

**AGREEMENT WITH RINCON CONSULTANTS, INC.
FOR PROFESSIONAL CONSULTANT SERVICES
FOR THE DEVELOPMENT OF A BUILDING DECARBONIZATION STRATEGY FOR SAN MATEO**

This Agreement, made and entered into this day of _____, by and between the **CITY OF SAN MATEO**, a municipal corporation existing under the laws of the State of California ("CITY"), and Rincon Consultants, Inc., a California "S" Corporation, ("CONSULTANT"), whose address is 449 15th Street, Suite 303, Oakland CA 94612.

RECITALS:

- A. CITY desires certain professional consultant services hereinafter described.
- B. CITY desires to engage CONSULTANT to provide professional consultant services by reason of its qualifications and experience for performing such services and CONSULTANT has offered to provide the required services on the terms and in the manner set forth herein.

NOW, THEREFORE, IT IS AGREED as follows:

SECTION 1 - SCOPE OF SERVICES

The scope of services to be performed by CONSULTANT under this Agreement is as described in Exhibit A to this Agreement, attached and incorporated by reference.

SECTION 2 - DUTIES OF CONSULTANT

CONSULTANT shall be responsible for the professional quality, technical accuracy and coordination of all work furnished by CONSULTANT under this Agreement. CONSULTANT shall, without additional compensation, correct or revise any errors or deficiencies in its work.

CONSULTANT represents that it is qualified to furnish the services described under this Agreement.

CONSULTANT shall be responsible for employing or engaging all persons necessary to perform the services of CONSULTANT.

CONSULTANT agrees to comply with the City's minimum wage ordinance as codified in Municipal Code Chapter 5.92, which differs from the state minimum wage and includes a Consumer Price Index escalator.

SECTION 3 - DUTIES OF CITY

CITY shall provide pertinent information regarding its requirements for the project.

CITY shall examine documents submitted by CONSULTANT and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of CONSULTANT's work.

SECTION 4 - TERM

The services to be performed under this Agreement shall commence on March 27, 2023 and be completed on December 31, 2024.

SECTION 5 - PAYMENT

Payment shall be made by CITY only for services rendered and upon submission of a payment request upon completion and CITY approval of the work performed. In consideration for the full performance of the services set forth in Exhibit A, CITY agrees to pay CONSULTANT a fee in an amount of \$115,600, pursuant to rates stated in Exhibit B to this Agreement, attached and incorporated by reference.

SECTION 6 - TERMINATION

Without limitation to such rights or remedies as CITY shall otherwise have by law, CITY shall have the right to terminate this Agreement or suspend work on the Project for any reason, upon ten (10) days' written notice to CONSULTANT. CONSULTANT agrees to cease all work under this Agreement upon receipt of said written notice.

Upon termination and upon CITY's payment of the amount required to be paid, documents become the property of CITY, and CONSULTANT shall transfer them to CITY upon request without additional compensation.

SECTION 7 - OWNERSHIP OF DOCUMENTS

All documents prepared by CONSULTANT in the performance of this Agreement, although instruments of professional service, are and shall be the property of CITY, whether the project for which they are made is executed or not.

SECTION 8 - CONFIDENTIALITY

All reports and documents prepared by CONSULTANT in connection with the performance of this Agreement are confidential until released by CITY to the public. CONSULTANT shall not make any such documents or information available to any individual or organization not employed by CONSULTANT or CITY without the written consent of CITY before any such release.

SECTION 9 - INTEREST OF CONSULTANT

CONSULTANT covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services under this Agreement.

SECTION 10 - CONSULTANT'S STATUS

It is expressly agreed that in the performance of the professional services required under this Agreement, CONSULTANT shall at all times be considered an independent contractor as defined in Labor Code Section 3353, under control of the CITY as to the result of the work but not the means by which the result is accomplished. Nothing herein shall be construed to make CONSULTANT an agent or employee of CITY while providing services under this Agreement.

SECTION 11 - INDEMNITY

CONSULTANT agrees to hold harmless and indemnify CITY, its elected and appointed officials, employees, and agents from and against any and all claims, loss, liability, damage, and expense arising out of CONSULTANT's performance of this Agreement, except those claims arising out of CITY's sole negligence or willful misconduct. CONSULTANT agrees to defend City, its elected and appointed officials, employees, and agents against any such claims. The CONSULTANT'S duty to indemnify shall survive expiration or early termination of this Agreement.

SECTION 12 - INSURANCE

CONSULTANT shall procure and maintain for the duration of the contract and three years thereafter (five years for building or major improvements) the insurance specified in Exhibit C to this Agreement.

SECTION 13 - NON-ASSIGNABILITY

Both parties hereto recognize that this Agreement is for the personal services of CONSULTANT and cannot be transferred, assigned, or subcontracted by CONSULTANT without the prior written consent of CITY.

SECTION 14 - RELIANCE UPON PROFESSIONAL SKILL OF CONSULTANT

It is mutually understood and agreed by and between the parties hereto that CONSULTANT is skilled in the professional calling necessary to perform the work agreed to be done under this Agreement and that CITY relies upon the skill of CONSULTANT to do and perform the work in the most skillful manner, and CONSULTANT agrees to thus perform the work. The acceptance of CONSULTANT's work by CITY does not operate as a release of CONSULTANT from said obligation.

SECTION 15 - WAIVERS

The waiver by either party of any breach or violation of any term, covenant, or condition of this Agreement or of any provisions of any ordinance or law shall not be deemed to be a waiver of such term, covenant, condition, ordinance or law or of any subsequent breach or violation of the same or of any other term, condition, ordinance, or law. The subsequent acceptance by either party of any fee or other money which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, covenant, or condition of this Agreement or of any applicable law or ordinance.

SECTION 16 - SEVERABILITY

If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

SECTION 17 - COSTS AND ATTORNEY FEES

Attorney fees in total amount not exceeding \$5000, shall be recoverable as costs (by the filing of a cost bill) by the prevailing party in any action or actions to enforce the provisions of this Agreement. The above \$5000 limit is the total of attorney fees recoverable whether in the trial court, appellate court, or otherwise, and regardless of the number of attorneys, trials, appeals, or actions. It is the intent of this Agreement that neither party shall have to pay the other more than \$5000 for attorney fees arising out of an action, or actions to enforce the provisions of this Agreement.

SECTION 18 - NON-DISCRIMINATION

CONSULTANT warrants that it is an Equal Opportunity Employer and shall comply with applicable regulations governing equal employment opportunity. Neither CONSULTANT nor any of its subcontractors shall discriminate in the employment of any person because of race, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, or age, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment and Housing Act.

SECTION 19 - MEDIATION

Should any dispute arise out of this Agreement, any party may request that it be submitted to mediation. The parties shall meet in mediation within 30 days of a request. The mediator shall be agreed to by the mediating parties; in the absence of an agreement, the parties shall each submit one name from mediators listed by either the American Arbitration Association, the State Mediation and Conciliation Service, or other agreed-upon service. The mediator shall be selected by a blind draw.

The cost of mediation shall be borne equally by the parties. Neither party shall be deemed the prevailing party. No party shall be permitted to file a legal action without first meeting in mediation and making a good faith attempt to reach a mediated settlement. The mediation process, once commenced by a meeting with the mediator, shall last until agreement is reached by the parties but not more than 60 days, unless the maximum time is extended by the parties.

SECTION 20 - LITIGATION

CONSULTANT shall testify at CITY'S request if litigation is brought against CITY in connection with CONSULTANT's services under this Agreement. Unless the action is brought by CONSULTANT, or is based upon CONSULTANT's wrongdoing, CITY shall compensate CONSULTANT for preparation for testimony, testimony, and travel at CONSULTANT's standard hourly rates at the time of actual testimony.

SECTION 21 - NOTICES

All notices hereunder shall be given in writing and mailed, postage prepaid, addressed as follows:

To CITY: Andrea Chow
City of San Mateo
330 W. 20th Avenue
San Mateo, CA 94402

To CONSULTANT: Rincon Consultants, Inc.
Attn: Ryan Gardner
449 15th Street, Suite 303
Oakland, CA 94612

SECTION 22 - AGREEMENT CONTAINS ALL UNDERSTANDINGS; AMENDMENT

This document represents the entire and integrated agreement between CITY and CONSULTANT and supersedes all prior negotiations, representations, and agreements, either written or oral.

This document may be amended only by written instrument, signed by both CITY and CONSULTANT.

SECTION 23 - AUTHORITY TO ENTER INTO AGREEMENT

CONSULTANT has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

SECTION 24 - GOVERNING LAW AND VENUE

This Agreement shall be governed by the laws of the State of California and, in the event of litigation, venue will be in the County of San Mateo.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, CITY OF SAN MATEO and RINCON CONSULTING, INC. have executed this Agreement the day and year first above written.

CITY OF SAN MATEO

CONSULTANT

Drew Corbett
City Manager

John Dreher Its Authorized Agent President and CEO	Date
--	------

APPROVED AS TO FORM

Mazarin Vakharia
Assistant City Attorney

Date

Attachments:

Exhibit A: Scope of Services
Exhibit B: Fee Rates
Exhibit C: Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

Project Management

Kick-Off

Upon receipt of a Notice to Proceed, Project Manager, Ryan Gardner, will work with City staff to refine and finalize the work plan. This meeting will also serve to establish the project management procedures, including project schedule and communication protocols. During the meeting, the team will also identify members of the internal working group and establish goals and timelines for community engagement and the project overall.

Project Management

Rincon employs robust project management protocols that are tailored to meet the needs of our clients. Ryan Gardner will be responsible for project management activities over the course of the project (assumed to be between 12 and 18 months) and will serve as the primary point of contact. We will provide regular reporting, not less than monthly, to the City on the status of technical and policy issues, schedule, and budget. The project management team will also be involved in the quality assurance and review of all tasks and work products within this work program. Principal in Charge, Erik Feldman, will review all deliverables before they are submitted to City staff and make sure that project staff and resources are available to deliver the project as scheduled. Furthermore, this task includes budget for biweekly meetings throughout the strategy development. We anticipate using these biweekly meetings for multiple purposes including interfacing with partners like Peninsula Clean Energy as well as project updates and action item tracking.

Deliverables

- Virtual kick-off meeting agenda and summary notes
- Regular Communication
 - Virtual Bi-weekly conference calls to discuss project status (assumes a total of 32 calls at 1 hour each)
 - Meeting agendas and minutes
 - Monthly status updates with invoices

Assumptions

- Project is scheduled to be completed within 12 to 18 months. If the project extends beyond the assumed schedule additional project management time and materials may be necessary.

Task 1 Building Inventory and Market Segmentation Study

To be able to develop refined building electrification strategies it is critical to understand the existing inventory of buildings within the city. Therefore, Rincon will leverage existing building segmentation data to gain a greater understanding of the relative magnitudes and types of buildings present in the City of San Mateo. Data incorporated into the study will include permit data provided by the City including excel or GIS based data sets in addition to various online data sets as needed including the Cost Effectiveness Explorer developed by Statewide Investor-Owned Utilities Codes and Standards Team. An example of this data set for the existing residential building stock is shown below. The building segmentation analysis will include a breakdown of residential and non-residential buildings by both use and building age. Rincon's approach to the building inventory and market segmentation study will focus on gaining a general understanding of the various building types and ages present in the City. Based on our experience in completing similar work scopes in the City of Berkeley and Sacramento, this level of detail is sufficient for developing sound policy.

Rincon will leverage data provided by Peninsula Clean Energy. Peninsula Clean Energy will provide residential segmentation data for the City of San Mateo broken down by building type (single family, multi-family, duplex, etc,) tenure (owned with mortgage vs. owned outright vs. rented,) household income level, and California Housing and Community Development Income Limits (low income, acutely low income, etc.) Information will be provided via excel tables including unit counts in

each category. Source of information will be based on the American Community Survey, and provided at the city level, as opposed to tract-level. Peninsula Clean Energy expects the analysis can be provided to the consultant in Q1, 2023.

Estimated Residential Units in San Mateo (Local Codes and Standards)



Cost Data

Based on our experience developing electrification studies and engaging with the community, the cost of electrification is the single largest concern regarding existing building decarbonization. Therefore, Rincon will leverage the substantial existing work completed throughout the peninsula by San Mateo County (Building Electrification Case Studies) and Peninsula Clean Energy (2035 Decarbonization Feasibility Analysis & Plan). This review will include an analysis of San Mateo's existing building technologies including prevalent panel capacities, drop line condition, need for additional wiring for 240V appliances, and both upfront and marginal costs associated with installation of electric alternatives for each major appliance type (HVAC, hot water, stoves, and dryers). Costs for both natural gas and electric appliances will be collected for various equipment types including induction and electric resistance cooktops, electric resistance and heat pump driers, heat pump hot water heaters, and heat pump HVAC units. Rincon will evaluate these costs from existing studies from the region as well as research conducted by Rincon in Berkeley and Sacramento as necessary. Rincon will also interview up to 5 local contractors to fill any data gaps identified and provide ground truthing on the reported estimates.

Another important aspect of electrification is on-bill cost changes. Currently the best available data for on-bill costs is through the Cost Effectiveness Explorer. This data will provide a reasonable estimate of on-bill performance of building electrification. This data however does have limitations in its specificity for San Mateo. The cost analysis will primarily focus on residential buildings. This is due to two primary reasons:

- The first is that residential buildings tend to make up a vast majority of the natural gas consumption in a City.
- The second is that commercial buildings are highly variable and each building has different systems and designs that do not tend to correlate to any vintage or building use type.

Based on our experience conducting this analysis for other jurisdictions, the best approach for commercial and high-rise multifamily buildings is to focus on case studies to develop an overall understanding of the relative costs associated with electrification projects for specific categories of buildings.

PCE and Other Incentives

Finally, Rincon will conduct a review of current incentives from Peninsula Clean Energy, BayREN, TECH, and the Inflation Reduction Act. Rincon will work to identify both current and potential future incentives to provide a broad understanding of the cost effectiveness impacts these incentives have both today and over time as plans and incentives change.

Deliverables

- Building Inventory and Market Segmentation Memorandum (Word/PDF Document)
 - Existing building inventory including analysis of single family, multi-family and commercial building stocks
 - Detailed electrification costs for residential buildings
 - Electrification cost estimates for categories of multi-family and commercial building stocks Technical Results Appendix

Assumptions

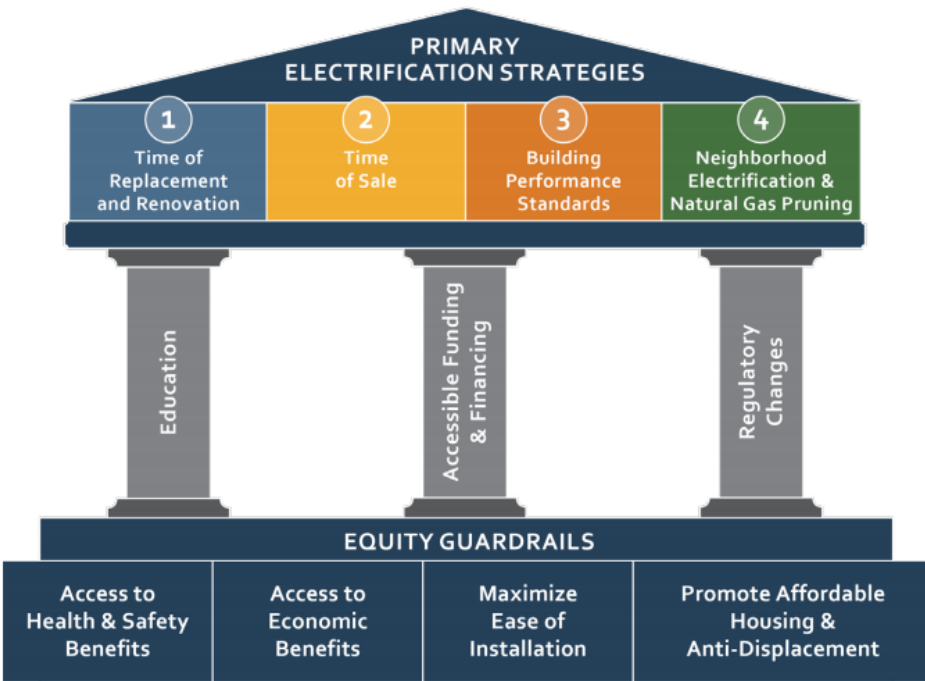
- Rincon will complete up to 5 virtual interviews with Peninsula Clean Energy staff and local contractors in total
- One round of review on the draft Memorandum
- All comments from the City will be provided as a consolidated set of comments in editable electronic format (i.e., as tracked changes in MS Word).
- No hard copies will be provided

Task 2 Decarbonization Policy Analysis

Task 2.1 Analysis Framework

To begin Task 2, Rincon will work collaboratively with the City and working group team to develop an analysis framework that will guide the development of the overall strategy. Through our work with the City of Berkeley and City of Sacramento on their Existing Building Electrification Strategy, Rincon has developed an analysis framework specific to existing building decarbonization and the unique considerations of such an undertaking. During the implementation of Task 2.1, Rincon will leverage our previous experience and work to design the key criteria by which to evaluate the existing building decarbonization measures and actions. An example framework, including both equity guardrails (forming the foundation of the approach) and evaluation criteria (forming the pillars) is shown below. A solid framework with input from the community allows the City to clearly show how community feedback was integrated into the overall strategy.

Example Existing Building Decarbonization Analysis Framework



Equity Guardrails

The approach to developing *equity guardrails* is first and foremost grounded understanding the specific equity concerns of the community. Rincon previously developed the equity guardrails as a way to engrain the guidance provided by Greenlining Institute¹ in the Equitable Building Electrification Framework into the Strategy development process and have subsequently utilized the equity guardrail process with Greenlining for policy analysis for the City of Santa Cruz’s Climate Action Plan. While Rincon will provide a starting point for these guardrails, the feedback will need to come directly from San Mateo’s most vulnerable communities during the initial engagement phase and should include considerations for procedural, distributional, and structural equity impacts. These guardrails will solidify the major concerns of the community

¹ <https://greenlining.org/publications/reports/2019/equitable-building-electrification-a-framework-for-powering-resilient-communities/>
Professional Services
Rev 9/22

surrounding electrification and are likely to include issues such as upfront costs, inequitable access to incentives and benefits, risk of displacement, and lack of opportunity to see the economic and health benefits of electrification. These guardrails will form the foundation for the project and every measure and action must “pass” the guardrails to be included in the final Strategy.

Evaluation Criteria

The *evaluation criteria* are the primary supports for the overall analysis, ensuring that the final strategies are implementable. The evaluation criteria chosen for the City of Berkeley included education, accessible funding and financing (cost effectiveness), and regulatory change. These criteria offer a strong starting point, but Rincon and City staff will review and consider feedback from the community to assess a wider range of initial criteria that could include adaptation, health and safety, or economic benefits such as green job creation. Rincon will also work with City staff to develop questions and other engagement materials to help solicit feedback effectively from the community as part of Task 1.1.

Using the *equity guardrails* and *evaluation criteria*, Rincon will develop a comprehensive framework for analyzing both potential measures for electrification which will include time of sale, time of replacement, infrastructure pruning, and building performance standards, as well as the specific actions that will support them.

Co-Benefits

Rincon has found that using *co-benefits* (like improved indoor and outdoor air quality) as an evaluation criterion does not provide a large value since electrification in general provides these benefits. However, educating the community on these co-benefits will be a key step in building support for a building decarbonization strategy. Therefore, Rincon proposes to identify the co-benefits of electrification as a separate step that will help inform the overall program as well as be used in outreach and engagement with the community.

Deliverables

- Analysis Framework Memorandum
 - Equity Guardrails
 - Evaluation Criteria
 - Co-benefits Analysis

Assumptions

- Rincon will work with City staff, stakeholders, and the community to develop proposed equity guardrails, evaluation criteria, and co-benefits to analyze the measures and actions. See the community outreach section for assumptions on meetings.
- Rincon anticipates that our team would provide a starting point for the proposed equity guardrails, evaluation criteria, and co-benefits and the specifics would be refined through the community and stakeholder engagement process, based on feedback received.
- One round of review on the draft Memorandum
- All comments from the City will be provided as a consolidated set of comments in editable electronic format (i.e., as tracked changes in MS Word).
- No hard copies will be provided.

Task 2.2 Identify Range of Policy Options

Once the framework analysis is complete, the work of developing policies and programs for the electrification of the housing stock will take place. To begin this process, the team will work with City staff, as well as stakeholders, to identify a wide variety of policies to review based on the results cost analysis conducted as part of Task 1.3. Lower costs will likely allow the City to be more aggressive in their strategies, while higher costs will require additional phasing and funding and financing strategies to be viable. Rincon will complete the summary of available technologies during the modeling and cost finding phase, allowing the project team the ability to begin Task 2 by developing the high-level strategies that the City could employ to advance existing building decarbonization in the City.

The major areas of policy review will include, but will not be limited to, these four key areas:

1. Time of replacement or major renovation ordinances

2. Building performance standards
3. Resale Inspection Program
4. Infrastructure pruning

Within each of these key areas, Rincon will develop a suite of strategies and specific actions that hit on each of the evaluation criteria established in Task 2.1 and that incorporate and support the equity guardrails. These actions will also be driven by the quantified results of the building segmentation and market analysis conducted in Task 1. For each strategy, Rincon will also analyze the expected fossil fuel use reduction so that the City can see which strategy or sets of strategies will best align with their climate goals. Rincon will analyze fossil fuel use reductions for up to three target years which could include 2030, 2040, and 2045.

Deliverables

- Draft list of strategies and actions segmented by building type (Word and PDF)
- Cost estimates for electrification of the City's residential building stock, summarized in a concise memo (Word and PDF)

Assumptions

- Rincon will provide the City with a prioritized list of draft measures and actions per building type and would make revisions to that list based on one consolidated set of comments received from the City. Additional iterations would be completed on a time and materials basis, in accordance with our standard fee schedule, attached. However, Rincon and the City would continue to iterate on the draft strategies and actions throughout the remaining tasks.
- Meetings on draft measures will be conducted during the biweekly check-in meetings.

Task 2.3 Final Prioritized Policy List

The team envisions Task 2.3 as a refinement of Task 2.2, using the feedback acquired through community outreach and discussion with the City. A major focus of this refinement will be adjustments made to address equity concerns and other feedback uncovered during the outreach and engagement events.

Each of the policies, programs, pilots, and ordinances identified during Task 2.2 and refined here will include metrics for success, data needs, estimated cost impacts to the City and community, and implementation responsibilities. Each measure and action will also be reviewed based on the equity guardrails analysis. During this phase, Rincon proposes to address some of the concerns of the City from Task 2.2, including meeting with City staff and partners to facilitate the selection of preferred approaches and the identification of those near-term actions that will provide the most benefit for the lowest costs. Therefore, Rincon would host one check-in meeting during this time to ensure that the primary concerns are mitigated. Rincon will also work to develop performance metrics for each strategy and action to facilitate implementation tracking. The goal for Task 2.2 will be to develop a draft list of strategies and actions that will feed into the development of the draft clean energy buildings report.

Deliverables

- Prioritized list of final strategies/actions
- Analysis of each strategy/action against key criteria

Assumptions

- Rincon assumes 2 rounds of review/feedback on the draft strategies and actions. Rincon will make revisions to the draft strategies and actions list based on one consolidated set of comments received from the City. Additional iterations would be completed on a time and materials basis.
- Rincon assumes one virtual team workshop to finalize metrics and criteria for the measures and actions

Task 3 Community Engagement

Task 3.1 Community Engagement Strategy

The core pillars of our community engagement approach are the focus on outreach, education, and equity. We believe that even the best policies and programs will have limited impact without buy-in from the community. To work towards this goal, Rincon will develop a community outreach and engagement strategy that will bring a wide range of stakeholders to the table and empower the City to build stronger relationships that can be fostered over time to support implementation of the Building Decarbonization Strategy after project completion. Our team sees community engagement around electrification as a two-way exchange of information between parties. While the City staff and consultant provides information on the technical feasibility, costs, and benefits, the community and other stakeholders will provide important information on the impacts of the policies and the unique issues facing San Mateo's diverse stakeholder groups.

Based on our experience in the region through the RICAPS program, and conducting Existing Building Decarbonization Strategies in other cities, we propose that the City should engaging with the following core stakeholder groups to both identify existing and upcoming tools/support as well as understand major concerns regarding existing building decarbonization:

- **Peninsula Clean Energy and Pacific Gas and Electric (PG&E).** Rincon looks forward to the opportunity to continue a robust collaboration with Peninsula Clean Energy on this project to ensure the final strategy and tracking and implementation tools result in benefits to both Peninsula Clean Energy and the City and help progress electrification in San Mateo. In our experience with electrification programs in Northern California, we have found PG&E to be a supportive and important stakeholder throughout the process, especially in the area of natural gas infrastructure pruning and overall program support. They may also be able to provide additional data that can help fine-tune the analysis.
- **Community Leaders and Community Groups.** To reach San Mateo's diverse local communities, the City will need the support and trust of the community leaders and organizations that are already engrained in San Mateo. By leveraging mini-grants and stipends, the team will be able to remove some of the burden on the disadvantaged groups and community members and provide a level of reciprocity for the important information and feedback they provide. Development of the equity guardrails will hinge on the feedback gained from these groups and the communities they serve. Therefore, as part of this task, Rincon will work collaboratively with City staff to identify and engage with these groups.
- **Single-Family Homeowners.** A large percentage of San Mateo's buildings are single-family residential homes with owner/occupants who make their own decisions on where to put their hard-earned money. This group has the advantage of directly benefiting financially from a more energy efficient and, therefore, cost-effective home. However, overcoming significant hurdles including available funding and financing for upfront costs, time, perceived inconvenience, and misconceptions of technology will play a role in achieving electrification.
- **Residential Building Owners/Tenants.** Multi-family housing and rental homes raise some significant hurdles to electrification and other energy efficiency upgrades due to disconnects with incentive program. While renters may pay the utility bills and would benefit financially from a more efficient building, it is the building owner who generally pays for the upgrades without receiving a payback from energy savings. This misalignment will need to be overcome to fully electrify the City's building stock. It also needs to be completed without increasing the cost of housing, which is already a serious equity concern in the City and throughout the State. The outreach to these groups will focus on aligning these incentives.
- **Commercial Building Owners/Tenants.** Similar to multi-family properties, misaligned incentives between renters and building owners will need to be addressed before significant progress can be made in this area. Commercial spaces like hotels, restaurants, and light industrial will also face their own technological and cost hurdles. Small and minority-owned businesses will be a focus for outreach.
- **Low Income Housing Owners and Renters.** One major equity-related concern is the cost ramifications of all building upgrades on low-income housing, with low or no turnover, cost concerns, and funding availability all representing major hurdles. By working with local affordable housing owners and developers, Rincon will gain insights into the impacts of electrification and develop policies that work within the affordable housing framework.
- **Developers, Vendors, and Installers.** A key and often forgotten stakeholder group are the developers, vendors, and installers that generally make recommendations and decisions on the ground. Without buy-in from these groups, the

phase-out of natural gas infrastructure will be a much longer and more tenuous road. Making sure they have access to the right parts, knowledge of costs/benefits, and the expertise to install new technologies will be key to moving electrification forward.

With these varied groups in mind, the Team will utilize the tenets of Targeted Universalism to support the City in creating a plan to reach out to each group with a measured tone and to develop a process specific to their concerns. Rincon brings a breadth of experience in outreach and equity both in San Mateo and beyond. Using this experience, we will develop a community engagement strategy which specifies the groups which need to be addressed as well as providing an outreach toolkit (Task 3.3) will include handouts, infographics, presentations, and key considerations. The results of this work will feed directly into the development of the analysis framework in Task 1.

Deliverables

- Community Engagement Strategy (Word and PDF)

Assumptions

- Rincon will develop a draft community outreach and engagement strategy and the City would provide a consolidated set of comments that Rincon would incorporate in the final outreach and engagement strategy which would be utilized throughout the project.
- Additional updates or revisions to the community outreach strategy would be completed on a time and materials basis, in accordance with our standard fee schedule, attached.

Task 3.2 Mini Grants

To provide for the highest degree of equitable engagement with those communities that are generally the most difficult to access and who historically have been unable to attend traditional workshops and forums, Rincon has included up to **\$8,000** dollars in the budget to be used as stipends, mini-grants, childcare, or other services to provide better access from a wide spectrum of the community during the development of the analysis framework (Task 2.1). In our experience this is a proven and critical step to free up community members that would otherwise not be able to participate.

Deliverables

- \$8,000 in funding for local community partners
- Implementation of the grant money
- Management of up to 2 mini-grant recipients including introduction and close out calls.

Assumptions

- Rincon will provide funding through visa gift cards
- Rincon will work with the City to select each partner

Task 3.3 Outreach Toolkit

Rincon will work with the City to develop content for an outreach toolkit. The toolkit will include up to three (3) handouts, up to three (3) different presentations tailored to various groups on the potential policy options for building electrification, and the development of website content. The presentations would be easy to understand and will be suitable for a wide range of audiences including the City Council and other community stakeholders.

Deliverables

- Up to three (15-20 min) presentations tailored to the audience (PowerPoint)
- Up to three (3) 4-page handouts
- Website content including a logo, 3 infographics, and writeups of key findings

Assumptions

- Rincon anticipates and has budgeted for all events to be in person/virtual with up to two Rincon staff members in attendance.
- Rincon would provide a draft of the presentations, handouts, website content, infographics, and writeups of key findings to the City for one round of review and would incorporate one consolidated set of comments

- The City will host the website

Task 3.4 Meeting Facilitation

Rincon will leverage the presentation materials developed in deliverable 3.3 to attend and present at up to 6 in-person meetings with the City including two Sustainability and Infrastructure Commission meetings, two City Council meetings, and 2 Community meetings. Rincon has also budgeted for up to three virtual meetings which can be used as focus groups with particular user groups or the broader community. Rincon has found a balance of virtual and in-person meetings results in the largest variety of participation. This meeting facilitation will also be augmented by the mini-grant process which will help connect with more hard-to-reach communities.

Deliverables

- Present at up to 6 in person meetings
- Present at up to 3 virtual meetings

Assumptions

- Presentations will be largely modeled based on outreach toolkit (with minor updates)

Task 4 Building Decarbonization Strategy

Task 4.1 Draft Pathway to Clean Energy Buildings

Building off the work done for Task 2.2 (Generation and Analysis of Options), Rincon will generate a draft Building Decarbonization Strategy. The document will include the final suite of City policies, ordinances, collaborative actions, and programs that can be used to move the City towards a clean energy future as well as achieve the goals set forth in the Climate Action Plan. As described above, the strategies and actions will follow a phased approach and range from short-term actions for today through longer term projects that will take place once the required funding and financing options are in place.

As part of the report, Rincon will include a summary of the co-benefits and drivers behind electrification as well as a summary of the model results and cost analysis completed as part of Task 1.3 and 1.4. The report will also include a summary of the engagement conducted and how that engagement shaped the strategies, actions, and phasing of the overall plan. In addition to the draft list of strategies and actions, the plan will also include an implementation section that will highlight timelines for implementation, metrics for success, and staff and partner responsibilities.

Rincon will continue to utilize the three-document approach and to ensure that the primary requirements of this type of document are met. These needs are communication of the plan to the community (executive summary), roadmap to implementation for City staff and engaged stakeholders (main document), and detailed calculations and assumptions required for future updates and replication (technical appendix). The technical appendix will describe the datasets, assumptions, calculations, and results of the energy modeling and cost analysis. This information is critical to provide transparency and defensibility when implementing the overall strategy.

Deliverables

- Draft executive summary, main document, and technical appendix

Assumptions

- Rincon will develop a draft executive summary, main document, and technical appendix and the City would provide a consolidated set of comments that Rincon would incorporate in the final documents (Task 2.5). Additional revisions could be completed on a time and materials basis, in accordance with our standard fee schedule.

Task 4.2 Final Pathway to Clean Energy Buildings Policy Implementation Plan

Finally, once comments and feedback has been received on the draft Pathway to Clean Energy Buildings, Rincon will develop the final report. In addition to the final report, all technical data such as Excel documents and GIS files will also be provided to the City. All strategy and action quantification will be done in an Excel document or online Google sheet in a layout that allows for adjustment of variables over time.

Deliverables

- Final Reports (main document and technical appendix) in PDF, Word/In-design,
- Technical documentation (GIS and EXCEL)

Assumptions

- City would provide one consolidated set of comments that Rincon would incorporate in the final documents. Additional revisions could be completed on a time and materials basis
- All content related edits to the final report will be made prior to the In-design stage

Additional Meetings

As an optional task Rincon can attend additional in-person meetings as requested by the City. Rincon assumes additional meetings will use existing presentations/materials developed as part of the core work scope. Rincon also assumes a standard 1-hour meeting with 2 Rincon staff in attendance. Additional presentations outside the core work scope or meetings/workshops over one hour will be billed on a time and material basis.

Cost Estimate: \$725 per meeting

Deliverables

- One additional hour-long virtual meeting with 2 Rincon staff with Meeting notes

Assumptions

- All meeting content/presentations will use existing materials

Tentative San Mateo Building Decarbonization Strategy Project Schedule

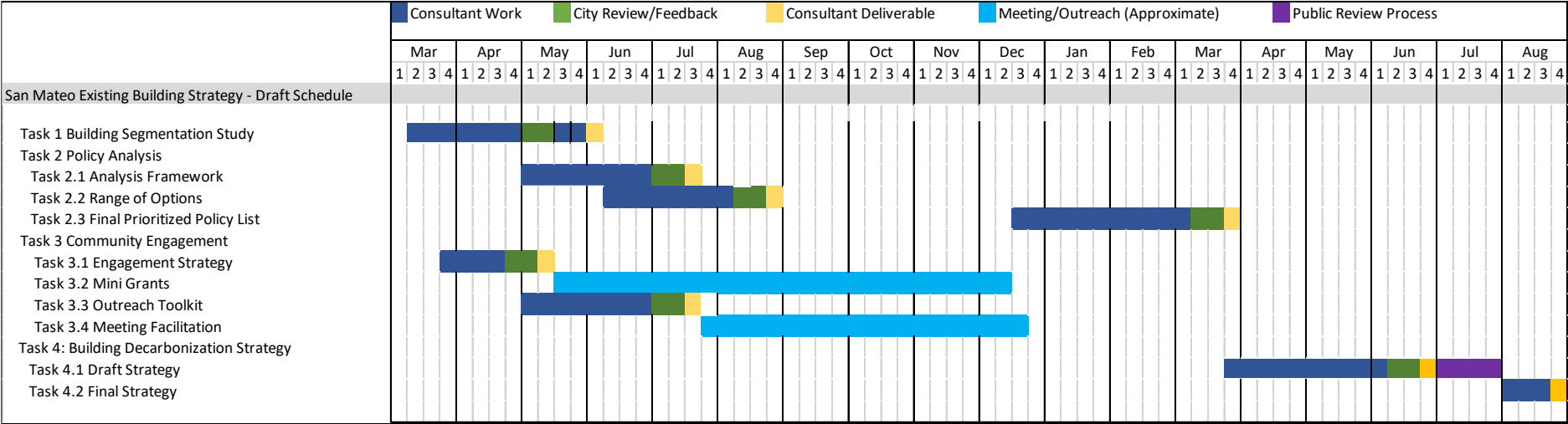


EXHIBIT B

FEE RATES

Rincon bills for its work on a time-and-materials basis with monthly invoices. Fee rates and a cost estimate included below.

	Rate	Hours	Labor Budget	Direct Expenses	Total Budget
Task 1: Project Work Plan		56.00	12,599.00	0.00	\$12,599.00
Principal II	295.00	7.00	2,065.00		
Senior Supervisor Planner II	268.00	26.00	6,968.00		
Planner III	180.00	16.00	2,880.00		
Project Accountant	115.00	0.00	0.00		
Admin Assistant/Billing Specialist	98.00	7.00	686.00		
Task 2: Building Inventory and Market Segmentation Study		115.00	23,374.00	0.00	\$23,374.00
Principal II	295.00	6.00	1,770.00		
Senior Supervisor Planner II	268.00	28.00	7,504.00		
Planner III	180.00	57.00	10,260.00		
Planner II	160.00	24.00	3,840.00		
Task 3: Policy Analysis		93.00	19,657.00	0.00	\$19,657.00
Principal II	295.00	7.00	2,065.00		
Senior Supervisor Planner II	268.00	24.00	6,432.00		
Planner III	180.00	62.00	11,160.00		
Task 4: Community Engagement		132.00	27,822.00	5,540.00	\$33,362.00
Principal II	295.00	6.00	1,770.00		
Senior Supervisor Planner II	268.00	42.00	11,256.00		
Planner III	180.00	72.00	12,960.00		
GIS/CADD Specialist II	153.00	12.00	1,836.00		
Social Activities				5,000.00	
Vehicle Day Rate				540.00	
5.1 Building Decarbonization Strategy Draft		60.00	11,728.00	0.00	\$11,728.00
Principal II	295.00	4.00	1,180.00		
Senior Supervisor Planner II	268.00	9.00	2,412.00		
Planner III	180.00	35.00	6,300.00		
GIS/CADD Specialist II	153.00	12.00	1,836.00		
5.2 Building Decarbonization Strategy Final		23.00	4,391.00	0.00	\$4,391.00
Principal II	295.00	1.00	295.00		
Senior Supervisor Planner II	268.00	4.00	1,072.00		
Planner III	180.00	10.00	1,800.00		
GIS/CADD Specialist II	153.00	8.00	1,224.00		
Project Total		479.00	\$99,571.00	\$5,540.00	\$105,111.00
				10% Contingency	\$10,489.00
			Total Contract Amount		\$115,600.00

EXHIBIT C

INSURANCE REQUIREMENTS

MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if CONSULTANT has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Professional Liability (Errors and Omissions):** Insurance appropriate to the CONSULTANT's profession, with limit no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate

If the CONSULTANT maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City, its elected and appointed officials, employees, and agents are to be covered as insureds on the auto policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the CONSULTANT; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONSULTANT's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the **CONSULTANT's insurance coverage shall be primary** insurance as respects the City, its elected and appointed officials, employees, and agents. Any insurance or self-insurance maintained by the City, its elected and appointed officials, employees, or agents shall be excess of the CONSULTANT's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that **coverage shall not be canceled, except after thirty (30) days' prior written notice** (10 days for non-payment) has been given to the City.

Waiver of Subrogation

CONSULTANT hereby grants to City a waiver of any right to subrogation which any insurer of said CONSULTANT may acquire against the City by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require the CONSULTANT to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Verification of Coverage

CONSULTANT shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONSULTANT's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.