

# **AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND CITY OF SAN MATEO FOR MEMBER AGENCY ENERGY GRANT PROGRAM**

This Agreement is entered into this \_\_\_\_\_, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and City of San Mateo, hereinafter called "Grantee."

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## **1. Exhibits and Attachments**

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A—Project Description

Exhibit B—Grant Distribution

## **2. Grant Process**

In consideration of the payments set forth in this Agreement and in Exhibit B, Grantee shall implement the Project in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

## **3. Grant Distribution**

In consideration of the Project to be implemented by Grantee in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make a grant payment to Grantee in the manner specified in Exhibit B. PCEA reserves the right to withhold final grant payment if PCEA determines that the quantity or quality of the work performed by Grantee is unacceptable or does not meet the requirements of Exhibit B. In no event shall PCEA's total fiscal obligation under this Agreement exceed one million, four hundred and six thousand, seven hundred and eighteen dollars (\$1,406,718). In the event that the Project described by Exhibit A does not move forward or is terminated for any reason, Grantee agrees to return any unused grant funds associated with approved project.

## **4. Term**

Subject to compliance with all terms and conditions, the term of this Agreement shall be from the date of execution through Nov 30, 2026.

## **5. Relationship of Parties**

Grantee agrees and understands that Grantee is not an employee of PCEA and that neither Grantee nor its employees acquire any of the rights, privileges, powers, or advantages of PCEA employees.

**6. Hold Harmless**

**a. General Hold Harmless**

Grantee shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Grantee under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Grantee or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Grantee's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of PCEA and/or its officers, agents, employees, or servants. However, Grantee's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which PCEA has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Grantee to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

**7. Payment of Permits/Licenses**

Grantee bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Grantee's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

**8. Insurance**

PCEA shall not be responsible for the provision of any insurance policy on behalf of the Grantee.

The parties understand and agree that Grantee shall not commence work using the grant funds without insurance coverage appropriate to its specific project and as reviewed by Grantee's own legal counsel and/or Risk Manager.

## **9. Compliance With Laws**

The Project to be performed by Grantee pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. The Project shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Grantee shall be timely and accurately complete, sign, and submit all necessary documentation of compliance.

## **10. Retention of Records; Right to Monitor and Audit**

(a) Grantee shall maintain all required records relating to the Project under this Agreement for three (3) years after PCEA makes final payment and all other pending matters are closed, and Grantee shall be subject to the examination and/or audit by PCEA, a Federal grantor agency, and the State of California.

(b) Grantee shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by PCEA.

(c) Grantee agrees upon reasonable notice to provide to PCEA, to any Federal or State department having monitoring or review authority, to PCEA's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of the Project work.

## **11. Merger Clause; Amendments**

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

## **12. Controlling Law; Venue**

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

## **13. Notices**

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of PCEA, to:

Name/Title: Shawn Marshall, Chief Executive Officer  
Address: 2075 Woodside Road, Redwood City, CA 94061  
Telephone: 650-474-5002  
Email: smarshall@peninsulacleanenergy.com

In the case of Grantee, to:

Name/Title: Alex Khojikian, City Manager  
Address: 330 W. 20<sup>th</sup> Avenue, San Mateo, CA 94403  
Telephone: 650-522-7000  
Email: akhojikian@cityofsanmateo.org

**14. Electronic Signature**

PCEA and Grantee wish to permit this Agreement, and future documents executed pursuant to this Agreement, to be digitally signed in accordance with California law. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

**15. No Recourse Against PCEA's Member Agencies**

Grantee acknowledges and agrees that PCEA is a Joint Powers Authority, which is a public agency separate and distinct from its member agencies. All debts, liabilities, or obligations undertaken by PCEA in connection with this Agreement are undertaken solely by PCEA and are not debts, liabilities, or obligations of its member agencies. Grantee waives any recourse against PCEA's member agencies.

\* \* \*

In agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

PENINSULA CLEAN ENERGY  
AUTHORITY

City of San Mateo

\_\_\_\_\_  
Chief Operating Officer, Peninsula Clean  
Energy Authority

\_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit A**

In consideration of the payments set forth in Exhibit B, Grantee shall execute the following project:

See attached proposal as submitted by

Submittal Date:                      October 22, 2024

Point of contact name:            Andrea Chow

Point of contact role/title:       Sustainability Analyst

Point of contact email:           achow@cityofsanmateo.org

## **Exhibit B**

In consideration of the Project implemented by Grantee described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Grantee based on the following fee schedule and terms:

### **Eligible Project Expenses**

Expenses funded under this agreement must be in alignment with PCEA's mission and the goals of its Strategic Plan to decarbonize the service territory. Expense must be tangible infrastructure associated with electric power.

Examples of eligible projects:

1. Installation of EV charging infrastructure for fleet or public use
2. Building heat pump systems in government facilities
3. Incentive programs for electrifying landscape equipment, etc.
4. Installation of solar and storage systems
5. Upgrades to efficient street lights

Ineligible projects and costs:

1. Purchase of equipment using fossil fuels
2. Staff time associated with operations and other administrative costs
3. Indirect decarbonization education or general transportation infrastructure such as workshops and bike lanes
4. Production of reports or plans

### **Payments**

1. First payment: \$703,359. Upon execution of this contract
2. EV Charging payments: Funds for the EV charging project will be disbursed through the PCE EV Ready program. The EV Ready program will disburse funding through its standard process. This shall include the EV Ready standard rebate in addition to added funds from this Member Agency Energy Grant for the EV charging project up to the lesser sum of the following: a) total remaining eligible project costs (after standard rebate), or b) total remaining Member Agency Energy Grant allocation. The required application for the EV Ready program is located at the following link:  
[https://peninsulacleanenergy.formstack.com/forms/ev\\_charger\\_incentives\\_application](https://peninsulacleanenergy.formstack.com/forms/ev_charger_incentives_application)
3. Final payment: Balance of funds (\$1,406,718 less prior payments as listed in Sections 1-3 above). Within 45 days following receipt of project invoices for Eligible Project Expenses of \$1,406,718 or more. Send materials to [programs@peninsulacleanenergy.com](mailto:programs@peninsulacleanenergy.com). PCEA reserves the right to review the

submitted invoices and Grantee must respond to reasonable requests for clarifications on the information provided. PCEA reserves, at its sole discretion, the right to approve and/or reject project invoices from Grantee.

#### Payment Method

Grantee EFT/ACH details for transfers:

- City of San Mateo
- Wells Fargo Bank
- 121000248
- 4520070962
- Checking



# Exhibit A: City of San Mateo – PCE Member Agency Grant Application

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The City of San Mateo's PCE Member Agency Grant Application contains funding requests for five projects.

<b><i>Project Name</i></b>	<b><i>Estimated Budget</i></b>
1. EV Charging Infrastructure for City Fleet	\$500,000
2. Electrifying Marina Library	\$395,000
3. High Voltage Street Light Conversion	\$332,718
4. Electric Landscaping Equipment for City Operations	\$135,000
5. Pilot Electric Motorcycles for Police Department	\$44,000
<b><i>Total</i></b>	<b><i>\$1,406,718</i></b>

## 1. Electric Vehicle Charging for City Fleet

The City Council has a goal of a clean City fleet by 2030. Additionally, state law mandates the shift to electric vehicles. To prepare for this transition, the City needs electric vehicle charging infrastructure at City Hall, the Corp Yard/Park Yard and the Police Department. This funding would build off the City's Electric Fleet Transition Plan developed in partnership with PCE and Optony. Partial funding has been secured for EV infrastructure at City Hall. This funding allocation would enable the installation of electric vehicle charging infrastructure at City the Corp Yard/Park Yard and Police Department.

### Outcomes and Benefits:

- EV infrastructure will enable City's transition to EVs and replacement of gas vehicles
- Cleaner air and better health from replacement of gas vehicles
- Reduced greenhouse gas emissions

### Budget:

	<b><i>Estimated Budget</i></b>
Corp Yard / Park Yard EV charging	\$250,000
Police Department EV charging	\$250,000
<b><i>Total</i></b>	<b><i>\$500,000</i></b>

### Timeline:

The need for new PG&E service is highly impactful on the project timeline for installing chargers at City sites. The City has already initiated conversations with PG&E to add new service at the Corp Yard / Park Yard and will initiate discussions regarding the Police Department site pending funding approval. Staff anticipates the PG&E work to take roughly a year. Concurrently, staff will develop a construction bid to select a contractor to install the chargers.

## 2. Electrifying Marina Library

The Marina Branch Library is located at 1530 Susan Court, San Mateo and has served the community since 1966. Situated on the west embankment of Seal Slough, the building has experienced differential settlement on the order of five inches and currently leans towards the waterway. The Marina Library has been awarded state funding to make necessary repairs for significant structural damage due to the shifting of the building's foundation, which was likely caused by seismic activity. The major renovations provide an opportunity for building electrification and efficiency improvements.

### Outcomes and Benefits:

- New efficient building equipment and upgrades will reduce energy consumption
- Electric equipment will replace existing gas equipment

### Budget:

	<b><i>Estimated Budget</i></b>
HVAC Upgrade	\$55,000
Water heater replacement	\$10,000
Efficiency upgrades (lighting, insulation, etc.)	\$330,000
<b><i>Total</i></b>	<b><i>\$395,000</i></b>

### Timeline:

Design is currently at 50% and is expected to be completed in Spring 2025. Construction is anticipated start in late May 2025 and expected to last for 12-16 months.

## 3. High Voltage Street Light Conversion

The High Voltage Streetlight Conversion Program is replacing aging high-voltage streetlight circuits with safer and more reliable low-voltage circuits. The program is also replacing the existing streetlights with more energy-efficient LED streetlights. The City will complete this light conversion in five phases with Phase 3 nearing completion. Total project funding for all five phases is an estimated \$14.3 million. This funding allocation would provide partial funding toward this project work.

### Outcomes and Benefits:

- LED bulbs are safer and more reliable
- LEDs are more energy efficient and will reduce energy consumption
- More reliable lighting means safer streets

### Budget:

	<b><i>Estimated Budget</i></b>
Partial funding for construction budget for Phase 5 High Voltage Streetlight Conversion	\$332,718

### Timeline:

Funding would be allocated toward project construction of Phase 5. It is anticipated that project construction of Phase 5 will begin soon. Note, Phase 4 is currently in design with project work not following numerical order.

## 4. Electric Landscaping Equipment for City Operations

The Parks team relies on gas powered equipment to maintain Poplar Golf Course and City parks. This funding allocation would include the purchase of electric equipment to replace gas equipment.

### Outcomes and Benefits:

- Reduced smog and greenhouse gas emissions by replacing gas equipment
- Human health benefits in terms of noise reduction and pollution reduction

### Budget:

	<b><i>Estimated Budget</i></b>
Electric Sand Star (Golf)	\$40,000
Electric Leaf Blowers (Golf)	\$10,000
Electric Leaf Blowers (Parks)	\$55,000
Replacement batteries (Parks)	\$30,000
<b><i>Total</i></b>	<b><i>\$135,000</i></b>

### Timeline:

Equipment can take roughly 6-8 months to procure. Once funding is approved, staff would move quickly to begin procurement process.

## 5. Electric Motorcycles for Police Department

The Police Department presents an opportunity to reduce greenhouse gas emissions from vehicles because of their consistent high mileage usage. There are a few barriers to transitioning to EVs such as the unfamiliarity with EVs, concerns about battery capacity, and range anxiety. The purchase of two electric motorcycles offers the Police Department an opportunity to gain experience with electric units for patrol and evaluate future potential replacements of gas vehicles.

### Outcomes and Benefits:

- Police Department staff will gain experience with electric units
- Electric motorcycles can replace gas units, reducing greenhouse gas emissions

### Budget:

	<b><i>Estimated Budget</i></b>
Electric Motorcycles (2)	\$44,000

### Timeline:

Electric motorcycles can take 3 months for delivery. Units arrive fully upfitted and ready to deploy with exception of the City's logo.