clearly mark such information “CONFIDENTIAL AND PROPRIETARY,” and identify the specific lines containing the information. In the event of a request for such information, the SVCEA will make best efforts to provide notice to Contractor prior to such disclosure. If Contractor contends that any documents are exempt from the CPRA and wishes to prevent disclosure, it is required to obtain a protective order, injunctive relief, or other appropriate remedy from a court of law in Santa Clara SVCEA before the SVCEA’s deadline for responding to the CPRA request. If Contractor fails to obtain such remedy within SVCEA’s deadline for responding to the CPRA request, SVCEA may disclose the requested information.

Contractor further agrees that it shall defend, indemnify, and hold SVCEA harmless against any claim, action, or litigation (including, but not limited to, all judgments, costs, fees, and attorney’s fees) that may result from denial by SVCEA of a CPRA request for information arising from any representation, or any action (or inaction), by the Contractor.

11. **CONFIDENTIALITY**

All data and information obtained from the SVCEA by the Contractor and its agents in this RFP process, including reports, recommendations, specifications, and data, shall be treated by the Contractor and its agents as confidential. The Contractor and its agents shall not disclose or communicate this information to a third party or use it in advertising, publicity, propaganda, or in another job or jobs, unless written consent is obtained from SVCEA. Generally, each proposal and all documentation, including financial information, submitted by a Contractor to SVCEA is confidential until a contract is awarded, when such documents become public record under State and local law, unless exempted under CPRA.

12. **ELECTRONIC MAIL ADDRESS**

Most of the communication regarding this procurement will be conducted by electronic mail (e-mail). Potential Contractors agree to
provide the Contact with a valid e-mail address to receive this correspondence.

13. **USE OF ELECTRONIC VERSIONS OF THE RFP**

   This RFP is being made available by electronic means. If accepted by such means, the Contractor acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of conflict between a version of the RFP in the Contractor’s possession and the version maintained by SVCEA, the version maintained by SVCEA must govern.

14. **SVCEA RIGHTS**

   SVCEA, Contact, and its agent reserve the right to do any of the following at any time:

   a. Reject any or all proposal(s), without indicating any reason for such rejection;

   b. Waive or correct any minor or inadvertent defect, irregularity, or technical error in a proposal or the RFP process, or as part of any subsequent contract negotiation;

   c. Request that Contractors supplement or modify all or certain aspects of their proposals or other documents or materials submitted;

   d. Terminate the RFP, and at its option, issue a new RFP;

   e. Procure any equipment or services specified in this RFP by other means;

   f. Modify the selection process, the specifications or requirements for materials or services, or the contents or format of the proposals;

   g. Extend a deadline specified in this RFP, including deadlines for accepting proposals;

   h. Negotiate with any or none of the Contractors;

   i. Modify in the final agreement any terms and/or conditions described in this RFP;
j. Terminate failed negotiations with any Contractor without liability, and negotiate with other Contractors;

k. Disqualify any Contractor on the basis of a real or apparent conflict of interest, or evidence of collusion that is disclosed by the proposal or other data available to SVCEA;

l. Eliminate, reject, or disqualify a proposal of any Contractor who is not a responsible Contractor or fails to submit a responsive offer as determined solely by SVCEA or its representative; and/or

m. Accept all or a portion of a Contractor’s proposal.

15. PROTEST PROCEDURES

The Contact will send an e-mail to all proposers informing them of the proposal that was selected. Proposers whose proposals were not selected may file a written protest (“Protesters”) no later than five (5) days of the sending of the e-mail notifying proposers of SVCEA’s selection.

a. Filing a Protest

The protest of an award must be in writing. The written protest must be e-mailed or mailed to the Contact.

All protests must be received by the Contact within five (5) days after the Contact has sent the e-mail to proposers of the SVCEA’s intent to award the contract. Any protests received after this time will not be considered.

b. Contents of Protest

The written protest must contain the following information: (1) the name, street address, electronic mail address, and telephone and facsimile number of the Protester; (2) signature of the Protester or its representative; (3) clearly state the grounds for the protest; (4) copies of any relevant documents; (5) the form of relief requested; and (6) the method by which the Protester would like to receive the written protest decision. The written protest must clearly state the grounds for the protest. Protests should be concise and logically arranged.
III. EVALUATION

A. FACTORS

Evaluations will be based upon the information provided in the Proposals and such other information as SVCEA deems appropriate. Proposals shall provide clear, concise information and sufficient detail to enable the Committee to evaluate the responsiveness and quality of the Proposal to each of the RFP requirements listed in the Submittal Requirements. The Committee will also review the Proposals for format to ensure conformance with the requirements of this RFP. Failure to meet these requirements could result in rejection of your organization’s Proposal. The Committee can waive minor irregularities if, in its judgment, to do so would be in the best interest of SVCEA. Evaluations will be based on the response contained in the Proposals together with any additional information that may be requested by SVCEA. The Committee may recommend discontinuing evaluation of any Proposal that the Committee considers not in compliance with all of the RFP requirements.

The proposal must show that the Contractor can meet all the requirements set forth in the RFP. The proposal will be evaluated as to the Contractor’s responsiveness to the RFP and shall include, but not be limited to, criteria as follows:

a. Understanding of the work required by SVCEA.

b. Quality, clarity, and responsiveness of the proposal.

c. Demonstrated competence and professional qualifications necessary for successfully performing the work required by SVCEA.

d. Recent experience in successfully performing similar services.

e. Ability to provide evolving technologies, products, and services.

f. Reliability and quality of customer service.

g. Financial strength and capitalization.

h. Commitment to the government market.

i. Proposed approach in providing services.
j. References.
k. Background and related experience of the specific individuals to be assigned to this account.

l. Proposed cost of services.

As reflected above, contract award will not be based solely on price, but on a combination of factors as determined to be in the best interest of SVCEA. After evaluating the proposals and discussing them further with the finalists or the tentatively selected Contractor, SVCEA reserves the right to further negotiate the proposed work and/or method and amount of compensation. The cost to SVCEA will be one factor for consideration; SVCEA is not bound to award the contract based solely on the lowest bid submitted.

IV. RESPONSE FORMAT AND ORGANIZATION

This section contains relevant information Contractors should use for the preparation of their proposals.

A. NUMBER OF RESPONSES

Contractors must submit only one (1) written proposal, but may include more than one (1) option or alternative offer of service in the proposal.

B. ORIGINAL AND COPIES

1. Contractors must provide one (1) original and six (6) identical copies of their proposal to the location specified on or before the closing date and time for receipt of proposals.

   The original binder/submittal must be stamped “ORIGINAL” and contain original signatures on the necessary forms. The remaining sets should be copies of the originals.

2. The Proposal Cost Response Form shall be submitted in a separate sealed envelope along with six (6) copies. The envelope shall be marked “Proposal Cost Response Form” and contain one (1) original marked “Original” signed in blue ink, and six (6) additional copies.

   Contractors shall provide one (1) electronic copy of their proposal in e-mailed or USB flash drive format, readable by Microsoft Office software. If e-mailed,
please ensure an acknowledgement reply e-mail is received. The USB flash drive shall be included in the ORIGINAL binder.

C. PROPOSAL FORMAT

All proposals shall be typewritten on standard 8-1/2”x11” paper (larger paper is permissible for charts, spreadsheets, etc.) and placed within a binder with tabs delineating each section. Hard copies should utilize both sides of the paper where practical.

The proposal should be organized and indexed in the following format and must contain, at a minimum, the applicable items in the sequence indicated:

Table of Contents (Tabs 1 through 7)

Tab 1: Letter of Transmittal
Tab 2: Table of Contents
Tab 3: Executive Summary
Tab 4: Section V.C: Contractor’s Corporate Experience (Items 1 through 7)
Tab 5: Contractor Requirements Response
Tab 6: Appendix B: Proposal Cost Response Form (SEE INSTRUCTIONS BELOW)
Tab 7: Other Submittal Information

Appendix B – Proposal Cost Response Form:

The original form must be submitted in a sealed envelope along with six (6) copies in a same sealed envelope, marked “Appendix B—Proposal Cost Response Form.”

D. PROPOSAL PREPARATION INSTRUCTIONS

Within each section of their proposal, Contractors should address the items in the order in which they appear in this RFP. All forms provided in the RFP shall be thoroughly completed and included in the appropriate section of the proposal.

E. NONCONFORMING SUBMISSIONS

A submission may be construed as a nonconforming proposal, ineligible for consideration, or incomplete if it does not comply with the requirements of this RFP.
V. REQUIREMENTS AND CONTRACTOR SUBMITTALS

This section contains requirements and relevant information Contractors should use for the preparation of their proposals. Contractors should thoroughly respond to each requirement.

A. LETTER OF TRANSMITTAL

The letter of transmittal should:

1. Identify the submitting organization, including company name, business address, headquarters location, and all offices relevant to the proposed solution and services.

2. Identify all subcontractors that will be used in the performance of the contract. Include company name, business address, headquarters location, and all offices relevant to the proposed solution and services. Explain what services the subcontractor will provide in relation to the proposed solution. If no subcontractor will be used, state “No subcontractor will be utilized in the performance of the agreement.”

3. Identify the name, title, telephone and fax numbers, and e-mail address of the person authorized by the organization to contractually obligate the organization.

4. Identify the name, title, telephone and fax numbers, and e-mail address of the person authorized to negotiate the contract on behalf of the organization.

5. Identify the names, titles, telephone and fax numbers, and e-mail addresses of persons to be contacted for clarification.

6. Be signed by the person authorized to contractually obligate the organization.

7. Acknowledge receipt of any and all addenda to this RFP.

8. Identify all sections of the proposal that the Contractor claims contain “proprietary” or “confidential” information.
B. **EXECUTIVE SUMMARY**

Include a one- or two-page executive summary that provides the Committee with an overview of the significant business features of the proposal.

C. **CORPORATE EXPERIENCE, STABILITY/STRENGTH, AND REPUTATION**

1. Corporate information:
   a. The jurisdiction in which the Contractor is organized and the date of such organization.
   b. Length of time Contractor has been providing operational banking services.
   c. A description of the Contractor’s organization, including names of principals, number of employees, client base, areas of specialization and expertise, and any other information that will assist the Evaluation Committee in formulating an opinion about the stability and strength of the organization.

2. Detailed information on the creditworthiness of the organization as well as independent ratings by recognized services, if available.

3. Specifics on the number of staff and the depth of their experience with providing support. Identify the location and availability of the staff.

4. Provide a complete disclosure if Contractor, its subsidiaries, parent, other corporate affiliates, or subcontractors have defaulted in its performance on a contract during the past five (5) years which has led the other party to terminate the contract. If so, identify the parties involved and the circumstances of the default or termination.

5. A list of any lawsuits filed against the Contractor, its subsidiaries, parent, other corporate affiliates, or subcontractors in the past five (5) years and the outcome of those lawsuits. Identify the parties involved and circumstances. Also, describe any civil or criminal litigation or investigation pending.

6. Provide copies of the most recent year’s independently audited financial statements, as well as those for the preceding two (2) years. The submission shall include the audit opinion, balance sheet, income
statement, retained earnings, cash flows, and notes to the financial statements.

If independently audited financial statements do not exist for the Contractor, the Contractor shall state the reason and, instead, submit sufficient detailed information (such as internally prepared financial statements and a Dun and Bradstreet report) to enable the Committee to determine the financial stability of the Contractor.

*Contractors must provide information with their proposal and not defer submission at a later date.* The Contact may request and the Contractor shall supply any additional financial information requested in a timely manner.

7. Provide three (3) different external references from clients, for which the Contractor has provided general or operational banking services within the last three (3) years and who are willing to validate the Contractor’s past performance on projects of similar size and scope. Include public organization references, if any. The minimum information that shall be provided for each client reference follows:

   a. Name and title of the contact person;

   b. Name of the facility or entity;

   c. Address of the contact person;

   d. Telephone number and e-mail address of contact person; and

   e. Brief description of the services provided.

8. Contractors shall provide a certificate(s) of insurance or a copy of insurance declaration page(s) with their proposals as written evidence of their ability to meet the insurance certificate and other applicable SVCEA insurance requirements in accordance with the provisions listed in Attachment 1 of this RFP. In addition, Contractors should provide a letter from an insurance agent or other appropriate insuring authority documenting their willingness and ability to endorse their insurance policies making SVCEA an additional insured.

*Contractors must provide this information with their proposal and not defer a submission at a later date.*
D. **CONTRACTOR REQUIREMENTS RESPONSE (SECTION I C. 1-12)**

The Contractor will need to demonstrate, through their answers to the items in Section C Scope of Services and Requirements 1-11, that they meet the qualifying requirements to be considered for Award. Contractor must submit a narrative to fully address all of the requirements as listed in Section C Scope of Services and Requirements 1-11. Contractor must also submit supporting documents to validate that it meets the requirements, if applicable.

E. **COST PROPOSAL**

Contractors shall provide all the information requested in Proposal Cost Response Form and shall complete the Excel spreadsheet titled—SVCEA Operational Banking RFP Pricing Schedule. The Proposal Cost Response Form and the Excel spreadsheet titled—SVCEA Operational Banking RFP Pricing Schedule are to be submitted in a sealed envelope with their proposal (see Section IV, RESPONSE FORMAT AND ORGANIZATION). In addition, a copy of the MS Excel file in electronic format is to be submitted per above Section IV.

The following are the requirements when providing the cost information in Appendix B:

The Pricing must include a unit charge for each required service and must extend the unit charge based on SVCEA’s estimated monthly volume for each required service to obtain a monthly total cost for each service and provide a monthly grand total. The charge shown on the proposal is before any compensating balance and collected balances earnings offset.

All costs associated with conversion must be built into the Unit Prices. SVCEA does not want to pay any cost associated with conversion other than through the Unit Prices.

Bank fees must be guaranteed for a minimum of five (5) years.

F. **OTHER SUBMITTAL INFORMATION**

1. **NONCOLLUSION DECLARATION**

Contractors shall complete and include the Noncollusion Declaration Form with their proposal.
2. **DECLARATION OF LOCAL BUSINESS**

Contractors shall complete and include the Declaration of Local Business Form with their proposal, if applicable.

3. **CONTRACTOR’S TERMS AND CONDITIONS**

Contractors shall initial and/or complete the questions in Contractor’s Terms and Conditions, next to the appropriate statement. Failure to initial shall default to the first response, acceptance of SVCEA’s terms and conditions as is.
## Attachment 2: SVCEA Financing – Project Timeline
As of 5/10/16

<table>
<thead>
<tr>
<th>DATE</th>
<th>WHO/WHAT</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 11</td>
<td>SVCEA Board Meeting</td>
<td>Guidance to staff to complete and release Banking services RFP</td>
</tr>
<tr>
<td>May 13</td>
<td>Financing Team</td>
<td>Conference call to finalize credit estimates and remaining elements of RFP</td>
</tr>
<tr>
<td>May 20</td>
<td>City of Mountain View</td>
<td>Release RFP (30 day response period)</td>
</tr>
<tr>
<td>Early June – date TBD</td>
<td>City Managers and Finance Directors</td>
<td>Meeting /conference call to discuss credit guaranty obligation and update on municipal loan option</td>
</tr>
<tr>
<td>June 6</td>
<td>Financing Team</td>
<td>Bidders workshop for interested banks and municipalities</td>
</tr>
<tr>
<td>June 8</td>
<td>SVCEA Board Meeting</td>
<td>Financing update - TBD</td>
</tr>
<tr>
<td>June 13</td>
<td>City of Mountain View / Bidders</td>
<td>Deadline for written questions</td>
</tr>
<tr>
<td>June 20</td>
<td>Financing Team/City of Mountain View</td>
<td>Responses to questions; addendum posted</td>
</tr>
<tr>
<td>July 5</td>
<td>Banks/City of Mountain View</td>
<td>Bank proposals due</td>
</tr>
<tr>
<td>July 6-18</td>
<td>Finance Team</td>
<td>Proposal evaluation/selection of short list; prep meeting with city managers</td>
</tr>
<tr>
<td>July 13</td>
<td>SVCEA Board Meeting</td>
<td>Financing Item TBD – possible approval of credit guaranty terms</td>
</tr>
<tr>
<td>July 27/28</td>
<td>Finance Team/Cities and County Execs</td>
<td>Meeting with interested member agency execs to discuss terms of possible municipal financing</td>
</tr>
<tr>
<td>August 1-3</td>
<td>City of Mountain View/Finance Team</td>
<td>Bank finalist interviews</td>
</tr>
<tr>
<td>August</td>
<td>Finance Team/City Manager and Finance Directors of member agencies</td>
<td>Municipal financing discussions (cont.)</td>
</tr>
<tr>
<td>August 14</td>
<td>SVCEA Board Meeting</td>
<td>Financing Update - TBD</td>
</tr>
<tr>
<td>September 14</td>
<td>City Councils</td>
<td>Deadline to approve municipal loans and/or credit guaranty docs</td>
</tr>
<tr>
<td>End Sept</td>
<td>City of Mountain View/Financing Team</td>
<td>Final Bank negotiations</td>
</tr>
<tr>
<td>October 12</td>
<td>SVCEA Board Meeting</td>
<td>Banking recommendation/contract and other loan and guaranty documents to Board for approval</td>
</tr>
<tr>
<td>November</td>
<td>SVCEA/Bank/Lender(s)</td>
<td>Bank services established; credit line(s) available</td>
</tr>
</tbody>
</table>