



Town of Moraga	Agenda Item
DEPARTMENT REPORT	9-A

Meeting Date: August 28, 2024

TOWN OF MORAGA

STAFF REPORT

To: **Honorable Mayor and Councilmembers**

From: **Shawn Knapp, Public Works Director / Town Engineer**

Subject: **Town Facilities Energy Generation Project Update and Proposed Clean Coalition Professional Services Agreement Amendment No. 1**

Recommendation

Receive Town Facilities Energy Generation Project update and approve proposed resolution to do the following:

1. Approve Professional Services Agreement Amendment No. 1 with Clean Coalition in the amount of \$75,000 to prepare a Request for Proposals document to solicit proposals from firms to develop a Power Purchase Agreement to design and install microgrid energy generation systems at three Town Facilities.
2. Authorize a 15% contingency of \$11,250 to augment the Clean Coalition contract amount for potential additional professional services.
3. Find that preparation of a Power Purchase Agreement Request for Proposals is exempt from review per California Environmental Quality Act Guidelines Section 15306.

Background

Several years of unreliable electrical power in Moraga

After several years of unreliable electrical power and outages throughout the Moraga community, including at Town facilities, Town Council requested that staff explore alternative energy sources.

Selection of Clean Coalition to Prepare Town Facilities Energy Study – January 2022

On January 12, 2022, Town Council authorized a \$66,000 professional services agreement with Santa Barbara based Natural Capitalism Solutions, Inc. (doing business as “Clean Coalition”) to initiate a Town Facilities Energy Generation Study. This review was to include an analysis of the use of solar panels, battery storage, and small back-up

generators at the Town Hall, Council Chambers, Library, and Hacienda properties. This contract was funded by Developer Impact Fees (Government Impact Fees - Fund 780).

Local Power Options – May 2022

At the May 11, 2022, Town Council meeting, Clean Coalition explained that there are the following three options to provide power to Town facilities:

1. Stay with Pacific Gas & Electric (“PG&E) and MCE Clean Energy

This option involves no change and to continue with the Town’s private investor-owned electric utility provider, Pacific Gas & Electric (“PG&E”) and MCE Clean Energy (for access to alternative clean power sources).

2. Power Purchase Agreement Option

This option would involve entering into an agreement with a third-party provider to install and operate power systems using a combination of alternative energy sources and diesel back-up generators for Town facilities.

3. Town Purchase Option

This option would be for the Town to self-finance, build, and operate its own energy system for Town facilities.

Initial Power Purchase Agreement Recommendation – May 2022

At the May 11, 2022, Town Council meeting, Clean Coalition recommended that the Town pursue the Power Purchase Agreement (“PPA”) option, due to the Town’s limited available financial resources. This approach would involve using a third-party provider to design, install, and operate microgrid systems composed of solar panels, battery back-ups, and diesel generators at Town facilities. Clean Coalition also pointed out that the Town needed to act in a timely manner to take advantage of PG&E’s Net Energy Metering (“NEM2”) program to achieve an aggregate savings of \$1.7 million amortized over 25-year (approximately \$68,000 per year using a straight-line calculation) in comparison to relying exclusively on power from PG&E.

Town Council decided to defer pursuing the PPA option at that time and directed the consultant and staff to do further analysis. With this goal in mind, Town Council approved and appropriated an additional \$10,000 from Fund 780 to pay for additional services by Clean Coalition. This increased Clean Coalition’s total budget to \$76,000.

Clean Coalition’s Updated PPA Energy Generation Recommendation – June 2023

On June 14, 2023, Clean Coalition presented an updated study to Town Council which included revised financial projections. Clean Coalition stayed with the recommendation to pursue the use of microgrid systems with solar panels, battery back-up, and diesel generators for longer-duration energy resiliency enhanced through a PPA. However,

Clean Coalition altered its recommendation for the new power service to be provided to just the Town Hall, Council Chamber, and Library locations. The Hacienda property was removed from the study due to the site's physical and financial constraints.

Unfortunately, the delay in the project's analysis significantly reduced the projected savings for the three remaining sites over a 25-year period from \$1.7 million (\$68,000 annually) to \$295,000 (or \$11,800 annually). This was primarily due to the shift in PG&E Net Energy Metering from NEM2 to NEM3 rates which notably reduced the economic benefits of using the solar power sell-back option.

Staff also explained that the Town's multi-year FY 2023-24 to FY 2027-28 Capital Improvement Program ("CIP") included the following three "Town Facilities Energy Reliability Projects" with staggered project start and completion dates:

- Town Hall (including Police Department) -- 329 Rheem Blvd. (CIP 23-108)
- Council Chamber – 335 Rheem Blvd. (CIP 24-112)
- Moraga Library – 1500 St. Mary's Road (CIP 25-105)

Each project includes design and installation of a microgrid energy generation system. For the Town Offices/Police Department and Library sites, parking lot improvements are proposed to address deteriorated pavement surfaces, capacity issues, ADA compliance, and future electric vehicle charging stations. The parking lot deviancies were identified in the April 2020 Pavement Report to Town Council and were recommended to be addressed after the "Worst First Residential Streets" projects were completed. The parking lot improvements are outside the scope of the Microgrid System PPA, and separate funding was identified in the CIP Budget. Please refer to Attachment C for more information about these projects.

Town Council direction to proceed with a PPA Request for Proposals – June 2023

After receiving the Clean Coalition updated study on June 14, 2023, Town Council directed staff to proceed with preparing a PPA Request for Proposals (RFP) from firms interested in designing, constructing, and operating independent microgrid systems consisting of solar panels, back-up batteries, and diesel generators at the Town Hall, Council Chamber, and Library properties, with the assumption that the Town would purchase its power at a fixed rate per kilowatt-hour. Staff also directed staff to ensure the review of the RFP proposals included a thorough vetting of each firm's "risk management" and "financial" analysis.

Contra Costa County EV-4-ALL Program

At the same time the Town was exploring power options, Contra Costa County was awarded a \$15 million grant from the US Department of Transportation Community Charging and Fueling Infrastructure Program. As part of this grant, the County developed an "EV-4-All" Program, which includes installation of six Electric Vehicle Charger (EVC) stations at the Moraga Library by fall 2026. In preparation to receive these EV-4-All EVC

stations, the Town needs to complete the planned parking lot improvements at this site, including modifying the parking lot layout to provide for the EVC stations, resurfacing the parking lot, and upgrading the ADA accessibility parking stalls and pathways.

Additional Assistance from Theis Engineering and Associates

Due to other capital improvement project priorities (including the extensive street pavement projects currently taking place throughout Town), the energy generation project was delayed for a few months during late 2023. In an effort to help move this project forward, the Town entered into an on-call civil engineering contract with Concord-based Theis Engineering and Associates. This firm worked with energy resiliency industry experts to obtain additional feedback on Clean Coalition's risk management and economic analysis. This firm also worked with Clean Coalition on the RFP's scope and preparation cost.

Discussion & Analysis

Clean Coalition's PPA Microgrid Economic Analysis

Clean Coalition's economic analysis focused primarily on assumptions guiding the financial projections over the 25-year study period using the following criteria:

1. An assumed annual average PG&E electricity rate increase of 5%.
2. An anticipated third-party PPA provider electricity rate of \$0.40 per kilowatt-hour versus \$0.31 per kilowatt-hour as the Town's blended baseline with EVC stations for electricity cost.
3. An estimated third-party PPA total microgrid system cost (solar panels, back-up batteries, and diesel generators) of approximately \$5 million over 25-year (or, \$200,000 per year)

Although it is challenging to predict future energy rates (including the impact of converting to a PPA's electricity rate structure), Clean Coalition's assumed 5% average annual PG&E increase over the next 25 years is lower than the actual 8% and 9% increases over the last two years and higher than the historical 3.5% average annual rate increase over the past 25 years.

If this analysis were to be adjusted to reflect a more conservative PG&E electricity average annual rate increase of 4%, then the proposed project would result in a 25-year net loss of approximately \$1 million (or -\$40,000 per year using a straight-line estimation). However, the Town would still benefit from the use of clean energy generation and energy resiliency of the microgrid system of solar panels, back-up batteries, and diesel generators.

The stated net loss of \$1 million using a theoretical 4% inflation for electrical rates over a 25-year period results in the Town paying the PPA more for energy than if the Town were to continue to use PG&E and MCE Clean Energy. From a facility generation project

standpoint, the theoretical \$1 million loss is offset by the \$1 million dollars it would cost the Town to install and operate large standalone back-up power generators at each of the Town facility sites. Thus, the PPA Microgrid system project is cost-neutral or a “wash” with no additional cost at the 4% inflation electrical rate.

Town Built and Operated Microgrid System Option

An alternative to the PPA option is for the Town to self-finance, build, and operate microgrid systems for the three Town facilities over the 25-year period. The option is estimated to cost \$4.25 million, compared to an estimated \$6.2 million project cost with the PPA agreement, as outlined in the table below.

Cost Item	PPA	Town	Difference
Construction*	\$5,000,000	\$3,071,000	(\$1,929,000)
Estimated Auxiliary Project Costs**	1,200,000	1,200,000	0
Operating Costs***	0	713,000	713,000
Federal Investment Tax Credit (ITC)	0	(727,000)	(727,000)
Total 25-year Cost	\$6,200,000	\$4,257,000	(\$1,943,000)
<i>Estimated Energy Savings****</i>	<i>(5,350,000)</i>	<i>(5,350,000)</i>	<i>0</i>
Initial Cost/(Savings)	\$850,000	(\$1,093,000)	\$1,943,000
<i>Cost of Debt Issuance & Lost Revenues*****</i>	<i>0</i>	<i>TBD</i>	<i>TBD</i>

Notes:

*With the PPA option, the Town would not need to fund the construction project up front. This cost would be borne by the third-party service provider and paid back through the PPA over 25 years.

**Auxiliary Project Costs include: project management, inspections, Town staff time, attorney & legal fees, and facility & parking lot improvements that would be completed in both project scenarios.

***With the PPA Option, “Operating Costs” are absorbed by the third-party service provider.

****In both scenarios, the Town is expected to save approximately \$5,350,000 in energy costs over a 25-year period.

*****The Town Built and Operated Option does not include the borrowing (debt service) and “Cost of Issuance” expenditures associated with a potential loan. Nor, does it take into consideration potential “opportunity costs” associated with unearned “interest earnings” as a result of reducing the Town’s reserve and/or fund balances. These expenditures/lost revenues would likely result in the Town Option costing more than the PPA Option.

Microgrid System Environmental and Non-Economic Benefits

If the Town proceeds with the construction of microgrids, there would be several potential environmental and non-economic benefits. The following represent three potential energy resiliency and climate change benefits:

- Installation of EVC stations for Town vehicles and for public use (via a fee).
- Microgrid systems provide clean energy generation.
- Resiliency of independent energy generation for emergencies, power outages, and PG&E temporary Public Safety Power Shutoff (PSPS) outage events.

The value of these redundancies is not easily quantified at this time. However, this approach will help the Town achieve the objectives articulated in the Town Facilities Energy Generation Study. These objectives will not likely be achieved by continuing to rely exclusively on PG&E's existing electrical grid.

Power Purchase Agreement Selection Process

Staff recommends that Clean Coalition be retained to manage the PPA selection process for the installation and operation of microgrid systems. Clean Coalition will assist with developing an RFP, evaluating proposals submitted, and recommending the award of a PPA contract.

The RFP may be tailored to provide options for including or removing proposed improvements, such as added EVC stations and parking lot repairs or reducing microgrid system sizing to change the PPA economics and financing terms. Town and consulting staff will review all proposals and evaluate their long-term economic benefits, including assessing potential risks and how to mitigate their impacts during project implementation and operation. Additionally, Town and consulting staff will develop a risk management and financial impact matrix to identify project risks and mitigation alternatives and/or solutions. The PPA will be subject to further legal review by the Town Attorney for commercial risks and to ensure that the obligations of the contractor/provider are clearly defined.

Once a PPA firm is selected and approved by Town Council, there will be additional project management tasks that need to be completed before the microgrid systems are installed and put into place. Such tasks will include managing the microgrid system design/build submittals, construction installation inspections, energy generation verifications, and recommendations for acceptance of a constructed project. As part of this process, the Town Council will have future opportunities to review and make modifications to the PPA, along with the final decision to award a PPA.

If there are no favorable PPA proposals submitted or recommended for Town Council consideration, the process will cease. Alternatives or modifications to the RFP or another procurement option may need to be considered. One example may be to pursue an owner purchase and operated microgrid system.

Proposed \$75,000 Clean Coalition Professional Services Contract Amendment No.1

Clean Coalition is requesting a contract amendment of \$75,000 to develop a PPA RFP to solicit proposals to design and install microgrid energy generation systems. Then, the proposals will be evaluated, and recommendations for possible award of the PPA will be made. Please refer to Attachment D for a copy of this contract.

Note that these services were not part of Clean Coalition's original professional services contract with the Town. In an effort to cover potential unanticipated expenditures associated with this contract, staff is suggesting including an \$11,250 (15%) contingency amount.

Fiscal Impact

Clean Coalition Professional Services Cost

The initial Clean Coalition professional services agreement budget totaled \$66,000. Subsequently, Town Council authorized a subsequent \$10,000 budget appropriation for additional financial study work, bringing their total budget to \$76,000. Adding the proposed Amendment No. 1 cost of \$75,000 and \$11,250 contingency amount will increase the total Clean Coalition potential cost by \$86,250 from \$76,000 to \$162,500.

Funding for the proposed Amendment No. 1 will be absorbed by CIP 23-108 Town Facilities Energy Reliability Project Budget, which was funded in the Town's adopted FY 2023-24 and 2024-25 CIP Budget. The proposed \$86,250 funding sources are follows: \$84,000 APRA (Fund 102) and \$2,250 Developer Impact Funds (Fund 780). The actual cost may end up being lower than the total budget. Please refer to Attachment C for more details.

Theis Engineering and Associates Professional Services Cost

The expenditures to date for Theis Engineering and Associates total \$8,235 and will be paid via the CIP 21-108 Town Facility Energy Generation Study Project Budget.

Energy Generation Capital Improvement Project Cost Comparisons

As detailed earlier in this report, the estimated cost of a PPA project is \$6,200,000 and would result in net cost (after discounting the energy savings) of approximately \$850,000 over a 25-year period.

The estimated initial cost of a Town Funded Option project is \$4,257,000, with a potential initial net savings (after discounting the energy savings) of approximately \$1,093,000 over a 25-year period. This amount would likely be lower after factoring in debt service, cost of issuance, and reduced interest earnings. In the end, it is possible that Town Funded Option will cost more than the PPA Option.

CEQA Compliance

Technical studies and design work are categorically exempt from the California Environmental Quality Act (CEQA) per §15306. CEQA analysis for the construction of the Project will be conducted as part of the scope of services under the design contract.

Alternatives

1. Stay with Pacific Gas & Electric (“PG&E) and MCE Clean Energy, as articulated earlier in the staff report.
2. Direct staff to pursue the Town Purchase Option, as articulated earlier in the staff report.
3. Don’t make any changes and continue to purchase energy through the private investor-owned utility provider PG&E, or Marin Clean Energy-Green, and purchase back-up diesel generators for use during power outages (estimated to cost approximately \$830,000).

Next Steps

If the proposed resolution is approved by Town Council, then the following next steps will take place:

- Clean Coalition Professional Services Agreement execution -- Early September 2024.
- Clean Coalition prepares PPA RFP -- By early December 2024.
- Town Council review and approval of PPA RFP – By end of January 2025.
- PPA RFP solicitation period -- February 2025 to May 2025.
- Clean Coalition and Town staff review of PPA Proposals – May/June 2025
- PPA Provider recommendation to Town Council – June/July 2025.

Attachments

- A.** Draft Resolution – Approving Amendment No. 1 to Professional Services Agreement with Clean Coalition
- B.** Original Clean Coalition Professional Services Agreement Scope of Work and Proposal
- C.** Town Facilities Energy Reliability for Town Offices (CIP 23-108) Funding Sheet
- D.** Proposed Clean Coalition Professional Services Agreement Amendment No. 1

ATTACHMENT A

DRAFT Resolution ____ - 2024 Approves and Authorizes the First Amendment to the Consultant Services Agreement with Natural Capitalism Solutions, Inc. dba "Clean Coalition" of Santa Barbara, CA for the Preparation of a Power Purchase Agreement (PPA) Request for Proposal (RFP) to Install Microgrid Energy Generation Systems at Town Facilities; In the Amount of \$75,000; Authorizing a 15% Contingency of \$11,250 for a Total Contract Amount Not to Exceed \$156,250; and Finding that the PPA RFP is Exempt From Review Under The California Environmental Quality Act (CEQA) Pursuant To CEQA Guidelines Section 15306.

**TOWN OF MORAGA
TOWN COUNCIL**

RESOLUTION NO. __-2024

APPROVE AND AUTHORIZE FIRST AMENDMENT TO THE CONSULTANT SERVICES AGREEMENT WITH NATURAL CAPITALISM SOLUTIONS, INC. DBA “CLEAN COALITION” OF SANTA BARBARA, CA FOR THE PREPARATION OF A POWER PURCHASE AGREEMENT (PPA) REQUEST FOR PROPOSAL (RFP) TO INSTALL MICROGRID ENERGY GENERATION SYSTEMS AT TOWN FACILITIES; IN THE AMOUNT OF \$75,000; AUTHORIZING A 15% CONTINGENCY OF \$11,250 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$152,250; AND FINDING THAT THE PPA RFP IS EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO CEQA GUIDELINES SECTION 15306.

WHEREAS, on January 12, 2022, the Town Council of Moraga authorized the Town Manager to execute a consultant service agreement with Natural Capitalism Solutions, Inc. dba “Clean Coalition” for Town Facility Energy Generation Study (including Resiliency/Redundancy Generators in the event of a power outage) for \$60,000 with a 10% contingency of \$6,000 for a total not to exceed amount of \$66,000; and

WHEREAS, on May 11, 2022, Clean Coalition presented the results of its study of the Town’s facilities energy usage and options for solar panels, battery storage, and backup generators to the Town Council. A preferred option identified implementing the installation of microgrid systems consisting of solar panels, battery back-up and diesel generators for longer duration redundancy financed through a Power Purchase Agreement (PPA) due to the Town’s limited up-front capital funds which was projected to save \$1.7 million over a 25-year period in comparison to rising PG&E rates; and

WHEREAS, on June 14, 2023 Clean Coalition updated their study and presented the revised financial projections to the Town Council and made the same recommendation of pursuing a solar microgrid with battery back-up and diesel generators for longer duration redundancy financed through a Power Purchase Agreement (PPA), however the projected savings over a 25-year period was reduced to \$295,000 primarily due to the change in Net Energy Metering (NEM2 to NEM3) rates implemented by PG&E that reduced the economic value of solar power sellback; and

WHEREAS, the Town Council at its June 14, 2023, meeting directed staff to proceed with preparing a PPA Request for Proposals (RFP) that would solicit firms interested in constructing and operating the solar panels, batteries, and diesel generators at the Town Offices, Council Chambers and Library with the Town agreeing to purchase their power at a fixed rate per kilowatt-hour used from this firm; and

WHEREAS, Clean Coalition prepared the initial study and is most familiar with Moraga’s facilities, has the appropriate expertise, and has experience preparing these PPA RFPs, and will provide construction oversight and certification.

NOW, THEREFORE BE IT RESOLVED, that the Town Council hereby finds that the preparation of the PPA RFP is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15306.

BE IT FURTHER RESOLVED, that the Town Council hereby approves and authorizes the First Amendment to the Consultant Services Agreement with Natural Capitalism Solutions, Inc. dba "Clean Coalition" of Santa Barbara, CA for the preparation of a Power Purchase Agreement (PPA) Request for Proposal (RFP) to install microgrid energy generation systems at Town Facilities to increase compensation in the amount of \$75,000 for facilitating the installation of microgrid systems through a Power Purchase Agreement solicitation from preparing a request for proposal through the award of a Power Purchasing Agreement.

BE IT FURTHER RESOLVED that the Town Council hereby authorizes a 15% contingency amount of \$11,250, if necessary, for a total contract amount not to exceed \$152,250. The Town Engineer is hereby authorized to issue Agreement Change Orders for up to \$11,250 (15% of the Amendment No. 1 amount) for a total Amount Not to Exceed \$152.250 (\$141,000 plus \$11.250).

BE IT FURTHER RESOLVED that the Town Manager is hereby authorized to execute the First Amendment to the Agreement, with minor revisions that may be approved by the Town Manager and the Town Attorney, and to execute any other necessary documents to effectuate the terms of the Agreement and First Amendment.

ATTACHMENT B

Clean Coalition
First Amendment Proposal

Proposal to facilitate the Moraga Solar Microgrids from RFP through M&V

The proposed efforts are focused on facilitating three Solar Microgrids for the Town of Moraga, starting with a request-for-proposal (RFP) process and continuing through contracting and construction management support before concluding with the Monitoring & Verification (M&V) to ensure that the Solar Microgrids are meeting their contractual performance requirements. These efforts will leverage the Moraga Solar Microgrids feasibility studies that the Clean Coalition completed in 2022 and 2023. Of the four Solar Microgrids evaluated, the proposed efforts will simultaneously facilitate three, one at each of the following Critical Community Facilities:

1. Town Hall & Police Station
2. Corp Yard & Council Chambers
3. Library



Table of Contents

Cover Letter.....	3
1. Overview.....	4
2. Proposed Scope of Work.....	4
3. RFP Facilitation.....	4
4. Contracting Support.....	5
5. Construction Management.....	5
6. Monitoring & Verification (M&V).....	5
7. Project timeline.....	5
8. Fee Schedule.....	6

Cover Letter

Shawn Knapp
Town of Moraga
329 Rheem Boulevard
Moraga, CA 94556

Subject: Proposal to facilitate the Moraga Solar Microgrids from RFP through M&V

Dear Shawn,

The Clean Coalition is pleased to propose expert consulting services to facilitate Solar Microgrids at the following three Town of Moraga ("Town") Critical Community Facilities (CCFs):

- Town Hall & Police Station
- Corp Yard & Council Chambers
- Library

The efforts will leverage the Moraga Solar Microgrids feasibility studies that the Clean Coalition completed for the Town in 2022 and 2023 and can include any or all of the following tasks, shown with fixed project-based fees that incorporate all foreseeable expenses, including travel-related, along with expected timeframes:

1. Lead the Request for Proposal (RFP) process: \$75k to facilitate an RFP process from development of the RFP package through distribution to multiple viable candidates and selection of the most viable solutions provider, including a Power Purchase Agreement (PPA) holder that will own and maintain the Solar Microgrids such that the Town is simply committing to purchase the delivered solar energy. The RFP process is anticipated to be completed within 3 months of the Clean Coalition receiving the Town's notice-to-proceed.
2. Provide contracting support: \$75k to help ensure that the Town is entering into sensible Solar Microgrid contracts that guarantee technical and economic performance while limiting the Town's risks. Final contracts are expected to be ready for Town Council approval within 3 months of completing the RFP process.
3. Provide construction management support: \$100k to help oversee the construction of the Solar Microgrids and maintain schedule. These efforts are anticipated to include multiple site visits and regular interaction with all key stakeholders. Construction is anticipated to be completed within 18 months of the Solar Microgrid contracts being executed.
4. Perform initial Monitoring & Verification (M&V): \$25k to confirm initial operational performance of the within 3 months of the operational date of each Solar Microgrid and facilitating between all key stakeholders to resolve issues.

I speak for the entire Clean Coalition team when I say that we look forward to continuing to facilitate Solar Microgrids for the Town – and to help ensure they deliver an unparalleled trifecta of economic, environmental, and resilience benefits to the Moraga community.

Sincerely,



Craig Lewis
Founder & Executive Director
Clean Coalition
650-796-2353 mobile

1. Overview

The Town has economic, environmental, and resilience goals, and Solar Microgrids can help address all three, including progress toward reducing the Town's greenhouse gas emissions to 5% below the 2005 baseline, lowering community-wide emissions to 79,854 MT CO₂e. The Clean Coalition is proposing to simultaneously facilitate Solar Microgrids at the following three Critical Community Facilities (CCFs):

1. Town Hall & Police Station
2. Corp Yard & Council Chambers
3. Library

The proposed efforts aim to achieve Solar Microgrids that deliver an unparalleled trifecta of economic, environmental, and resilience benefits to key Town operations while showcasing state-of-the-art Solar Microgrids to communities far and wide.



Photos of the three Town of Moraga Critical Community Facilities that are targeted for Solar Microgrids

2. Proposed Scope of Work

The Clean Coalition team offers a unique combination of both breadth and depth of relevant services. The proposed Scope of Work is detailed in the following sections, encompassing these four tasks:



3. RFP Facilitation

Upon receiving the Town's notice-to-proceed, the Clean Coalition will lead a transparent and efficient RFP process. The Clean Coalition has developed RFP processes over projects that streamline proposals and contracts while reducing legal risks and transaction costs. Electronic proposal templates will help ensure that proposers provide all requested information in a consistent format that streamlines proposal evaluations. The Clean Coalition will develop the RFP package and manage the RFP process, including distribution of electronic documents, coordinating site walks, managing questions & answers (Q&As) and associated addenda, scoring proposals, recommending the best proposal along with the second best as a backup proposal, and performing all communications with proposers, including final selection decisions. Proposals will be evaluated for a comprehensive comparison of qualitative and quantitative metrics, summarized to reflect a clear scoring and ranking. The RFP process generally includes interviews of the best proposals, based on scoring from the initial round of submitted proposals, and this often results in the submission of best-and-final versions of such proposals, from which final selection recommendations are made.

4. Contracting Support

Based on the results of the RFP process, the Clean Coalition will support the Town through the contracting process, from negotiations to execution of sensible Solar Microgrid contracts to guarantee technical and economic performance while limiting the Town's risks. Contracts will cover the full set of services required, whether the Engineering, Procurement, and Construction (EPC) services are paired with the Power Purchase Agreement (PPA) holder or not. Unless the Town decides to proceed with a cash purchase of the Solar Microgrids, a PPA holder will be the ultimate counterparty to the Town with the EPC services either being provided by the PPA holder directly or contracted by the PPA holder. The Clean Coalition will facilitate between with key Town staff and/or outside legal counsel and the chosen Solar Microgrid EPC and/or PPA parties to help ensure that the final contracts reflect the intentions that resulted from the RFP process.

5. Construction Management

Once contract documents are executed and the permitting process begins, the Clean Coalition will host a formal kick-off meeting to set expectations for the design review, permitting, and construction processes. Then, the Clean Coalition will have regular review meetings to ensure that everything is proceeding as planned – and alert the Town if variances arise. The Clean Coalition will coordinate between the key stakeholders as needed with the intention of maintaining quality, schedule, and budget. These efforts are anticipated to include multiple site visits and regular interactions with all key stakeholders. The Clean Coalition will also facilitate resolutions associated with any design changes and/or change orders that might be proposed throughout construction. Overall, the Clean Coalition will maintain a master project schedule that tracks critical milestones, through operational commissioning of the three Solar Microgrids.

6. Monitoring & Verification (M&V)

The Clean Coalition will conduct M&V analyses that confirm both the technical and economic performance of the Solar Microgrids, to ensure that the contractual terms are being met. Specifically, M&V is proposed to be performed for each Solar Microgrid after it has been operational for three months. Additional M&V is recommended on an annual basis thereafter, particularly at the one-year anniversary of the first M&V to analyze a full annual period. The Clean Coalition has found that most operational issues arise early in the life of Solar Microgrids, and that identifying and correcting such issues early, greatly minimizes the potential for larger problems later. Overall, M&V helps ensure that all systems are performing as expected – and that performance guarantees are being met.

The Clean Coalition's M&V process involves modeling anticipated performance and comparing it to actual performance, including with respect to solar production and economic outcomes. The Clean Coalition will generate a report that summarizes the system's performance and highlights any noteworthy variances to expectations. Also, the Clean Coalition will make recommendations that might be deemed appropriate and then work to implement such recommendations with the relevant parties.

7. Project timeline

The Clean Coalition will begin work upon receiving a notice-to-proceed from the Town. The RFP process is anticipated to be completed within 3 months, culminating notifications to the proposers of the best and second best proposers. The Clean Coalition finds that it is helpful to maintain open relations with the second best proposer in case anything unfavorable occurs that warrants the Town shifting to the next best proposal. The contracting efforts are expected to be completed within 3 months, at which point construction begins, starting with permitting. Once final permitting approvals are received, the actual build-out will be paced according to the overall project construction schedule. Construction is expected to be completed within 18 months of contract execution, and overall, the Solar Microgrids are expected to be operational within 24 months of the notice-to-proceed with the RFP process.

8. Fee Schedule

The Clean Coalition will rely on a mix of team members over the duration of the efforts, with the exact mix depending on the specific activities being worked at any given time. Fees include all anticipated costs, including normal business and travel expenses. As desired, arrangements to cover additional efforts can be mutually agreed upon.

Tasks are offered in a flexible manner and can be selected along the way.

The Clean Coalition will invoice on the following milestones:

Table 1: Milestone & Fee Schedule

MILESTONE #	MILESTONE	MILESTONE AMOUNT
1	Completion of RFP efforts, due & payable on date of Proposals submission deadline.	\$75,000
2	Completion of executed contracts through Council award.	\$75,000
3	Completion of full permitting for first Solar Microgrid.	\$50,000
4	Successful online of the final Solar Microgrid with acceptance by Town Council.	\$50,000
5	Delivery of the initial M&V report (one report for all three sites).	\$25,000
TOTAL PAYMENT		\$275,000

1. All payments up to the Solar Microgrids being successfully online are subject to a 10% retention until the project is deemed as accepted by the Town Council, at which time the retention will be released and paid in full along with the Milestone 4 payment to be paid in full. No further retentions will be imposed.
2. Annual M&V reports can be commissioned in the future, along with any other additional services that are mutually agreed.

The Clean Coalition will be ready to support any extra efforts that the Town requests, at mutually agreeable terms. As a guide, the Clean Coalition's hourly billable rates are shown in this table below:

Table 2: Clean Coalition hourly rates

Consultant's Organizational Title	Hourly Rate
Executive Director	\$285
Grants & Contracts Manager	\$150
Program Manager	\$185
Policy Manager	\$165
Senior Engineer	\$195
Program Engineer	\$165

ATTACHMENT C

Town Facilities Energy Reliability for Town Offices (CIP 23-108)
Funding Sheet

Town Facilities Energy Reliability - Town Offices

Project No: 23-108

Category: Buildings & Facilities (Municipal Facilities)

Project Location: 329 Rheem Blvd

Responsible Department: Public Works



Account Number & Status: 700-721-XXX-23 - Funded

Project Objective: Develop reliable energy sources for emergency backup for critical Town facilities utilizing green energy resources to the extent feasible. This project addresses 2023 Town Goal #2,5,12.

Project Description: Develop RFP, specifications, and contracts, and inspect construction related to a Power Purchase agreement or upfront Capital Investment to install reliable and automatic operations backup emergency power generation. Explore options for clean energy generation, including but not limited to solar power and battery backups. Also includes additional electric vehicle chargers that were cost-feasible.

Basis for Schedule: Need for adequate emergency power at critical Town facilities. The Project is proposed for two construction phases through Power Purchasing Agreement or upfront Capital Investment: 1) Installation of Town offices emergency generator; and 2) Installation of solar panels on parking lot canopies and fleet charging stations and repairing parking for ADA issues.

Basis for Cost: Design, Permitting, and Construction are to be funded by 1) PPA: or 2) Upfront Capital Investment, depending on Town Council's approved fund scenario. The funding table shows PPA costs. Upfront Capital Investment is not shown. Construction cost estimate based on Facilities Energy Generation Study data. Project management for Emergency Generators, Solar Generation, and Charging Stations funded by Fund 780. Parking lot reconfiguration and repairs by Fund 210 - Measure J funds.

Project Balance Note:

EXPENDITURES	(Thousands of Dollars)								PROJECT TOTAL
	Prior FY Actuals	FY 22/23 Expenses	FY 23/24 Carryover	2023-24	2024-25	2025-26	2026-27	2027-28	
071 - Administration				50	30				80
072 - Construction					150				150
073 - Const Mgmt/Inspection				65	75				140
076 - Engineering				75	10				85
078 - Legal				40					40
EXPENDITURE TOTALS				230	265				495
FUNDING SOURCES									
102-ARPA				84					84
210-Measure J					175				175
780-Government Impact Fees				146	90				236
FUNDING TOTALS				230	265				495

ATTACHMENT D

SAMPLE Clean Coalition First Amendment to the
Professional Service Agreement

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT (“First Amendment”) is entered into as of this August 28, 2024 (“Effective Date”), by and between the Town of Moraga, a public body corporate and politic (“Town”) and Natural Capitalism Solutions, Inc. dba Clean Coalition (“Consultant”).

RECITALS

WHEREAS, on January 12, 2022, Town and Consultant entered into that certain Consultant Services Agreement (“Agreement”) whereby Consultant agreed to provide engineering services in connection with planning, investigation, surveying, design, bidding, construction engineering, and any other related ancillary activities related to the Town Facility Energy Generation Study Project No. 21-109; and

WHEREAS, Town and Consultant desire to amend the Agreement by increasing the contract by \$75,000 for additional services relating to the preparation of a Power Purchase Agreement (PPA) Request for Proposal (RFP) to install microgrid energy systems at Town Facilities.

AGREEMENT

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Recitals. The Parties agree that the foregoing recitals are true and correct and are hereby incorporated as terms of the Agreement.

2. Section 2. Scope of Services. The Parties agree that the Scope of Services of the Agreement shall be amended by adding the additional services identified in Exhibit 1 to the scope of services to be provided by Consultant.

3. Section 3. Time of Performance. The Parties agree that Section 3, Time of Performance in the Agreement shall be deleted and replaced with the following:

“3. The services of Consultant are to commence no sooner than January 13, 2022, and, subject to Town Council approval, be completed not later than June 30, 2025. Consultant shall perform its services in accordance with the schedule in Exhibit 2. Any changes to these dates in either this Section 3 or Exhibit 1 must be approved in writing by the Town of Moraga or its authorized representatives.”

4. Section 4. Compensation and Method of Payment. The Parties agree that Section 4(A), Compensation shall be deleted and replaced with the following:

“4.A. Compensation. The compensation to be paid to Consultant, including both payment for professional services and reimbursable expenses, shall be at the rate and schedules attached hereto as Exhibit “3”. However, in no event shall the amount Town pays Consultant exceed One Hundred Fifty-Six Thousand Two Hundred and Fifty Dollars

(\$156,250). Payment by Town under this Agreement shall not be deemed a waiver of unsatisfactory work, even if such defects were known to the Town at the time of payment.”

5. Except as specifically modified by this First Amendment, all other terms and conditions of the Agreement remain in full force and effect.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by themselves or their duly authorized representatives as of the date first above written.

TOWN OF MORAGA

By: _____

Scott Mitnick,
Town Manager

ATTEST:

By: _____

Amy Heavener,
Town Clerk

APPROVED AS TO FORM:

By: _____

Michelle Marchetta Kenyon,
Town Attorney

FUNDING:

By: _____

Katie Bruner,
Administrative Services Director

Attachments:

- Exhibit 1 – Clean Coalition Proposal
- Exhibit 2 – Clean Coalition Schedule of Performance
- Exhibit 3 – Clean Coalition Rate Schedule

EXHIBIT A
Clean Coalition Proposal

(see attached)

SAMPLE

EXHIBIT B
Schedule of Performance

The services of Consultant are to commence no sooner than August 28, 2024, and subject to Town Council approval. The Consultant shall compete the Power Purchasing Agreement Request for Proposal by December 31, 2024, so that it can be scheduled for presentation to the Town Council at an agendaized meeting. Consultant shall all remaining work be completed not later than June 30, 2025.

SAMPLE

EXHIBIT C
Clean Coalition Rate Schedule

Table 1: Clean Coalition hourly rates

Consultant's Organizational Title	Hourly Rate
Executive Director	\$285
Grants & Contracts Manager	\$150
Program Manager	\$185
Policy Manager	\$165
Senior Engineer	\$195
Program Engineer	\$165