



# California Community Choice Financing Authority

**California Community Choice Financing Authority (CCCFA)  
Board of Directors Meeting  
Thursday, February 27, 2025  
1:00 P.M.**

Via Teleconference at the Following Locations:

- Central Coast Community Energy – 70 Garden Court, Suite 300, Main Conference Room, Monterey, CA 93940
- Claremont City Hall 207 Harvard Avenue Claremont, CA 91711
- Pioneer Community Energy - 2510 Warren Dr., Suite B, Rocklin, CA 95677
- Ava Community Energy – 1999 Harrison St, Ste 2300, Oakland, CA 94612

Members of the public who wish to observe the meeting may do so at one of the locations listed above or telephonically via the following teleconference call-in number and meeting ID:

**For Viewing Access Join the Zoom Meeting:**

<https://us02web.zoom.us/j/87343304744>

**Dial-in: (669) 900-6833  
Webinar PIN: 873 4330 4744**

In compliance with the Brown Act, Directors may participate at one of the meeting locations listed above. In either case, please: 1) post this Agenda at a publicly accessible location at the participation location no later than 72 hours before the beginning of the meeting, and 2) have a speaker phone available for members of the public who wish to attend at your location.

## **Agenda**

1. Call to Order & Roll Call
2. Agenda Update and/or Changes

## Agenda Page 2

3. Public Comment  
*This item is reserved for persons wishing to address the Board of Directors on any CCCFA-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker.*
4. Consent Calendar (Discussion/Action)
  - A. Consider approval of 1/23/25 regular meeting minutes
  - B. Report to the Board of Directors on executed Engagement Letter with Baker Tilly US LLP, to provide CCCFA financial auditor services for fiscal 2025-2027 (Discussion/Action)
  - C. Consider Approval of Amendment to Professional Services Agreement with Garth Salisbury to Provide Treasurer/Controller Services to Increase the Maximum Amount by \$25,000 and Extend Expiration Date to December 31, 2025. (Discussion/Action)
  - D. Consider Approval of Second Amendment to Second Agreement by and between California Community Financing Authority and Colantuono, Highsmith & Whatley, PC for General Counsel Legal Services (Discussion/Action)
  - E. Consider Approval of First Amendment to MOUs with Founding Members to Update Schedule of Reimbursable Rates and Costs and Authorize the CCCFA Treasurer/Controller to Sign (Discussion/Action)
5. Consider Approval of Resolution No. 2025-1: Resolution of the California Community Choice Financing Authority Authorizing the Issuance of One or More Series of Clean Energy Project Revenue Bonds in an Aggregate Principal Amount Not to Exceed \$600,000,000 to Finance the Acquisition of a Long-Term Supply of electricity for Valley Clean Energy Alliance and Other Matters Relating Thereto (Discussion/Action)
6. Board will receive a presentation from the Treasurer/Controller regarding CCCFA's audit process (Discussion)
7. Treasurer/Controller Working Group Project List: Receive an update on the Treasurer/Controller Working Group's current and planned projects (Discussion/Action)
8. Board Member Announcements (Discussion)
9. Adjourn

*Next CCCFA Board meeting is scheduled for Thursday, March 27, 2025 at 1:00 pm*

## **Agenda Page 3**

**DISABLED ACCOMMODATION:** If you are a person with a disability which requires an accommodation, or an alternative format, please contact the Clerk of the Board at (510) 906-0491, 72 hours prior to the scheduled meeting to ensure reasonable accommodations are provided.

Materials related to an item on this agenda submitted to the Board of Directors, or a majority of the Board, after distribution of the agenda are available for public inspection at the Clerk's Office, Ava Community Energy (formally East Bay Community Energy), 1999 Harrison St. Ste 2300, Oakland CA, 94612, during normal business hours.



# California Community Choice Financing Authority

## **Draft Minutes**

**California Community Choice Financing Authority (CCCFA)  
Board of Directors Meeting  
Thursday, January 23, 2025  
1:00 P.M.**

Via Teleconference at the Following Locations:

- Central Coast Community Energy – 70 Garden Court, Suite 300, Main Conference Room, Monterey, CA 93940
- Clean Power Alliance – 801 S. Grand Ave., Ste. 400, Los Angeles, CA 90017
- Marin Clean Energy - 1125 Tamalpais Ave, San Rafael, CA 94901
- Pioneer Community Energy - 2510 Warren Dr., Suite B, Rocklin, CA 95677
- 601 Murray Circle, Sausalito, CA 94965

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<https://us02web.zoom.us/j/87343304744>

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## **Agenda**

1. Call to Order & Roll Call

## Agenda Page 2

### Present

**Dwayne Woods** – Central Coast Community Energy (CCCE)  
**Michael Callahan** – Silicon Valley Clean Energy (SVCE)  
**Vicken Kasarjian** – Marin Clean Energy (MCE)  
**Howard Chang** – Ava Community Energy (Ava)  
**Ted Bardacke (Chair)** – Clean Power Alliance (CPA)

### Staff and Others:

**Adrian Bankhead** – Board Clerk  
**David Ruderman** – General Counsel  
**Garth Salisbury** – Treasurer/Controller  
**David McNeil**  
**Amrit Singh**

*Please note that Dwayne Woods served as the alternate for Robert Shaw (Central Coast Community Energy) and Michael Callahan served as the alternate for Monica Padilla (Silicon Valley Clean Energy).*

### 2. Agenda Update and/or Changes

**No updates or changes were made to the agenda.**

### 3. Public Comment

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**Chair Bardacke opened the public comment period. There were no comments.**

### 4. Consent Calendar (Discussion/Action)

- A. Consider approval of 12/5/24 regular meeting minutes
- B. Consider approval of travel expenses and event passes for Chair Bardacke and Garth Salisbury to attend the Bond Buyer Deal of the Year Awards in December

**Action: It was M/S/C (Woods/Callahan) to approve the Consent Calendar. The motion carried 5/0/0/0/0 (yes/no/abstain/recuse/not present):**

### Approval of Consent Calendar Vote:

**CCCE – Yes**

**SVCE – Yes**

**MCE – Yes**

## Agenda Page 3

**CPA – Yes**

**Ava – Yes**

5. General Manager Research Ad Hoc Committee Report: Receive a report and provide direction to the ad hoc committee regarding the evaluation of the general manager position recruitment. (Discussion/Action)

**Vice-Chair Shaw** introduced the item and answered questions.

**Chair Bardacke** requested a report back at the March 27, 2025 CCCFA BOD meeting.

6. Treasurer/Controller Working Group Project List: Receive an update on the Treasurer/Controller Working Group's current and planned projects (Discussion/Action)

**Chair Bardacke** introduced the item and **Garth Salisbury** answered questions.

**Member Kasarjian** requested all Board members receive a copy of the D&O policy when obtained.

7. Board Member Announcements (Discussion)

**There were no board member announcements.**

8. Adjourned at 1:58pm

*Next CCCFA Board meeting is scheduled for Thursday, February 27, 2025 at 1:00 pm*

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**Agenda Page 4**

**PASSED AND ADOPTED** at a regular meeting of the CCCFA Board of Directors on this 27th day of February, 2025, by the following vote:

	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Ted Bardacke				
Robert Shaw				
Vicken Kasarjian				
Monica Padilla				
Howard Chang				

\_\_\_\_\_  
CHAIR, CCCFA

**Attest:**

\_\_\_\_\_  
SECRETARY, CCCFA



# California Community Choice Financing Authority

## Staff Report – Item 4B

**Item 4B:** Report to the Board of Directors on executed Engagement Letter with Baker Tilly US LLP, to provide CCCFA financial auditor services for fiscal 2025-2027

From: Garth Salisbury, Treasurer/Controller

Date: 2/27/2025

Attachment: Engagement Letter with Baker Tilly US, LLP

### **INFORMATION**

The Treasurer/Controller is providing a report to the Board regarding the execution of an Engagement Letter with Baker Tilly to provide financial audit services for fiscal 2024, 2025 and 2026.

### **BACKGROUND**

The Treasurer/Controller was granted signing/contracting authority of up to \$30,000 a year pursuant to Resolution No. 2024-15 adopted by the Board in December of 2024. This purchasing authority permits the Treasurer/Controller to execute contracts with individual vendors and counterparties up to \$30,000 per fiscal year. The Resolution also requires the Treasurer/Controller to report to the Board any contracts or expenditures under this signing/contracting authority. Pursuant to this purchasing authority, the Treasurer/Controller executed an Engagement Letter with Baker Tilly for financial audit services for the CCCFA audit of the 2024, 2025 and 2026 Fiscal years. Baker Tilly has performed the audit of CCCFA for the previous three years and is now contracted for these services for the next three years.

### **FISCAL IMPACT**

The Engagement Letter with Baker Tilly provides for financial audit services as follows:

Year	Audit Fees
2024	\$25,000
2025	\$26,000
2026	\$27,000



**NO ACTION REQUIRED**

This report is for informational purposes only, no action is required at this time.

Attachments:

1. Engagement Letter with Baker Tilly US, LLC



Baker Tilly US, LLP  
4807 Innovate Lane,  
PO Box 7398  
Madison, WI, 53707-7398  
United States of America

T: +1 (608) 249 6622  
F: +1 (608) 249 8532

[bakertilly.com](http://bakertilly.com)

December 18, 2024

Garth Salisbury  
Treasurer and Controller  
California Community Choice Financing Authority  
1125 Tamalpais Avenue  
San Rafael, CA 94901

Dear Mr. Salisbury:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the California Community Choice Financing Authority (Client, you, your).

### **Service and Related Report**

We will audit the financial statements of the California Community Choice Financing Authority as of and for the years ended December 31, 2024 through 2026, and the related notes to the financial statements. Upon completion of our audit, we will provide the California Community Choice Financing Authority with our audit report on the financial statements referred to below. If, for any reasons caused by or relating to the affairs or management of the California Community Choice Financing Authority, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis, to supplement the California Community Choice Financing Authority's financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. As part of our engagement, we will apply certain limited procedures to the California Community Choice Financing Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- > Management's Discussion and Analysis

Our report does not include reporting on key audit matters.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

## **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the California Community Choice Financing Authority and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

## **Management's Responsibilities**

Our audit will be conducted on the basis that the California Community Choice Financing Authority's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;

- > For the design, implementation, establishment, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met and;
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the California Community Choice Financing Authority from whom we determine it necessary to obtain audit evidence.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the California Community Choice Financing Authority complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charged with governance written confirmation concerning representations made to us in connection with the audit.

Management is responsible for informing us on a timely basis of the name of any single investor in you that owns 20% or more of your equity at any point in time. Management is also responsible for informing us on a timely basis of any investments held by you which constitutes 20% or more of the equity/capital of the investee entity at any point in time.

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the California Community Choice Financing Authority; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for either Baker Tilly US, LLP or Baker Tilly Advisory Group, LP to perform certain nonattest services.

Nonattest services that we or Baker Tilly Advisory Group, LP will be providing are as follows:

- > Propose adjusting journal entries, if necessary

None of these nonattest services constitute an audit under generally accepted auditing standards.

December 20, 2024  
Page 4

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will not perform any management functions or make management decisions on your behalf with respect to any nonattest services provided.

In connection with our performance of any nonattest services, Baker Tilly US, LLP or Baker Tilly Advisory Group, LP agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services performed.
- > Evaluate the adequacy and results of the nonattest services performed.
- > Accept responsibility for the results of the nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

#### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the California Community Choice Financing Authority must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the California Community Choice Financing Authority's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the California Community Choice Financing Authority hereby authorizes us to do so.

## Timing and Fees

In addition to professional fees, our invoices will include our standard technology charge (which is 5% of the total bill), plus travel and subsistence and other out-of-pocket expenses related to the engagement.

Invoices for these fees will be rendered each month as work progresses and are payable on presentation. Fees are payable upon presentation. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until the account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. The California Community Choice Financing Authority will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the California Community Choice Financing Authority agrees to be responsible for all expenses of collection including related attorneys' fees.

Our fee estimate is based on certain assumptions. Certain circumstances may arise during the course of our audit that could significantly affect the targeted completion date or our fee estimate, and additional fees may be necessary as a result. Such circumstances include but are not limited to the following:

- > Changes to the timing of the engagement initiated by the California Community Choice Financing Authority, which may require the reassignment of our personnel.
- > The California Community Choice Financing Authority's failure to provide all information requested by us (i) on the date requested, (ii) in the form acceptable to us, (iii) with no mathematical errors, and (iv) in agreement with the appropriate the California Community Choice Financing Authority records.
- > Significant delays in responding to inquiries made of the California Community Choice Financing Authority personnel, or significant changes in the California Community Choice Financing Authority accounting policies or practices, or in the California Community Choice Financing Authority's accounting personnel, their responsibilities, or their availability.
- > Significant delays or errors in the draft financial statements and necessary schedules prepared by the California Community Choice Financing Authority's personnel.
- > Implementation of new general ledger software or a new chart of accounts by the California Community Choice Financing Authority.
- > Significant changes in the California Community Choice Financing Authority's business operations, including business combinations, the creation of new entities, divisions, or subsidiaries within the California Community Choice Financing Authority, significant new employment or equity agreements, or significant subsequent events. Certain business transactions or changes in business operations or conditions, financial reporting, and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists.
- > New financing arrangements or modifications to existing financing arrangements, or significant new federal or state funding.
- > Significant deficiencies or material weaknesses in the design or operating effectiveness of the California Community Choice Financing Authority's internal control over financial reporting identified during the audit.
- > A significant level of proposed audit adjustments.
- > Issuance of additional accounting or auditing standards subsequent to or effective for the periods covered by this Engagement Letter.
- > Circumstances beyond our control.

For new business transactions or changes in business operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation or tax specialists. This includes matters such as business combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

Year	Audit Fees
2024	\$25,000
2025	26,000
2026	27,000

To the extent applicable, Baker Tilly's fees are exclusive of any federal, national, regional, state, provincial or local taxes, including any VAT or other withholdings, imposed on this transaction, the fees, or on Client's use of the Services or possession of the Deliverable (individually or collectively, the Taxes). All applicable Taxes shall be paid by Client without deduction from any fees owed by Client to Baker Tilly. In the event Client fails to pay any Taxes when due, Client shall defend, indemnify, and hold harmless Baker Tilly, its officers, agents, employees and consultants from and against any and all fines, penalties, damages, costs (including, but not limited to, claims, liabilities or losses arising from or related to such failure by Client) and will pay any and all damages, as well as all costs, including, but not limited to, mediation and arbitration fees and expenses as well as attorneys' fees, associated with Client's breach of this section.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the Services require Baker Tilly to receive personal data or personal information from Client, Baker Tilly may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws. Baker Tilly's processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Client, such as Baker Tilly's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Client personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Client, Baker Tilly shall, unless otherwise permitted by applicable privacy law, (a) follow Client instructions; (b) not sell personal data or personal information collected from the Client or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Client's engagement and not for Baker Tilly's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Client to ensure compliance with applicable privacy laws. Client is responsible for notifying Baker Tilly of any applicable privacy laws the personal data or personal information provided to Baker Tilly is subject to, and Client represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize Baker Tilly to process such information in connection with the Services described herein. Client further understands Baker Tilly US, LLP and Baker Tilly Advisory Group, LP will co-process Client data as necessary to perform the Services, pursuant to the alternative practice structure in place between the two entities. Baker Tilly Advisory Group, LP maintains custody of client files for both entities. By executing this Engagement Letter, you hereby consent to the transfer to Baker Tilly Advisory Group, LP of all your Client files, workpapers and work product. Baker Tilly Advisory Group, LP is bound by the same confidentiality obligations as Baker Tilly US, LLP. Baker Tilly is responsible for notifying Client if Baker Tilly becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Client to take reasonable and appropriate steps to remediate personal data or personal information processing. Client agrees that Baker Tilly has the right to utilize Client data to improve internal processes and procedures and to generate aggregated/de-identified data from the data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.



We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the California Community Choice Financing Authority, unless otherwise prohibited. In the event we are requested by the California Community Choice Financing Authority or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the California Community Choice Financing Authority, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the California Community Choice Financing Authority if disclosure of confidential information is necessary for peer review purposes.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the California Community Choice Financing Authority with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no prehearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

Our dedication to client service is carried out through our employees who are integral in meeting this objective. In recognition of the importance of our employees, it is hereby agreed that the California Community Choice Financing Authority will not solicit our employees for employment or enter into an independent contractor arrangement with any individual who is or was an employee of Baker Tilly for a period of twelve (12) months following the date of the conclusion of this engagement. If the California Community Choice Financing Authority violates this nonsolicitation clause, the California Community Choice Financing Authority agrees to pay to Baker Tilly a fee equal to the hired person's annual salary at the time of the violation so as to reimburse Baker Tilly for the costs of hiring and training a replacement.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP and Baker Tilly Advisory Group, LP and its subsidiary entities provide professional services through an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations and professional standards. Baker Tilly US, LLP is a licensed independent CPA firm that provides attest services to clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and business advisory services to their clients. Baker Tilly Advisory Group, LP and its subsidiary entities are not licensed CPA firms.

Baker Tilly Advisory Group, LP and its subsidiaries and Baker Tilly US, LLP, trading as Baker Tilly, are independent members of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Advisory Group, LP and Baker Tilly US, LLP are not Baker Tilly International's agents and do not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Advisory Group, LP, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to California Community Choice Financing Authority by Baker Tilly ("Online Offering") constitute the entire agreement between the California Community Choice Financing Authority and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern California Community Choice Financing Authority's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the California Community Choice Financing Authority's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

Garth Salisbury, Treasurer and Controller  
California Community Choice Financing Authority

December 20, 2024  
Page 12

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Bethany Ryers, the professional on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Bethany Ryers is available at 608 240 2382, or at [bethany.ryers@bakertilly.com](mailto:bethany.ryers@bakertilly.com).

Sincerely,

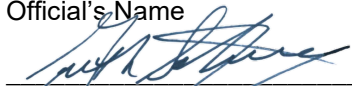
BAKER TILLY US, LLP

*Baker Tilly US, LLP*

The services and terms as set forth in this Engagement Letter are agreed to by:

Garth Salisbury

\_\_\_\_\_  
Official's Name

  
\_\_\_\_\_  
Official's Signature

Treasurer/Controller

\_\_\_\_\_  
Title

January 29, 2025

\_\_\_\_\_  
Date



# California Community Choice Financing Authority

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## Staff Report – Item 4C

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**Item 4C:** Approve amendment to Professional Services Agreement with Garth Salisbury to Provide Treasurer/Controller Services to increase the Maximum Amount by \$25,000 and extend expiration date to December 31, 2025.

From: David J. Ruderman, General Counsel

Date: 2/27/2025

Attachments: 1. Amendment No. 1 to Professional Services Agreement  
2. Professional Services Agreement for Treasurer/Controller Services

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### **RECOMMENDATION**

The Board is being asked to approve an increase of \$25,000 in the “Maximum Amount” in the Professional Services Agreement with Garth Salisbury to continue to provide services as Treasurer/Controller and to extend the expiration date to December 31, 2025.

### **BACKGROUND**

Garth Salisbury was appointed by CCCFA’s Board as its Treasurer/Controller at its first meeting in 2021. Since June 27, 2024, Mr. Salisbury has served in the capacity of the Treasurer/Controller of CCCFA pursuant to a Professional Services Agreement (PSA) a copy of which follows as Attachment 2. While the Board considers its options to possibly retain a General Manager, Mr. Salisbury will continue to provide the services of the Treasurer/Controller to manage the CCCFA working group, day-to-day activities, and to facilitate the pricing and closing of prepayment transactions for CCCFA’s members. The current PSA with Mr. Salisbury has a Maximum Amount of \$25,000 and after the most recent January 2025 invoice, only \$2,175 is remaining. Staff is requesting an increase in the Maximum Amount of \$25,000 to total \$50,000 and to extend the end date of the PSA from June 18, 2025 to December 31, 2025.

### **FISCAL IMPACT**

If approved, CCCFA may compensate Mr. Salisbury for services performed under the PSA up to a total amount of \$50,000. In 2024, Mr. Salisbury was paid \$20,000 for Treasurer/Controller services

which would leave \$30,000 on the PSA for services in 2025. The cost for Treasurer/Controller services in the 2025 Budget was approved by the Board at the December Board meeting in an amount of \$50,000.

**RECOMMENDED MOTION**

Move to approve Amendment No. 1 to the Professional Services Agreement with Garth Salisbury.

Attachments:

1. Amendment No. 1 to Professional Services Agreement with Garth Salisbury for Treasurer/Controller Services.
2. Professional Services Agreement with Garth Salisbury for Treasurer/Controller Services.

**AMENDMENT No. 1 TO PROFESSIONAL SERVICES AGREEMENT  
FOR CONSULTANT SERVICES**

California Community Choice Financing Authority and Garth Salisbury

This Amendment No. 1 (“Amendment”) to Professional Services Agreement (“Agreement”) is made on this 27th day of February 2025, by and between the California Community Choice Financing Authority, a California Joint Powers Authority (“CCCFA”), and Garth Salisbury, an individual (“Consultant”).

This Amendment modifies the original Agreement between CCCFA and the Consultant that commenced June 18, 2024 in the following fashion:

- A. CCCFA and Consultant desire to amend the Agreement by modifying the total compensation and costs payable to Consultant under section 3.4 (Maximum Amount) of the Agreement to read as follows:

**3.4** “Maximum Amount”: The highest total compensation and costs payable to Consultant by CCCFA under this Agreement. The Maximum Amount under this Agreement is Fifty Thousand Dollars (\$50,000).

- B. CCCFA and Consultant desire to amend the Agreement by modifying section 3.6 (Termination Date) of the Agreement to read as follows:

**3.6** “Termination Date”: December 31, 2025.

Unless expressly amended in this Amendment, all provisions, conditions, covenants, and terms of the Agreement shall remain in full force and effect.

*[Signatures on following page]*



**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

**“CCCFA”**  
California Community Choice Financing  
Authority

**“Consultant”**  
Garth Salisbury

By: \_\_\_\_\_  
*Signature*

By: \_\_\_\_\_  
*Signature*

Printed: \_\_\_\_\_

Printed: \_\_\_\_\_

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

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

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

**Attest:**

By: \_\_\_\_\_  
Adrian Bankhead, CCCFA Clerk

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

Approved as to form:

By: \_\_\_\_\_  
David J. Ruderman, General Counsel

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

## PROFESSIONAL SERVICES AGREEMENT FOR CONSULTANT SERVICES

**California Community Choice Financing Authority (CCCFA) / Garth Salisbury**

### 1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into as of the last date indicated below by and between California Community Choice Financing Authority, a California Joint Powers Authority (“CCCFA”), and Garth Salisbury, an individual (“Consultant”) (collectively, “parties”).

### 2. RECITALS

- 2.1 CCCFA has determined that it requires the following professional services from a consultant: Treasurer/Controller services
- 2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.
- 2.3 Consultant represents that it has no known relationships with third parties, CCCFA Board members, or employees of CCCFA which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 et seq.), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions herein contained, CCCFA and Consultant agree as follows:

### 3. DEFINITIONS

- 3.1 “Agreement Administrator” means **Ted Bardacke, Chair of the Board of Directors**. The Agreement Administrator shall be the principal point of contact at CCCFA for this project. All services under this Agreement shall be performed at the request of the Agreement Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. CCCFA reserves the right to change this designation upon written notice to Consultant.

- 3.2 “Approved Fee Schedule” means such compensation rates as are set forth in “Exhibit B,” attached hereto and fully incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.3 “Commencement Date” means June 18, 2024.
- 3.4 “Maximum Amount”: The highest total compensation and costs payable to Consultant by CCCFA under this Agreement. The Maximum Amount under this Agreement is Twenty-Five Thousand Dollars (\$25,000.00).
- 3.5 “Scope of Services” means such professional services as are set forth in “Exhibit A,” attached hereto and fully incorporated herein by this reference.
- 3.6 “Termination Date” means June 18, 2025.

#### 4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall terminate at 11:59 p.m. on the Termination Date unless extended in writing by mutual agreement of the parties or terminated earlier in accordance with Section 17 (“Termination”) below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by CCCFA in writing and incorporated in written amendments to this Agreement.

#### 5. CONSULTANT’S SERVICES

- 5.1 **Services.** Consultant shall perform the services identified in the Scope of Services. CCCFA shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2 **Coordination with CCCFA.** In performing services under this Agreement, Consultant shall coordinate all contact with CCCFA through its Agreement Administrator.
- 5.3 **Budgetary Notification.** Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

- 5.4 Professional Standards.** Consultant shall perform all work to the standards of Consultant's profession and in a manner reasonably satisfactory to CCCFA. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.5 Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, CCCFA may consent in writing to Consultant's performance of such work.
- 5.6 Campaign Contributions.** This Agreement is subject to Government Code Section 84308, as amended by SB 1439. That statute requires Consultant to disclose any campaign contribution by the Consultant or the Consultant's agent to CCCFA Board members or other CCCFA officials of more than two-hundred and fifty dollars (\$250) in the aggregate within the preceding twelve (12) months. Consultant shall provide a signed copy of the attached Campaign Contribution Disclosure Form, Exhibit C, with Consultant's execution of this Agreement.
- 5.7 CCCFA Retains Responsibility for Contracting.** Consultant's duties and services under this Agreement shall not include preparing or assisting the CCCFA with any portion of the CCCFA's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with CCCFA. CCCFA entering this Agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Consultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Consultant shall cooperate with CCCFA to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by contractor pursuant to this Agreement.
- 5.8 Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Garth Salisbury shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without CCCFA's prior written consent.

- 5.9 Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to CCCFA that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of CCCFA. If CCCFA and Consultant cannot agree as to the substitution of key personnel, CCCFA may terminate this Agreement for cause.
- 5.10 Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits, licenses, and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional and/or business licenses, encroachment permits and building and safety permits and inspections. Contractor shall promptly provide copies of such licenses and registrations to CCCFA at the request of CCCFA.
- 5.11 Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.12 Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to CCCFA under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of CCCFA. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of CCCFA or as part of any audit of CCCFA, for a period of three (3) years after final payment under this Agreement.
- 5.13 Skilled and Trained Workforce Requirement.** When the use of a skilled and trained workforce is required to complete a contract pursuant to existing law, this contract is subject to such requirement and Consultant agrees to use a skilled and trained workforce.

## **6. SUBCONTRACTING**

- 6.1 General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.

- 6.2 Consultant Responsible.** Consultant shall be responsible to CCCFA for all services to be performed under this Agreement.
- 6.3 Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.
- 6.4 Compensation for Subcontractors.** CCCFA shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit B. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. CCCFA shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

## 7. COMPENSATION

- 7.1 General.** CCCFA agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by CCCFA in advance.
- 7.2 Invoices.** Consultant shall submit to CCCFA an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.
- 7.3 Taxes.** CCCFA shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4 Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.
- 7.5 Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by CCCFA through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of CCCFA.

**7.6 CCCFA Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until CCCFA is satisfied that the services are satisfactory.

## **8. PREVAILING WAGES**

Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. This Agreement is subject to Prevailing Wage Laws, for all work performed under this Agreement for which the payment of prevailing wage is required by those laws.

## **9. DATA, CONFIDENTIALITY, AND INTELLECTUAL PROPERTY**

### **9.1 Ownership and Use Rights.**

**9.1.1 CCCFA Data.** Unless otherwise expressly agreed to in writing by the Parties, CCCFA shall retain all of its rights, title and interest in CCCFA’s Data. “CCCFA Data” shall mean all data or information provided by or on behalf of CCCFA, including but not limited to, customer Personal Information; energy usage data relating to, of, or concerning, provided by or on behalf of any customers; all data or information input, information systems and technology, software, methods, forms, manuals, and designs, transferred, uploaded, migrated, or otherwise sent by or on behalf of CCCFA to Contractor as CCCFA may approve of in advance and in writing (in each instance); account numbers, forecasts, and other similar information disclosed to or otherwise made available to Contractor. CCCFA Data shall also include all data and materials provided by or made available to Contractor by CCCFA’s licensors, including but not limited to, any and all survey responses, feedback, and reports subject to any limitations or restrictions set forth in the agreements between CCCFA and their licensors.

**9.1.2 Intellectual Property.** Unless otherwise expressly agreed to in writing by the Parties, any and all materials, information, or other intellectual property created, prepared, accumulated or developed by Contractor or any Contractor Party under this Agreement (“Intellectual Property”), including finished and unfinished inventions, processes, templates, documents, drawings, computer programs, designs, calculations, valuations, maps, plans, workplans, text, filings, estimates, manifests, certificates, books, specifications, sketches, notes, reports, summaries, analyses, manuals, visual materials, data models and samples, including summaries, extracts, analyses and preliminary or draft materials developed in connection therewith, shall be owned by CCCFA. CCCFA shall have the exclusive right to use Intellectual Property in its sole discretion and

without further compensation to Contractor or to any other party. Contractor shall, at CCCFA's expense, provide Intellectual Property to CCCFA or to any party CCCFA may designate upon written request. Contractor may keep one file reference copy of Intellectual Property prepared for CCCFA solely for legal purposes and if otherwise agreed to in writing by CCCFA. In addition, Contractor may keep one copy of Intellectual Property if otherwise agreed to in writing by CCCFA.

**9.1.3 Intellectual Property Shall be Owned by CCCFA Upon its Creation.**

Contractor agrees to execute any such other documents or take other actions as CCCFA may reasonably request to perfect CCCFA's ownership in the Intellectual Property.

**9.1.4 Contractor's Pre-Existing Materials.** If, and to the extent Contractor retains any preexisting ownership rights ("Contractor's Pre-Existing Materials") in any of the materials furnished to be used to create, develop, and prepare the Intellectual Property, Contractor hereby grants CCCFA on behalf of its customers and the CPUC for governmental and regulatory purposes an irrevocable, assignable, non-exclusive, perpetual, fully paid up, worldwide, royalty-free, unrestricted license to use and sublicense others to use, reproduce, display, prepare and develop derivative works, perform, distribute copies of any intellectual or proprietary property right of Contractor or any Contractor Party for the sole purpose of using such Intellectual Property for the conduct of CCCFA's business and for disclosure to the CPUC for governmental and regulatory purposes related thereto. Unless otherwise expressly agreed to by the Parties, Contractor shall retain all of its rights, title and interest in Contractor's Pre-Existing Materials. Any and all claims to Contractor's Pre-Existing Materials to be furnished or used to prepare, create, develop or otherwise manifest the Intellectual Property must be expressly disclosed to CCCFA prior to performing any Services under this Agreement. Any such Pre-Existing Material that is modified by work under this Agreement is owned by CCCFA.

**9.2 Equitable Relief.** Each Party acknowledges that a breach of this Section 9 would cause irreparable harm and significant damages to the other Party, the degree of which may be difficult to ascertain. Accordingly, each Party agrees that CCCFA shall have the right to obtain immediate equitable relief to enjoin any unauthorized use or disclosure of CCCFA Data, in addition to any other rights and remedies that it may have at law or otherwise; and Contractor shall have the right to obtain immediate equitable relief to enjoin any unauthorized use or disclosure of Contractor's Pre-Existing Materials, in addition to any other rights and remedies that it may have at law or otherwise.



## **10. RELATIONSHIP OF PARTIES**

- 10.1 General.** Consultant is, and shall at all times remain as to CCCFA, a wholly independent contractor.
- 10.2 No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of CCCFA or otherwise to act on behalf of CCCFA as an agent. Neither CCCFA nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of CCCFA.
- 10.3 Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to the CCCFA as an employer. Consultant shall not be entitled to any benefits. CCCFA makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.

## **11. INDEMNIFICATION**

CCCFA agrees to indemnify, defend and hold harmless Consultant from and against any and all claims, actions, and damages that may be asserted by any third party against Consultant arising out of the services Consultant renders under this Agreement.

## **12. INSURANCE**

CCCFA and Consultant agree that Consultant, serving as an officer at the direction of and with the consent of CCCFA, shall constitute an "Insured Person" within the scope of CCCFA's Directors and Officers Liability Insurance with regards to any and all liability arising out of services Consultant renders under this Agreement. CCCFA's insurance policies shall be primary as respects any claims related to or as the result of Consultant's work.

## **13. NO RECOURSE AGAINST CONSTITUENT MEMBERS OF CCCFA**

CCCFA is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.). Pursuant to CCCFA's Joint Powers Agreement, CCCFA is a public entity separate from its constituent members. CCCFA shall solely be responsible for all debts, obligations, and liabilities accruing and arising out of this Agreement. No Contractor shall have rights and nor shall any Contractor make any claims, take any actions, or assert any remedies against any of CCCFA's constituent members in connection with this Agreement.

**14. MUTUAL COOPERATION**

**14.1 CCCFA Cooperation in Performance.** CCCFA shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant’s services under this Agreement.

**14.2 Consultant Cooperation in Defense of Claims.** If any claim or action is brought against CCCFA relating to Consultant’s performance in connection with this Agreement, Consultant shall render any reasonable assistance that CCCFA may require in the defense of that claim or action.

**15. NOTICES**

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant’s and CCCFA’s regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to CCCFA:

Ted Bardacke  
Chair, Board of Directors  
CCCFA  
1125 Tamalpais Ave,  
San Rafael, CA 94901

Telephone: (415) 335-6115  
E-mail: [tbardacke@cleanpoweralliance.org](mailto:tbardacke@cleanpoweralliance.org)

If to Consultant:

[Redacted]  
[Redacted]  
[Redacted]

Telephone: [Redacted]

Facsimile:

E-mail: [Redacted] & [gsalisbury@cccfa.org](mailto:gsalisbury@cccfa.org)

With courtesy copy to:

David J. Ruderman, CCCFA General Counsel  
Colantuono, Highsmith & Whatley, PC  
420 Sierra College Drive, Suite 140  
Grass Valley, California 95945-5091  
Telephone: (530) 432-7357  
Facsimile: (530) 432-7356  
E-mail: [druderman@chwlaw.us](mailto:druderman@chwlaw.us)

**16. SURVIVING COVENANTS**

The parties agree that the covenants contained in Section 5.12 (Records), Section 11 (Indemnification), Section 13 (No Recourse Against Constituent Members of CCCFA), Section 14.2 (Consultant Cooperation in Defense of Claims), Section 16 (Surviving Covenants), Section

17 (Interpretation of Agreement), and Section 19 (General Provisions) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

## 17. TERMINATION

- 17.1 Termination.** CCCFA may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All CCCFA data, documents, objects, materials or other tangible things shall be returned to CCCFA upon the termination or expiration of this Agreement.
- 17.2 Consultant Termination.** Consultant may terminate this Agreement for a material breach of this Agreement by CCCFA upon 30 days' notice.
- 17.3 Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. CCCFA shall have the benefit of such work as may have been completed up to the time of such termination.
- 17.4 Remedies.** CCCFA retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

## 18. INTERPRETATION OF AGREEMENT

- 18.1 Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 18.2 Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the provisions of this Agreement and its exhibits, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the exhibits of this Agreement, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between CCCFA and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by CCCFA and Consultant.
- 18.3 Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears,

the language of the section or paragraph shall control and govern in the construction of this Agreement.

**18.4 Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

**18.5 Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

**18.6 No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this Agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

## **19. GENERAL PROVISIONS**

**19.1 Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by CCCFA. CCCFA shall grant such consent if disclosure is legally required. All CCCFA data shall be returned to CCCFA upon the termination or expiration of this Agreement.

**19.2 Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with CCCFA's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, CCCFA shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of CCCFA, during the term of his or her service with CCCFA, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

- 19.3 Non-assignment.** Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without CCCFA's prior written consent, and any attempt to do so shall be void and of no effect. CCCFA shall not be obligated or liable under this Agreement to any party other than Consultant.
- 19.4 Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.
- 19.5 No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 19.6 Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 19.7 Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, sexual orientation, or any other unlawful basis. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.
- 19.8 Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by CCCFA or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by CCCFA or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.
- 19.9 Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in CCCFA's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 19.10 Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or

remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.

**19.11 Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.

**19.12 Venue.** The venue for any litigation shall be Marin County, California and Consultant hereby consents to sole jurisdiction in Marin County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

**19.13 Counterparts; Electronic Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

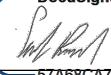
**19.14 Recitals.** The Recitals are incorporated by this reference.

*[Signature page follows]*

**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement as of the last date indicated below:

**“CCCFA”**

California Community Choice Financing Authority

By:  DocuSigned by:  
57A68CA749104E4...  
Signature

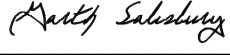
Printed: Ted Bardacke

Title: CCCFA Chair

Date: 7/8/2024

**“Consultant”**


Garth Salisbury

By:  DocuSigned by:  
2F0DDFDAB88C417...  
Signature

Printed: Garth Salisbury


Date: 7/2/2024

**Attest:**

By:  DocuSigned by:  
1E6D6702A660459...  
Adrian Bankhead, CCCFA Clerk

Date: 7/8/2024

Approved as to form:

By:  DocuSigned by:  
0EEF3C6BFF434AE  
David J. Ruderman, General Counsel

Date: 7/8/2024

## “EXHIBIT A” SCOPE OF WORK

Contractor shall provide the following Treasurer/Controller Services under the Agreement as requested and directed by CCCFA’s Board of Directors or CCCFA staff, up to the maximum time/fees allowed under this Agreement:

Contractor shall discharge the duties of the office of Treasurer/Controller of the California Community Choice Financing Authority and shall use his best efforts to provide such services in a competent and professional manner. Contractor shall provide all services to CCCFA of the kind and nature typically provided by an in-house Treasurer/Controller unless specifically stated otherwise in this Agreement or otherwise directed in writing by CCCFA.

These Treasurer/Controller Services shall also include:

- Provide all services delegated to the Treasurer/Controller in CCCFA’s Joint Powers Agreement, including but not limited to section 4.06(b), and CCCFA’s Bylaws, including but not limited to section 2.5;
- In the absence of a General Manager, provide for CCCFA’s day-to-day operations and management.
- Supervise the activities of all contractors retained by CCCFA, other than legal counsel supervised by General Counsel, and review the work of such contractors on behalf of CCCFA.
- Provide regular oversight of CCCFA’s prepay issuances and respond to inquiries from counterparties and third parties regarding same.
- Review individual transaction documentation as required to provide necessary representations and certificates as needed for continuing disclosure, arbitrage rebate and other related bond or ISDA contract documentation.
- Ensure timely completion of CCCFA’s annual audit of financial statements by CCCFA’s independent auditor.
- Ensure that participant CCAs are providing on a timely basis documentation, representations, invoices and certifications as required under individual deal documents.
- Oversee and ensure timely payment and invoicing for CCCFA’s accounts payable and accounts receivable.
- Ensure that all required memberships and registrations for an issuer of bonds and participant in interest rate and commodities swaps in the State of California including but not limited to the International Swap Dealers Association, CDIAC, Legal Entity Identifier code through LEI Worldwide and others are maintained in good standing.
- Prepare annual budget for review and approval by CCCFA’s Board of Directors, including any necessary budget adjustments during the fiscal year.
- Meet regularly with the Treasurer/Controller’s working group to assist with CCCFA’s day-to-day operations and provide recommendations to CCCFA’s Board of Directors.
- Provide regular reports on CCCFAs’ operations to the Board of Directors or upon request by the CCCFA Board.



**“EXHIBIT B”  
APPROVED FEE SCHEDULE**

Garth Salisbury shall provide Treasurer/Controller services at a billing rate of \$150.00 per hour.

**“EXHIBIT” C  
CAMPAIGN CONTRIBUTION DISCLOSURE FORM**

### CAMPAIGN CONTRIBUTION DISCLOSURE PROVISIONS

Local governments are subject to the campaign disclosure provisions detailed in Government Code Section 84308.

**Please carefully read the following information to determine if the provisions apply to you. If you determine that the provisions are applicable, the Campaign Disclosure Form must be completed and returned to the CCCFA with your application.**

No CCCFA Board member or other CCCFA official shall accept, solicit, or direct a campaign contribution of more than \$250 from any party<sup>1</sup> or agent<sup>2</sup> for 12 months after the CCCFA approves a contract. This prohibition commences when an application is filed, or a proceeding is otherwise initiated.

A party to a CCCFA proceeding shall disclose on the record of the proceeding any campaign contribution of more than \$250 by a party or agent to any CCCFA member or other CCCFA official during the preceding 12 months. No party to a CCCFA proceeding, or agent, shall make a campaign contribution to a CCCFA Board member or other CCCFA official during a proceeding and for 12 months after the CCCFA approves a contract.

A CCCFA Board member or other CCCFA official who received a campaign contribution of more than \$250 within the preceding 12 months from any party, or agent, to a proceeding shall disclose that fact on the record of the proceeding, and shall abstain from participating in the proceeding. However, if he or she returns the portion of a campaign contribution in excess of \$250 within 30 days of knowing about the contribution and the relevant proceeding, he or she may participate in the proceeding.

<sup>1</sup> "Party" is defined as any person who files an application for, or is the subject of, a proceeding.

<sup>2</sup> "Agent" is defined as a person who represents a party in connection with a proceeding. If an individual acting as an agent also is acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar entity or corporation, both the individual and the entity or corporation are agents. When a closed corporation is a party to a proceeding, the majority shareholder is subject to these provisions.

To determine whether you or your agent made a campaign contribution of more than \$250 to a CCCFA Board member or other CCCFA official within the preceding 12 months, you must aggregate all such contributions.

Names of current CCCFA Board members and other CCCFA officials are available on CCCFA's website. If you have questions about Government Code Section 84308, FPPC regulations, or the Campaign Disclosure Form, please contact the CCCFA Clerk.

### CAMPAIGN CONTRIBUTION DISCLOSURE FORM

(a) Document:

- License
- Lease
- Permit
- Franchise
- Other Contract
- Other Entitlement

Name and address of any party, or agent, who has contributed more than \$250 to any CCCFA Board Member or other CCCFA official within the preceding 12 months:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

(b) Date and amount of contribution:

Date \_\_\_\_\_ Amount \$ \_\_\_\_\_

Date \_\_\_\_\_ Amount \$ \_\_\_\_\_

(c) Name of CCCFA Board member or other CCCFA official to whom contribution was made:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

(d)  Check here If no contributions have been made to any member or other CCCFA official in the preceding 12 months.

(e) I certify that the above information is provided to the best of my knowledge.

Printed Name Garth Salisbury  
DocuSigned by:

Signature 

Date 7/2/2024 2F0DDFDAB88C417... 415-713-8456

Phone \_\_\_\_\_



# California Community Choice Financing Authority

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## Staff Report – Item 4D

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**Item 4D:** Second Amendment to Second Agreement by and between California Community Financing Authority and Colantuono, Highsmith & Whatley, PC for General Counsel Legal Services

From: Garth Salisbury, Treasurer/Controller

Date: 2/27/2025

Attachment

1. Second Amendment to Second Agreement by and between California Community Financing Authority and Colantuono, Highsmith & Whatley, PC
2. First Amendment to Second Agreement by and between California Community Financing Authority and Colantuono, Highsmith & Whatley, PC
3. Second Agreement by and between California Community Financing Authority and Colantuono, Highsmith & Whatley, PC

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### **RECOMMENDATION**

By motion, adopt the Second Amendment to Second Agreement by and between California Community Financing Authority and Colantuono, Highsmith & Whatley, PC for general counsel legal services to increase the not-to-exceed amount by \$35,000 for a total of \$180,000 for the three-year term of the Second Agreement.

### **BACKGROUND**

CCCFA and Colantuono, Highsmith & Whatley (“CHW”) entered into an agreement on January 13, 2023, to provide general counsel services (“Agreement”) for a three-year term. David Ruderman of CHW was designated as General Counsel for CCCFA. The Agreement was CCCFA’s second agreement with CHW because CHW previously provided special counsel services to CCCFA and its former General Counsel, Michael Callahan, under the First Agreement.

Although the Agreement has a term of three years, expiring on January 31, 2026, the Agreement provided for CHW to be compensated in an amount not to exceed \$45,000 total. Upon further review, it was determined that there was an inadvertent error in the Agreement’s not-to-exceed amount because CCCFA had budgeted \$45,000 per year for general counsel services in 2023. As a result, on

December 7, 2023, the CCCFA Board approved the First Amendment to CHW contract to increase the not-to-exceed amount by \$100,000 to cover approximately two years of services for a total not-to-exceed of \$145,000.

### **ANALYSIS & DISCUSSION**

As of January 31, 2025, there remains approximately \$28,000 left in CHW's total compensation. Due to the large number of prepayment transactions as well as the substantial increase in CCCFA's membership, legal service costs have exceeded the original budget. To ensure CCCFA is able to avail itself of CHW's services for the Agreement's term, CCCFA will need to amend the Agreement to increase the contract amount. The Treasurer/Controller estimates no more than \$60,000 for the next year will be required, a slight increase from the original estimate based on the increased number of prepay deals CCCFA is undertaking. The proposed amendment therefore would increase the not-to-exceed by \$35,000 for the remaining year, for a total consideration not to exceed \$180,000 for the three-year term of the Agreement. This will provide for approximately \$60,000 in legal services per year for the term of the Agreement.

### **FISCAL IMPACT**

The amendment increases the maximum CCCFA could pay for general counsel services absent approval by the Board. It does not obligate CCCFA to pay this amount if services rendered cost less. The amendment is consistent with CCCFA's 2025 budget for legal services.

### **RECOMMENDATION**

Recommend that the Board move to approve the Second Amendment to Second Agreement by and between California Community Financing Authority and Colantuono, Highsmith & Whatley, PC and authorize the Chair to sign.

**SECOND AMENDMENT TO SECOND AGREEMENT  
BY AND BETWEEN CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY  
AND COLANTUONO, HIGHSMITH & WHATLEY, PC**

This SECOND AMENDMENT is made and entered into on February 27, 2025, by and between CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY (hereinafter referred to as “CCCFA”) and COLANTUONO, HIGHSMITH & WHATLEY, PC (hereinafter referred to as “Contractor”).

**RECITALS**

WHEREAS, CCCFA and Contractor entered into an agreement on January 13, 2023, to provide general counsel services (“Agreement”) for a three-year term; and

WHEREAS, CCCFA and Contractor entered into a first amendment to the Agreement on December 7, 2023 to increase the maximum contract cost for the three-year term of the Agreement to \$145,000; and

WHEREAS, the parties desire to amend the Agreement to increase the contract amount by \$35,000 for total consideration not to exceed \$180,000 for the three-year term of the Agreement.

NOW, THEREFORE, the parties agree to modify Section 3 and Exhibit B of the Agreement as set forth below.

**AGREEMENT**

1. Section 3 is hereby amended to read as follows:

**MAXIMUM COST TO CCCFA:**

In no event will the cost to CCCFA for the Services to be provided herein exceed the maximum sum of **\$180,000**.

2. The last sentence of Exhibit B is hereby amended to read as follows:

In no event shall the total cost to CCCFA for the services provided herein exceed the **maximum sum of \$180,000** for the term of the Agreement.

3. Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment on the day first written above.

*[Signatures on following page]*

**APPROVED BY:  
California Community Choice Financing  
Authority:**

**CONTRACTOR:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Ted Bardacke

Name: Michael Colantuono

Title: Board Chair

Title: President

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

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

**FIRST AMENDMENT TO SECOND AGREEMENT  
BY AND BETWEEN CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY  
AND COLANTUONO, HIGHSMITH & WHATLEY, PC**

This FIRST AMENDMENT is made and entered into on December 7, 2023, by and between CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY (hereinafter referred to as “CCCFA”) and COLANTUONO, HIGHSMITH & WHATLEY, PC (hereinafter referred to as “Contractor”).

**RECITALS**

WHEREAS, CCCFA and Contractor entered into an agreement on January 13, 2023, to provide general counsel services (“Agreement”) for a three-year term; and

WHEREAS, Section 3 and Exhibit B to the Agreement provided for Contractor to be compensated in an amount not to exceed \$45,000 for the legal services described within the scope therein; and

WHEREAS, the parties desire to amend the Agreement to increase the contract amount by \$100,000 for total consideration not to exceed \$145,000 for the three-year term of the Agreement.

NOW, THEREFORE, the parties agree to modify Section 3 and Exhibit B as set forth below.

**AGREEMENT**

1. Section 3 is hereby amended to read as follows:

**MAXIMUM COST TO CCCFA:**

In no event will the cost to CCCFA for the Services to be provided herein exceed the maximum sum of **\$145,000**.

2. The last sentence of Exhibit B is hereby amended to read as follows:

In no event shall the total cost to CCCFA for the services provided herein exceed the **maximum sum of \$145,000** for the term of the Agreement.

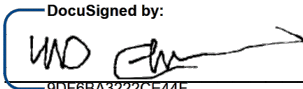
3. Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the day first written above.

*[Signatures on following page]*



**APPROVED BY:**  
**California Community Choice Financing Authority:**

By:   
9DF6BA3222CE44F...

Name: Nick Chaset

Title: Board Chair

Date: 1/5/2024

**CONTRACTOR:**

By:   
2DFD0B76119B4AA...

Name: Michael Colantuono

Title: President

Date: 1/6/2024

**CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY  
STANDARD SHORT FORM CONTRACT**

**SECOND AGREEMENT  
BY AND BETWEEN**

**CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY AND COLANTUONO, HIGHSMITH &  
WHATLEY, PC**

**THIS SECOND AGREEMENT** (“Agreement”) is made and entered into on January 13, 2023 by and between CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY (hereinafter referred to as “CCCFA”) and Colantuono, Highsmith & Whatley, PC, a California professional corporation with principal address at: 420 Sierra College Drive, Suite 140, Grass Valley, CA 95945 (hereinafter referred to as “Contractor”) (each, a “Party,” and, together, the “Parties”).

**RECITALS:**

**WHEREAS**, CCCFA previously retained Contractor to provide special legal counsel services as requested and directed by CCCFA General Counsel under the First Agreement by and between CCCFA and Contractor dated March 11, 2022 (“First Agreement”), which agreement terminated by its terms on December 31, 2022;

**WHEREAS**, CCCFA now desires to retain Contractor to provide General Counsel services described in **Exhibit A** attached hereto and by this reference made a part hereof (“Services”);

**WHEREAS**, Contractor desires to provide the Services to CCCFA;

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**1. SCOPE OF SERVICES; DESIGNATION OF GENERAL COUNSEL:**

Contractor agrees to provide all of the Services in accordance with the terms and conditions of this Agreement. “Services” shall also include any other work performed by Contractor pursuant to this Agreement. David J. Ruderman is designated as General Counsel for CCCFA. The parties understand and agree that Contractor may, from time to time, utilize other attorneys within Contractor’s firm to assist Mr. Ruderman in the performance of this Agreement but that Mr. Ruderman will attend all regularly scheduled CCCFA Board meetings and make best efforts to attend all special Board meetings unless excused by the Board or CCCFA staff or absent due to illness, an annual vacation or to a once-or-twice-per-year business commitment (such as a professional conference) and will supervise all services rendered under this Agreement. The parties will cooperate to avoid unnecessary travel for meetings, especially when substantially similar service can be provided remotely via teleconference or video conference.

**2. FEES AND PAYMENT SCHEDULE; INVOICING:**

The fees and payment schedule for furnishing Services under this Agreement shall be based on the rate schedule which is attached hereto as **Exhibit B** and by this reference incorporated herein. Said fees shall remain in effect for the entire term of the Agreement (“Term”). Contractor shall provide CCCFA with Contractor’s Federal Tax I.D. number prior to submitting the first invoice. Contractor is responsible for billing CCCFA in a timely and accurate manner. Contractor shall email invoices to CCCFA on a monthly basis for any Services rendered or expenses incurred hereunder. Fees and expenses invoiced beyond ninety (90) days will not be reimbursable. The final invoice must be submitted within thirty (30) days of completion of the stated scope of services or termination of this Agreement. CCCFA will process payment for undisputed invoiced amounts within thirty (30) days.

**3. MAXIMUM COST TO CCCFA:**

In no event will the cost to CCCFA for the Services to be provided herein exceed the maximum sum of **\$45,000**.

**4. TERM OF AGREEMENT:**

This Agreement shall commence on February 1, 2023 (“Effective Date”) and shall terminate on January 31, 2026, unless earlier terminated pursuant to the terms and conditions set forth in Section 12.

**5. REPRESENTATIONS; WARRANTIES; COVENANTS:**

**5.1. CONTRACTOR REPRESENTATIONS AND WARRANTIES.** Contractor represents, warrants and covenants that (a) it is a professional corporation duly organized, validly existing and in good standing under the laws of the State of California, (b) it has full power and authority and all regulatory authorizations required to execute, deliver and perform its obligations under this Agreement and all exhibits and addenda and to engage in the business it presently conducts and contemplates conducting, (c) it is and will be duly licensed or qualified to do business and in good standing under the laws of the State of California and each

other jurisdiction wherein the nature of its business transacted by it makes such licensing or qualification necessary and where the failure to be licensed or qualified would have a material adverse effect on its ability to perform its obligations hereunder, (d) it is qualified and competent to render the Services and possesses the requisite expertise to perform its obligations hereunder, (e) the execution, delivery and performance of this Agreement and all exhibits and addenda hereto are within its powers and do not violate the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it, (f) this Agreement and each exhibit and addendum constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, and (g) it is not bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt.

- 5.2. COMPLIANCE WITH APPLICABLE LAW:** At all times during the Term and the performance of the Services, Contractor shall comply with all applicable federal, state and local laws, regulations, ordinances and resolutions ("Applicable Law")
- 5.3. LICENSING.** At all times during the performance of the Services, Contractor represents, warrants and covenants that it has and shall obtain and maintain, at its sole cost and expense, all required permits, licenses, certificates and registrations required for the operation of its business and the performance of the Services. Contractor shall promptly provide copies of such licenses and registrations to CCCFA at the request of CCCFA.
- 5.4. NONDISCRIMINATORY EMPLOYMENT:** Contractor shall not unlawfully discriminate against any individual based on race, color, religion, nationality, sex, sexual orientation, gender identity, age or condition of disability. Contractor understands and agrees that Contractor is bound by and shall comply with the nondiscrimination mandates of all federal, state, and local statutes, regulations, and ordinances.
- 5.5. ASSIGNMENT OF PERSONNEL.** The Contractor shall not substitute any personnel for those specifically named in its proposal, if applicable, unless personnel with substantially equal or better qualifications and experience are provided, acceptable to CCCFA, as is evidenced in writing.

## **6. INSURANCE:**

At all times during the Term and the performance of the Services, Contractor shall maintain the insurance coverages set forth below. All such insurance coverage shall be substantiated with a certificate of insurance and must be signed by the insurer or its representative evidencing such insurance to CCCFA. The general liability policy shall be endorsed naming CCCFA and its employees, directors, officers, and agents as additional insureds. The certificate(s) of insurance and required endorsement shall be furnished to CCCFA prior to commencement of Services. Certificate(s) of insurance must be current as of the Effective Date, and shall remain in full force and effect through the Term. If scheduled to lapse prior to termination date, certificate(s) of insurance must be automatically updated before final payment may be made to Contractor. Each certificate of insurance shall provide for thirty (30) days' advance written notice to CCCFA of any cancellation or reduction in coverage. Insurance coverages shall be payable on a per occurrence basis only, except those required by Section 6.4 which may be provided on a claims-made basis consistent with the criteria noted therein.

Nothing in this Section 6 shall be construed as a limitation on Contractor's indemnification obligations in Section 17 of this Agreement.

Should Contractor fail to provide and maintain the insurance required by this Agreement, in addition to any other available remedies at law or in equity, CCCFA may suspend payment to the Contractor for any Services provided during any period of time that insurance was not in effect and until such time as the Contractor provides adequate evidence that Contractor has obtained the required insurance coverage.

- 6.1. GENERAL LIABILITY.** The Contractor shall maintain a commercial general liability insurance policy in an amount of no less than **two million dollars (\$2,000,000) with a four million dollar (\$4,000,000)** aggregate limit. "California Community Choice Financing Authority" shall be named as an additional insured on the commercial general liability policy and the certificate of insurance shall include an additional endorsement page (see sample form: ISO - CG 20 10 11 85).
- 6.2. AUTO LIABILITY (REQUIRED IF CHECKED ).** Where the Services to be provided under this Agreement involve or require the use of any type of vehicle by Contractor in order to perform said Services, Contractor shall also provide comprehensive business or commercial automobile liability coverage including non-owned and hired automobile liability in the amount of one million dollars combined single limit (\$1,000,000).
- 6.3. WORKERS' COMPENSATION.** The Contractor acknowledges that the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Contractor has employees, it shall comply with this requirement and a copy of the certificate evidencing such insurance or a copy of the Certificate of Consent to Self-Insure shall be provided to CCCFA prior to commencement of Services.

**6.4. PROFESSIONAL LIABILITY INSURANCE** (REQUIRED IF CHECKED ). Contractor shall maintain professional liability insurance with a policy limit of not less than \$1,000,000 per incident. If the deductible or self-insured retention amount exceeds \$1,000,000 CCCFA may ask for evidence that Contractor has segregated amounts in a special insurance reserve fund, or that Contractor's general insurance reserves are adequate to provide the necessary coverage and CCCFA may conclusively rely thereon. Coverages required by this subsection may be provided on a claims-made basis with a "Retroactive Date" prior to the Effective Date. If the policy is on a claims-made basis, coverage must extend to a minimum of twelve (12) months beyond termination of this Agreement. If coverage is cancelled or non-renewed, and not replaced with another claims made policy form with a "retroactive date" prior to the Effective Date, Contractor must purchase "extended reporting" coverage for a minimum of twelve (12) months after termination of this Agreement.

## **7. RESERVED**

### **8. SUBCONTRACTING:**

The Contractor shall not subcontract nor assign any portion of the work required by this Agreement without prior, written approval of CCCFA, except for any subcontract work expressly identified herein in Exhibit A. If Contractor hires a subcontractor under this Agreement (a "Subcontractor"), Subcontractor shall be bound by all applicable terms and conditions of this Agreement, and Contractor shall ensure the following:

- 8.1.** Subcontractor shall comply with the following terms of this Agreement: Sections 9, 10, Exhibit A.
- 8.2.** Subcontractor shall provide, maintain and be bound by the representations, warranties and covenants of Contractor contained in Section 5 hereof (as may be modified to be applicable to Subcontractor with respect to Section 5.1(a) hereof) at all times during the Term of such subcontract and its provision of Services.
- 8.3.** Subcontractor shall comply with the terms of Section 6 above, including, but not limited to providing and maintaining insurance coverage(s) identical to what is required of Contractor under this Agreement, and shall name CCCFA as an additional insured under such policies. Contractor shall collect, maintain, and promptly forward to CCCFA current evidence of such insurance provided by its Subcontractor. Such evidence of insurance shall be included in the records and is therefore subject to audit as described in Section 9 hereof.
- 8.4.** Subcontractor shall be contractually obligated to indemnify the CCCFA Parties (as defined in Section 17 hereof) pursuant to the terms and conditions of Section 17 hereof.
- 8.5.** Subcontractors shall not be permitted to further subcontract any obligations under this Agreement.

Contractor shall be solely responsible for ensuring its Subcontractors' compliance with the terms and conditions of this Agreement made applicable above and to collect and maintain all documentation and current evidence of such compliance. Upon request by CCCFA, Contractor shall promptly forward to CCCFA evidence of same. Nothing contained in this Agreement or otherwise stated between the Parties shall create any legal or contractual relationship between CCCFA and any Subcontractor, and no subcontract shall relieve Contractor of any of its duties or obligations under this Agreement. Contractor's obligation to pay its Subcontractors is an independent obligation from CCCFA's obligation to make payments to Contractor. As a result, CCCFA shall have no obligation to pay or to enforce the payment of any monies to any Subcontractor.

### **9. RETENTION OF RECORDS AND AUDIT PROVISION:**

Contractor shall keep and maintain on a current basis full and complete records and documentation pertaining to this Agreement and the Services, whether stored electronically or otherwise, including, but not limited to, valuation records, accounting records, documents supporting all invoices, employees' time sheets, receipts and expenses, and all customer documentation and correspondence (the "Records"). CCCFA shall have the right, during regular business hours, to review and audit all Records during the Term and for at least five (5) years from the date of the completion or termination of this Agreement. Any review or audit may be conducted on Contractor's premises or, at CCCFA's option, Contractor shall provide all records within a maximum of fifteen (15) days upon receipt of written request from CCCFA. Contractor shall refund any monies erroneously charged. Contractor shall have an opportunity to review and respond to or refute any report or summary of audit findings, and shall promptly refund any overpayments made by CCCFA based on undisputed audit findings.

### **10. DATA, CONFIDENTIALITY AND INTELLECTUAL PROPERTY:**

#### **10.1. OWNERSHIP AND USE RIGHTS.**

- a) **CCCFA Data.** Unless otherwise expressly agreed to in writing by the Parties, CCCFA shall retain all of its rights, title and interest in CCCFA's Data. "CCCFA Data" shall mean all data or information provided by or on behalf of CCCFA, including but not limited to, customer Personal Information; energy usage data relating to, of, or concerning, provided by or on behalf of any customers; all data or information input, information systems and technology, software, methods, forms, manuals, and designs, transferred, uploaded, migrated, or otherwise sent by or on behalf of CCCFA to Contractor as CCCFA may approve of in advance and in writing (in each instance); account numbers, forecasts, and other similar information disclosed to or otherwise made available to Contractor. CCCFA Data shall also include all data and materials provided by or made available to Contractor by CCCFA's licensors, including but not limited to, any and all survey responses, feedback, and reports subject to any limitations or restrictions set forth in the agreements between CCCFA and their licensors.
- b) **Intellectual Property.** Unless otherwise expressly agreed to in writing by the Parties, any and all materials, information, or other intellectual property created, prepared, accumulated or developed by Contractor or any Contractor Party under this Agreement ("Intellectual Property"), including finished and unfinished inventions, processes, templates, documents, drawings, computer programs, designs, calculations, valuations, maps, plans, workplans, text, filings, estimates, manifests, certificates, books, specifications, sketches, notes, reports, summaries, analyses, manuals, visual materials, data models and samples, including summaries, extracts, analyses and preliminary or draft materials developed in connection therewith, shall be owned by CCCFA on behalf and for the benefit of CCCFA's respective customers. CCCFA shall have the exclusive right to use Intellectual Property in its sole discretion and without further compensation to Contractor or to any other party. Contractor shall, at CCCFA's expense, provide Intellectual Property to CCCFA or to any party CCCFA may designate upon written request. Contractor may keep one file reference copy of Intellectual Property prepared for CCCFA solely for legal purposes and if otherwise agreed to in writing by CCCFA. In addition, Contractor may keep one copy of Intellectual Property if otherwise agreed to in writing by CCCFA.
- c) **Intellectual Property shall be owned by CCCFA upon its creation.** Contractor agrees to execute any such other documents or take other actions as CCCFA may reasonably request to perfect CCCFA's ownership in the Intellectual Property.
- d) **Contractor's Pre-Existing Materials.** If, and to the extent Contractor retains any preexisting ownership rights ("Contractor's Pre-Existing Materials") in any of the materials furnished to be used to create, develop, and prepare the Intellectual Property, Contractor hereby grants CCCFA on behalf of its customers and the CPUC for governmental and regulatory purposes an irrevocable, assignable, non-exclusive, perpetual, fully paid up, worldwide, royalty-free, unrestricted license to use and sublicense others to use, reproduce, display, prepare and develop derivative works, perform, distribute copies of any intellectual or proprietary property right of Contractor or any Contractor Party for the sole purpose of using such Intellectual Property for the conduct of CCCFA's business and for disclosure to the CPUC for governmental and regulatory purposes related thereto. Unless otherwise expressly agreed to by the Parties, Contractor shall retain all of its rights, title and interest in Contractor's Pre-Existing Materials. Any and all claims to Contractor's Pre-Existing Materials to be furnished or used to prepare, create, develop or otherwise manifest the Intellectual Property must be expressly disclosed to CCCFA prior to performing any Services under this Agreement. Any such Pre-Existing Material that is modified by work under this Agreement is owned by CCCFA.

**10.2. EQUITABLE RELIEF.** Each Party acknowledges that a breach of this Section 10 would cause irreparable harm and significant damages to the other Party, the degree of which may be difficult to ascertain. Accordingly, each Party agrees that CCCFA shall have the right to obtain immediate equitable relief to enjoin any unauthorized use or disclosure of CCCFA Data, in addition to any other rights and remedies that it may have at law or otherwise; and Contractor shall have the right to obtain immediate equitable relief to enjoin any unauthorized use or disclosure of Contractor's Pre-Existing Materials, in addition to any other rights and remedies that it may have at law or otherwise.

## **11. FORCE MAJEURE:**

A Party shall be excused for failure to perform its obligations under this Agreement if such obligations are prevented by an event of Force Majeure (as defined below), but only for so long as and to the extent that the Party claiming Force Majeure ("Claiming Party") is actually so prevented from performing and provided that (a) the Claiming Party gives written notice and full particulars of such Force Majeure to the other Party (the "Affected Party") promptly after the occurrence of the event relied on, (b) such notice includes an estimate of the expected duration and probable impact on the performance of the Claiming Party's obligations under this Agreement, (c) the Claiming Party furnishes timely regular reports regarding the status of the Force Majeure, including updates with respect to the data included in Section 10 above during the continuation of the delay in the Claiming Party's performance, (d) the suspension of such obligations sought by Claiming Party is of no greater scope and of no longer duration than is required by the Force Majeure, (e) no obligation or liability of either Party which became due or arose before the occurrence of the event causing the suspension of performance shall be excused as a result of the Force Majeure; (f) the Claiming Party shall exercise commercially reasonable efforts to mitigate or limit the interference, impairment and losses to the Affected Party; (g) when the Claiming Party is able to resume performance of the affected obligations under this Agreement, the Claiming Party shall give the Affected Party written notice to that effect and promptly shall resume performance under this Agreement. "Force Majeure" shall mean acts of God such as floods, earthquakes, fires, orders or decrees by a governmental authority, civil or military disturbances, wars, riots, terrorism or threats

of terrorism, utility power shutoffs, strikes, labor disputes, pandemic, or other forces over which the responsible Party has no control and which are not caused by an act or omission of such Party.

## **12. TERMINATION:**

- 12.1.** If the Contractor fails to provide in any manner the Services required under this Agreement, otherwise fails to comply with the terms of this Agreement, violates any Applicable Law, makes an assignment of any general arrangement for the benefit of creditors, files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors, or has such petition filed against it, otherwise becomes bankrupt or insolvent (however evidenced), or becomes unable to pay its debts as they fall due, then CCCFA may terminate this Agreement by giving five (5) business days' written notice to Contractor.
- 12.2.** Either Party hereto may terminate this Agreement for any reason by giving thirty (30) calendar days' written notice to the other Party. Notice of termination shall be by written notice to the other Party and be sent by registered mail or by email to the email address listed in Section 19.
- 12.3.** In the event of termination not the fault of the Contractor, the Contractor shall be paid for Services performed up to the date of termination in accordance with the terms of this Agreement so long as proof of required insurance is provided for the periods covered in the Agreement or Amendment(s). Notwithstanding anything contained in this Section 12, in no event shall CCCFA be liable for lost or anticipated profits or overhead on uncompleted portions of the Agreement. Contractor shall not enter into any agreement, commitments or subcontracts that would incur significant cancellation or termination costs without prior written approval of CCCFA, and such written approval shall be a condition precedent to the payment of any cancellation or termination charges by CCCFA under this Section 12. Also, as a condition precedent to the payment of any cancellation or termination charges by CCCFA under this Section 12, Contractor shall have delivered to CCCFA any and all Intellectual Property (as defined in Section 10.1(b)) prepared for CCCFA before the effective date of such termination.
- 12.4.** CCCFA may terminate this Agreement if funding for this Agreement is reduced or eliminated by a third-party funding source.
- 12.5.** Without limiting the foregoing, if either Party's activities hereunder become subject to law or regulation of any kind, which renders the activity illegal, unenforceable, or which imposes additional costs on such Party for which the parties cannot mutually agree upon an acceptable price modification, then such Party shall at such time have the right to terminate this Agreement upon written notice to the other Party with respect to the illegal, unenforceable, or uneconomic provisions only, and the remaining provisions will remain in full force and effect.
- 12.6.** Upon termination of this Agreement for any reason, Contractor shall and shall cause each Contractor Party to bring the Services to an orderly conclusion as directed by CCCFA and shall return all CCCFA Data (as defined in Section 10.1(a) above) and Intellectual Property to CCCFA. CCCFA agrees to secure new counsel as quickly as possible and to cooperate fully in the substitution of the new counsel as counsel of record in any action in which the Contractor may represent the CCCFA. The Contractor agrees to cooperate fully in any such transition, including the transfer of files. Notwithstanding the termination of the Contractor's representation, CCCFA will remain obligated to pay to the Contractor all fees and costs incurred prior thereto.
- 12.7.** Notwithstanding the foregoing, this Agreement shall be subject to changes, modifications, or termination by order or directive of the California Public Utilities Commission ("CPUC"). The CPUC may from time to time issue an order or directive relating to or affecting any aspect of this Agreement, in which case CCCFA shall have the right to change, modify or terminate this Agreement in any manner to be consistent with such order or directive.
- 12.8.** Notwithstanding any provision herein to the contrary, Sections 2, 3, 8.4, 9, 10, 12, 15, 16, 17, 18, 19, 20, 21, 22, 24, and Exhibit B of this Agreement shall survive the termination or expiration of this Agreement.

## **13. ASSIGNMENT:**

The rights, responsibilities, and duties under this Agreement are personal to the Contractor and may not be transferred or assigned without the express prior written consent of CCCFA.

## **14. AMENDMENT; NO WAIVER:**

This Agreement may be amended or modified only by written agreement of the Parties. Failure of either Party to enforce any provision or provisions of this Agreement will not waive any enforcement of any continuing breach of the same provision or provisions or any breach of any provision or provisions of this Agreement.

## **15. DISPUTES:**

Either Party may give the other Party written notice of any dispute which has not been resolved at a working level. Any dispute that cannot be resolved between Contractor's contract representative and CCCFA's contract representative by good faith negotiation efforts shall be referred to the Chairperson of the Board of Directors of CCCFA and an officer of Contractor for resolution. Within 20 calendar days after delivery of such notice, such persons shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If CCCFA and Contractor cannot reach an agreement within a reasonable period of time (but in no event more than 30 calendar days), CCCFA and Contractor shall have the right to pursue all rights and remedies that may be available at law or in equity. All negotiations and any mediation agreed to by the Parties are confidential

and shall be treated as compromise and settlement negotiations, to which Section 1119 of the California Evidence Code shall apply, and Section 1119 is incorporated herein by reference.

**16. JURISDICTION AND VENUE:**

This Agreement shall be construed in accordance with the laws of the State of California and the Parties hereto agree that venue shall be in Marin County, California.

**17. INDEMNIFICATION:**

To the fullest extent permitted by Applicable Law, Contractor shall indemnify, defend, and hold CCCFA and its employees, officers, directors, representatives, and agents ("CCCFA Parties"), harmless from and against any and all actions, claims, liabilities, losses, costs, damages, and expenses (including, but not limited to, litigation costs, attorney's fees and costs, physical damage to or loss of tangible property, and injury or death of any person) arising out of, resulting from, or caused by: a) the negligence, recklessness, intentional misconduct, fraud of all Contractor Parties; b) the failure of a Contractor Party to comply with the provisions of this Agreement or Applicable Law; or c) any defect in design, workmanship, or materials carried out or employed by any Contractor Party.

**18. NO RECOURSE AGAINST CONSTITUENT MEMBERS OF CCCFA:**

CCCFA is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.). Pursuant to CCCFA's Joint Powers Agreement, CCCFA is a public entity separate from its constituent members. CCCFA shall solely be responsible for all debts, obligations, and liabilities accruing and arising out of this Agreement. No Contractor Party shall have rights and nor shall any Contractor Party make any claims, take any actions, or assert any remedies against any of CCCFA's constituent members in connection with this Agreement.

**19. INVOICES; NOTICES:**

This Agreement shall be managed and administered on CCCFA's behalf by the Treasurer/Controller or their designee. All invoices and notices shall be submitted by email to:

\_\_\_\_\_  
 Email Address:           invoices@CCCFA.org  
 \_\_\_\_\_

Notices shall be given to Contractor at the following address:

Contractor:               David Ruderman,  
 \_\_\_\_\_  
 Address:                   420 Sierra College Drive, Suite 140  
 \_\_\_\_\_  
                                   Grass Valley, CA 95945  
 \_\_\_\_\_  
 Email Address:          DRuderman@chwlaw.us  
 \_\_\_\_\_  
 Telephone No.:         (530) 432-7357  
 \_\_\_\_\_

**20. ENTIRE AGREEMENT; ACKNOWLEDGMENT OF EXHIBITS:**

This Agreement along with the attached Exhibits marked below constitutes the entire Agreement between the Parties. In the event of a conflict between the terms of this Agreement and the terms in any of the following Exhibits, the terms in this Agreement shall govern.

	<input checked="" type="checkbox"/>	<u>Check applicable Exhibits</u>	<u>CONTRACTOR'S INITIALS</u>	<u>CCCFA'S INITIALS</u>
<u>EXHIBIT A.</u>	<input checked="" type="checkbox"/>	Scope of Services	<sup>DS</sup> Mc	<sup>DS</sup> Mc
<u>EXHIBIT B.</u>	<input checked="" type="checkbox"/>	Fees and Payment	<sup>DS</sup> Mc	<sup>DS</sup> Mc
<u>EXHIBIT C.</u>	<input checked="" type="checkbox"/>	Additional Disclosures	<sup>DS</sup> Mc	<sup>DS</sup> Mc

**21. SEVERABILITY:**

Should any provision of this Agreement be held invalid or unenforceable by a court of competent jurisdiction, such invalidity will not invalidate the whole of this Agreement, but rather, the remainder of the Agreement which can be given effect without the invalid provision, will continue in full force and effect and will in no way be impaired or invalidated.

**22. INDEPENDENT CONTRACTOR:**

Contractor is an independent contractor to CCCFA hereunder. Nothing in this Agreement shall establish any relationship of partnership, joint venture, employment or franchise between CCCFA and any Contractor Party. Neither CCCFA nor any Contractor Party will have the power to bind the other or incur obligations on the other's behalf without the other's prior written consent, except as otherwise expressly provided for herein.

**23. TIME:**

Time is of the essence in this Agreement and each and all of its provisions.

**24. THIRD PARTY BENEFICIARIES:**

The Parties agree that there are no third-party beneficiaries to this Agreement either express or implied.

**25. FURTHER ACTIONS:**

The Parties agree to take all such further actions and to execute such additional documents as may be reasonably necessary to effectuate the purposes of this Agreement.

**26. PREPARATION OF AGREEMENT:**

This Agreement was prepared jointly by the Parties, each Party having had access to advice of its own counsel, and not by either Party to the exclusion of the other Party, and this Agreement shall not be construed against either Party as a result of the manner in which this Agreement was prepared, negotiated or executed.

**27. COUNTERPARTS:**

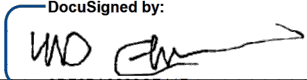
This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be deemed one and the same Agreement.

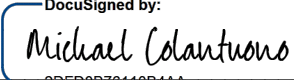
**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first above written.

**APPROVED BY**

**CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY:**

**CONTRACTOR:**

DocuSigned by:  
By:   
9DF6BA3222CE44F...  
Name: Nick Chaset  
Title: CEO  
Date: 1/24/2023

DocuSigned by:  
By:   
2DFD0B70110B4AA...  
Name: Michael Colantuono  
Title: President  
Date: 2/3/2023

**MODIFICATIONS TO STANDARD SHORT FORM**

**Standard Short Form Content Has Been Modified**

List sections affected: 1, 4, 12.6, 15

Approved by CCCFA Counsel:  Date: 1/24/2023  
A671BF56683E42C...



**EXHIBIT A**  
**SCOPE OF SERVICES**

Contractor shall provide the following General Counsel Services under the Agreement as requested and directed by CCCFA's Board of Directors or CCCFA staff, up to the maximum time/fees allowed under this Agreement:

- Contractor shall discharge the duties of the office of General Counsel of the California Community Choice Financing Authority and shall use its best efforts to provide legal services in a competent and professional manner. Contractor shall provide all legal services to the CCCFA of the kind and nature typically provided by an in-house General Counsel's office unless specifically stated otherwise in this Agreement or otherwise directed in writing by CCCFA. Except where conflict of interest rules require otherwise, Contractor shall supervise the activities of all other counsel retained by or for CCCFA and shall review the work of such counsel on behalf of CCCFA.
- These General Counsel Services shall also include:
  - Provide routine legal assistance, advice, and consultation to the Board of Directors and to CCCFA staff relating to general public law issues, potential tort liability and risk management.
  - Prepare and review legal opinions, ordinances, resolutions, agreements, and related documents.
  - Attend all meetings of the Board of Directors. Attend additional such meetings of other Committees and Commissions of CCCFA as may from time to time be requested by CCCFA, not to exceed 2 per month.
  - Monitor pending state and federal legislation and regulations, and new case law, as appropriate.
  - Prepare and / or review correspondence to be sent by CCCFA staff on legal matters such as public records requests, open meeting provisions, ethics questions, conflicts of interest, or state law interpretations.
  - Legal services pertaining to labor, employment and personnel matters.
  - Perform such other or additional general legal services as may be requested by CCCFA, acting by and through the Board of Directors or CCCFA staff.
  - Administer contracts that CCCFA may have with other legal counsel, as directed by CCCFA.
  - Provide general legal advice in the following areas of municipal law:
    - Joint Powers Authorities generally;
    - Joint Powers Authority formation requirements;
    - The Joint Exercise of Powers Act;
    - Brown Act/open meetings law compliance;
    - Employment benefits for public employees;
    - California Public Records Act compliance;
    - Government ethics including the Conflict of Interest Code, the Fair Political Practices Commission, and
    - Government Code section 1090;
    - Public contracting and procurement;
    - Land use planning, zoning, and CEQA;
    - Records retention and destruction; and
    - Public-private partnerships.

Contractor shall provide the following Litigation Legal Services under the Agreement as requested and directed by CCCFA's Board of Directors or CCCFA staff, up to the maximum time/fees allowed under this Agreement.

- Contractor will provide litigation services to CCCFA in any and all matters assigned by CCCFA, except as delegated
- pursuant to Sections 8 and 13 of the Agreement, or as otherwise agreed in writing by Contract and CCCFA. Litigation oversight services such as review of invoices, coordination of activities, communication of Board direction, and similar administrative tasks will be included in General Counsel Legal Services.
- The Litigation Legal Services shall be billed at the regular hourly rates of the attorneys and other professionals providing such services at the time those services are provided to a maximum of \$395 per hour.

Contractor does not provide bond or disclosure counsel services.

**EXHIBIT B**  
**FEES AND PAYMENT SCHEDULE**

For General Counsel Services, as defined in Exhibit A, provided under this Agreement, CCCFA shall pay Contractor the regular hourly rates of the attorneys and other professionals providing such services at the time those services are provided to a maximum of \$345 per hour in accordance with the amount(s) and the payment schedule as specified below:

**Hourly Billing Rates as of January 1, 2023:**

Shareholders and Senior Contract Attorneys	\$345
14 <sup>th</sup> Year and more Senior Associates	\$345
11 <sup>th</sup> –14 <sup>th</sup> Year Associates	\$345
9–10 <sup>th</sup> Year Associates	\$345
8 <sup>th</sup> Year Associates	\$345
7 <sup>th</sup> Year Associates	\$340
6 <sup>th</sup> Year Associates	\$330
5 <sup>th</sup> Year Associates	\$300
4 <sup>th</sup> Year Associates	\$285
3 <sup>rd</sup> Year Associates	\$270
2 <sup>nd</sup> Year Associates	\$260
1 <sup>st</sup> Year Associates	\$250
<b>Law Clerks</b>	\$220
Paralegals	\$195
Legal Assistants	\$150–175

**Additional Costs:**

In-house copies	\$0.20 per page
Outgoing faxes	\$1.00 per page

For Litigation Legal Services, as defined in Exhibit A, CCCFA shall pay Contractor the regular hourly rates of the attorneys and other professionals providing such services at the time those services are provided to a maximum of \$395 per hour.

Contractor will not charge an additional fee for basic computer-assisted research or investigation. In the event a separate fee is charged to Contractor for unusual research, Contractor will pass the fee to CCCFA without mark-up. All other costs incurred by Contractor, including mileage at the IRS rate, will be charged to CCCFA at-cost, without mark-up.

Contractor shall bill monthly in .10-hour increments. Contractor's federal employer identification number is 75-3031545.

In no event shall the total cost to CCCFA for the services provided herein exceed the **maximum sum of \$45,000** for the term of the Agreement.

**EXHIBIT C  
ADDITIONAL DISCLOSURES**

**1. CONFLICTS OF INTEREST.**

A. Contractor maintains a conflict of interest index which lists all Contractor's clients and matters in which Contractor represents them. Contractor will not represent any party with an interest that may be adverse to an indexed person without first determining if a professional conflict of interest would arise. Contractor proposes to index the following with respect to this matter:

Client:

California Community Choice Financing Authority

Client-Affiliated Parties (CCCFA members agencies):

Central Coast Community Energy

East Bay Community Energy

Marin Clean Energy

Silicon Valley Clean Energy

Adverse Parties:

None

CCCFA agrees to inform Contractor if any of these names are incorrect or if there are other parties with an interest in this matter that Contractor should list such as, for example, any additional constituent members of CCCFA. Unless CCCFA informs Contractor to the contrary, Contractor will assume that the above listing is accurate and complete.

2. CCCFA acknowledges that Contractor represents the following client-affiliated party in special counsel matters unrelated to Contractor's representation of CCCFA for the services provided under this Agreement:

Marin Clean Energy

Contractor is not aware of any adversity between CCCFA and these current or former clients of Contractor that would require consent to Contractor's representation of CCCFA under this Agreement. CCCFA agrees to inform Contractor of any such adversity so Contractor may consider the possibility of conflicts of interest.

3. Contractor has informed CCCFA that it provides advisory and litigation services to cities and counties that are members of CCCFA's constituent members. For example, Contractor serves as City Attorney or Town Attorney to the City of Novato, City of Martinez, and Town of Yountville, which are members of Marin Clean Energy. Contractor provides special counsel or litigation services to many other cities and some counties within the service area of CCCFA's members. Contractor is generally in the business of providing general and special counsel services to local governments in Alameda, Contra Costa, Marin, Monterey, Napa, San Benito, San Luis Obispo, Santa Barbara, Santa Clara, Santa Cruz, and Solano counties, as well as elsewhere in California. Provided that Contractor does not provide services to any local government within the service areas of CCCFA's members which create a conflict under the Rules of Professional Conduct or which pertain to an actual or potential project of CCCFA, Contractor may continue its practice of providing legal services to local governments without further consent of CCCFA. Contractor shall not provide services in the service areas of CCCFA's members which create a conflict under the Rules of Professional Conduct or which pertain to an actual or potential CCCFA project without the informed, written consent of CCCFA.

**2. RESOLUTION OF FEE DISPUTES.**

CCCFA is entitled to require that any fee dispute be resolved by binding arbitration in Marin County pursuant to the arbitration rules for legal fee disputes of the County Bar Association.

### **3. FILE MAINTENANCE.**

CCCFA agrees that Contractor may, in Contractor's discretion, maintain all or part of CCCFA's client file in electronic format. Contractor may store part or all of CCCFA's documents using secure cloud storage services. If so, Contractor will apply all reasonable methods to maintain the confidentiality of CCCFA's files, just as it does for CCCFA's non-digital information. CCCFA's data will be password protected and encrypted using currently available technology. Clients requiring information from their files may obtain that information only by written request to Contractor.



# California Community Choice Financing Authority

## Staff Report – Item 4E

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**Item 4E:** Approve First Amendment to MOUs with Founding Members to Update Schedule of Reimbursable Rates and Costs and Authorize the CCCFA Treasurer/Controller to Sign

From: Garth Salisbury, Treasurer/Controller

Date: 2/27/2025

Attachments:

1. First Amendment to Memorandum of Understanding
  - a. MCE – CCCFA
  - b. Ava Community Energy – CCCFA
  - c. SVCE – CCCFA
  - d. 3CE – CCCFA
  - e. CPA – CCCFA
2. Memorandum of Understanding (SVCE – CCCFA) [Example]

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### **RECOMMENDATION**

The Board is being asked to approve an amendment to the Memorandums of Understanding (“MOUs”) with each of CCCFA’s Founding Members to update the reimbursable costs in Exhibit A to the MOUs to \$150 per hour and authorize the CCCFA Treasurer/Controller to sign.

### **BACKGROUND**

As a financial conduit for its members’ prepayment transactions, CCCFA has not maintained full-time staff. Instead, through MOUs with each of the Founding Members, CCCFA has received legal, financial, marketing, and other services and resources from its Founding Members’ staff. The MOUs allows (1) CCCFA to use this staff time, (2) the Founding Members to invoice CCCFA for that time based on rates agreed to by the parties, and (3) CCCFA to remit those costs to the Founding Members.

In the past, CCCFA relied on its Founding Members for nearly all services and the MOU reflected those range of services. MCE, for example, provided CCCFA with General Counsel legal services through its in-house legal staff. The MOUs’ Exhibit A thus provides for the following reimbursable rate and costs:

- 1) Level I: Legal and Senior Professional Services: \$156 per hour plus an annual flat-fee to cover the cost of additional Employed Lawyers' Professional Liability Insurance, as needed
- 2) Level II: Website and Professional Marketing Services: \$113 per hour
- 3) Level III: Administrative Services: \$63 per hour
- 4) Other Services and Resources: Direct pass-through

### **ANALYSIS & DISCUSSION**

CCCFA no longer relies on its members to provide General Counsel services or maintain its website. Instead, the primary costs its Founding Members incur on behalf of CCCFA is the time invested by the Treasurer/Controller Working Group members and the clerk services Ava provides. As a result, CCCFA's most recent budgets have estimated Founding Member costs and fees based on a blended rate of \$150 per hour for all staff time. To effectuate this change, CCCFA needs to amend Exhibit A to the MOUs to change the reimbursement rates. As proposed, this first amendment to the MOU would change Exhibit A to state as follows:

- 1) Blended Fully Loaded Average Cost for all Support Staff: \$150 per hour
- 2) Other Services and Resources: Direct pass-through costs incurred by a Founding Member on behalf of CCCFA (e.g. materials, licenses, domain name for website)

In addition, the first amendment for the MCE MOU would also remove the provisions requiring MCE to provide legal services to CCCFA. Other than this provision for legal services in MCE's MOU, all the MOUs are substantially identical.

The first amendment makes no other changes to the MOUs. A copy of the MOU with SVCE is included as an example of the contents of all MOUs.

### **FISCAL IMPACT**

Approval of the first amendment to the MOUs with the Founding Members is not anticipated to have a financial impact because the blended rate of \$150 per hour in the first amendment has already been budgeted.

### **RECOMMENDED MOTION**

Move to approve the First Amendment to the Memorandum of Understanding between CCCFA and MCE, Ava Community Energy, SVCE, 3CE and CPA, and authorize the Treasurer/Controller to sign.

Attachments:

1. First Amendment to Memorandum of Understanding
  - a. MCE – CCCFA
  - b. Ava Community Energy – CCCFA
  - c. SVCE – CCCFA
  - d. 3CE – CCCFA
  - e. CPA – CCCFA
2. Memorandum of Understanding (SVCE – CCCFA) [Example]

# First Amendment to Memorandum of Understanding

*Between*

***Marin Clean Energy and***

***California Community Choice Financing Authority***

This First Amendment is entered into by and between Marin Clean Energy, a California Joint Powers Authority (hereinafter “MCE”) and California Community Choice Financing Authority, a California Joint Powers Authority (hereinafter “Partner”).

## **RECITALS**

WHEREAS, MCE and Partner entered into a Memorandum of Understanding effective June 25, 2021 for the purpose of MCE providing resources and in-house staff time, including legal services, to support Partner’s operations and invoicing Partner for the same (“MOU”); and

WHEREAS, Exhibit A to the MOU provided the agreed upon rates and costs MCE would charge Partner for support of Partner’s operations; and

WHEREAS, section II.C.2 of the MOU provides that Exhibit A may be revised by mutual written agreement between the parties to reflect current hourly rates and costs of services offered; and

WHEREAS, the parties wish to revise Exhibit A to provide for updated rates and costs and make other related changes to the MOU given that MCE staff no longer provides legal services to Partner.

NOW, THEREFORE, the parties agree to modify Exhibit A to the MOU as set forth below.

## **AGREEMENT**

I. Exhibit A to the MOU is hereby amended to read as follows:

### **Exhibit A: Supporting Staff and Hourly Rates**

- 1) Blended Fully Loaded Average Cost for all Support Staff: \$150 per hour
- 2) Other Services and Resources: Direct pass-through costs incurred by a Founding Member on behalf of CCCFA (e.g. materials, licenses, domain name for website)

II. Section II.B.3, which provided as follows, and Exhibit B are hereby deleted in their entirety from the MOU:

MCE agrees to ... “provide legal services to Partner, including General Counsel and contracting services pursuant to the agreed upon rates listed herein as Exhibit A and subject to the conflicts described in the Conflicts Waiver Letter included as Exhibit B. MCE, by executing this MOU, makes no such certification regarding potential and actual conflicts regarding MCE’s constituent members in connection with this MOU”

III. Except as otherwise provided herein all terms and conditions of the MOU shall remain in full force and effect.

*[Signatures on following page]*

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the MOU on the last day written below.

**Marin Clean Energy**

**California Community Choice Financing Authority**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Garth Salisbury

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

Title: CCCFA Treasurer/Controller

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

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



# First Amendment to Memorandum of Understanding

*Between*

***Ava Community Energy and***

***California Community Choice Financing Authority***

This First Amendment is entered into by and between Ava Community Energy Authority, a California Joint Powers Authority (hereinafter "Ava") and California Community Choice Financing Authority, a California Joint Powers Authority (hereinafter "Partner").

## RECITALS

WHEREAS, East Bay Community Energy ("EBCE") and Partner entered into a Memorandum of Understanding effective June 25, 2021 for the purpose of EBCE providing resources and in-house staff time to support Partner's operations and invoicing Partner for the same ("MOU"); and

WHEREAS, EBCE subsequently changed its name to Ava; and

WHEREAS, Exhibit A to the MOU provided the agreed upon rates and costs Ava would charge Partner for support of Partner's operations; and

WHEREAS, section II.C.2 of the MOU provides that Exhibit A may be revised by mutual written agreement between the parties to reflect current hourly rates and costs of services offered; and

WHEREAS, the parties wish to revise Exhibit A to provide for updated rates and costs.

NOW, THEREFORE, the parties agree to modify Exhibit A to the MOU as set forth below.

## AGREEMENT

I. Exhibit A to the MOU is hereby amended to read as follows:

### Exhibit A: Supporting Staff and Hourly Rates

- 1) Blended Fully Loaded Average Cost for all Support Staff: \$150 per hour
  - 2) Other Services and Resources: Direct pass-through costs incurred by a Founding Member on behalf of CCCFA (e.g. materials, licenses, domain name for website)
- II. Except as otherwise provided herein all terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the MOU on the last day written below.

**Ava Community Energy Authority**

**California Community Choice Financing Authority**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Garth Salisbury

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

Title: CCCFA Treasurer/Controller

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

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

# First Amendment to Memorandum of Understanding

*Between*

## ***Silicon Valley Clean Energy Authority and California Community Choice Financing Authority***

This First Amendment is entered into by and between Silicon Valley Clean Energy Authority, a California Joint Powers Authority (hereinafter "SVCE") and California Community Choice Financing Authority, a California Joint Powers Authority (hereinafter "Partner").

### **RECITALS**

WHEREAS, SVCE and Partner entered into a Memorandum of Understanding effective June 25, 2021 for the purpose of SVCE providing resources and in-house staff time to support Partner's operations and invoicing Partner for the same ("MOU"); and

WHEREAS, Exhibit A to the MOU provided the agreed upon rates and costs SVCE would charge Partner for support of Partner's operations; and

WHEREAS, section II.C.2 of the MOU provides that Exhibit A may be revised by mutual written agreement between the parties to reflect current hourly rates and costs of services offered; and

WHEREAS, the parties wish to revise Exhibit A to provide for updated rates and costs.

NOW, THEREFORE, the parties agree to modify Exhibit A to the MOU as set forth below.

### **AGREEMENT**

I. Exhibit A to the MOU is hereby amended to read as follows:

#### **Exhibit A: Supporting Staff and Hourly Rates**

- 1) Blended Fully Loaded Average Cost for all Support Staff: \$150 per hour
- 2) Other Services and Resources: Direct pass-through costs incurred by a Founding Member on behalf of CCCFA (e.g. materials, licenses, domain name for website)

II. Except as otherwise provided herein all terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the MOU on the last day written below.

**Silicon Valley Clean Energy Authority**

**California Community Choice Financing Authority**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Garth Salisbury

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

Title: CCCFA Treasurer/Controller

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

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

# First Amendment to Memorandum of Understanding

*Between*

***Central Coast Community Energy and  
California Community Choice Financing Authority***

This First Amendment is entered into by and between Central Coast Community Energy, a California Joint Powers Authority (hereinafter "3CE") and California Community Choice Financing Authority, a California Joint Powers Authority (hereinafter "Partner").

## RECITALS

WHEREAS, 3CE and Partner entered into a Memorandum of Understanding effective June 25, 2021 for the purpose of 3CE providing resources and in-house staff time to support Partner's operations and invoicing Partner for the same ("MOU"); and

WHEREAS, Exhibit A to the MOU provided the agreed upon rates and costs 3CE would charge Partner for support of Partner's operations; and

WHEREAS, section II.C.2 of the MOU provides that Exhibit A may be revised by mutual written agreement between the parties to reflect current hourly rates and costs of services offered; and

WHEREAS, the parties wish to revise Exhibit A to provide for updated rates and costs.

NOW, THEREFORE, the parties agree to modify Exhibit A to the MOU as set forth below.

## AGREEMENT

I. Exhibit A to the MOU is hereby amended to read as follows:

### **Exhibit A: Supporting Staff and Hourly Rates**

- 1) Blended Fully Loaded Average Cost for all Support Staff: \$150 per hour
- 2) Other Services and Resources: Direct pass-through costs incurred by a Founding Member on behalf of CCCFA (e.g. materials, licenses, domain name for website)

II. Except as otherwise provided herein all terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the MOU on the last day written below.

**Central Coast Community Energy**

**California Community Choice Financing Authority**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Garth Salisbury

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

Title: CCCFA Treasurer/Controller

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

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

# First Amendment to Memorandum of Understanding

*Between*

***Clean Power Alliance of Southern California and  
California Community Choice Financing Authority***

This First Amendment is entered into by and between Clean Power Alliance of Southern California, a California Joint Powers Authority (hereinafter "CPA") and California Community Choice Financing Authority, a California Joint Powers Authority (hereinafter "Partner").

## RECITALS

WHEREAS, CPA and Partner entered into a Memorandum of Understanding effective June 25, 2021 for the purpose of CPA providing resources and in-house staff time to support Partner's operations and invoicing Partner for the same ("MOU"); and

WHEREAS, Exhibit A to the MOU provided the agreed upon rates and costs CPA would charge Partner for support of Partner's operations; and

WHEREAS, section II.C.2 of the MOU provides that Exhibit A may be revised by mutual written agreement between the parties to reflect current hourly rates and costs of services offered; and

WHEREAS, the parties wish to revise Exhibit A to provide for updated rates and costs.

NOW, THEREFORE, the parties agree to modify Exhibit A to the MOU as set forth below.

## AGREEMENT

I. Exhibit A to the MOU is hereby amended to read as follows:

### Exhibit A: Supporting Staff and Hourly Rates

- 1) Blended Fully Loaded Average Cost for all Support Staff: \$150 per hour
- 2) Other Services and Resources: Direct pass-through costs incurred by a Founding Member on behalf of CCCFA (e.g. materials, licenses, domain name for website)

II. Except as otherwise provided herein all terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the MOU on the last day written below.

**Clean Power Alliance of Southern California**

**California Community Choice Financing Authority**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Garth Salisbury

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

Title: CCCFA Treasurer/Controller

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

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

## **Memorandum of Understanding**

Between

### ***Silicon Valley Clean Energy Authority and California Community Choice Financing Authority.***

**This Memorandum of Understanding (“MOU”)** is entered into by and between Silicon Valley Clean Energy Authority (hereinafter “SVCE”), a California Joint Powers Authority, and California Community Choice Financing Authority (hereinafter “Partner”), a Joint Powers Authority (collectively “the Parties”) for the purpose of SVCE providing resources and in-house staff time to support Partner’s operations and invoicing Partner for the same. This MOU has been created to clearly define roles and expectations for the Parties (Silicon Valley Clean Energy Authority and Partner).

#### **I. Background**

Partner is a bond issuer for its members’ prepayment transactions and is not intended, at this time, to have full-time staff. However, Partner requires legal, financial, marketing, and other services and resources to successfully operate. SVCE is a member of Partner and has a designated member on Partner’s Board. This MOU is intended to allow SVCE to provide financial, marketing, and other services and resources to Partner and to invoice for the same.

#### **II. Partner Roles and Responsibilities**

The expectations of each Party with regard to providing services and resources are specified below:

##### **A. Partner agrees to:**

1. provide direction to SVCE about the services and resources to provide to Partner;
2. reimburse SVCE for in-house staff time at the agreed upon rates listed herein as Exhibit A to support Partner’s operations; and
3. reimburse SVCE for other services and resources at the agreed upon rates and costs listed herein as Exhibit A to support Partner’s operations.

##### **B. SVCE agrees to:**

1. only provide services or resources at the direction of Partner’s Board of Directors (collectively), individual Board members, or the General Counsel;
2. invoice Partner at the end of each month for any services or resources provided;
3. provide financial services including invoice issuance and payments, accounting and reconciliation,
4. provide professional consulting services with respect to financial matters and prepayment transactions; and
5. provide other services as directed.

##### **C. The Parties mutually agree:**

1. to be direct and proactive with each other in raising any concerns related to this MOU.
2. Exhibit A may be revised by mutual written agreement between the parties to reflect current hourly rates and costs of services offered. These costs may include incremental insurance and other expenses associated with providing services to Partner.
3. SVCE will provide a good faith estimate of costs in the applicable invoice to the extent costs are bundled with unrelated services or resources, or any other circumstance preventing the isolation of costs for services and resources provided to Partner. Partner may dispute the invoiced amount and Parties will work in good faith to establish a mutually agreed-upon cost estimate over the next 30 days following notice of the disputed amount. In the absence of a mutually agreed-upon cost estimate, SVCE will retain the right to invoice based on its own estimate of costs.

**III. Term of Agreement**

This MOU will be considered effective June 25, 2021 until terminated by either party, unless otherwise agreed upon by the Parties. Either Party may terminate the MOU without cause by providing thirty (30) days' advance written notice to the other Party at the location listed in Section V (C).

**IV. Payment**

Payment will be made by either: (1) direct payments via automated clearinghouse transfers to SVCE to an account designated on the SVCE-provided invoice; or (2) offsets to SVCE's share of financial contributions to Partner to cover Partner's general and administrative costs. Partner shall process all undisputed invoiced amounts within 30 days of receipt of invoice. In the event of termination, Partner is responsible for all unpaid amounts invoiced up to the date of termination.

**V. Miscellaneous Terms and Conditions**

**A. Jurisdiction and Venue**

This MOU shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Marin County, California.

**B. No Recourse Against Constituent Members of SVCE or Partner**

Both SVCE and Partner are organized as a Joint Powers Authorities in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to the Joint Powers Agreement and are public entities separate from their constituent members. Both SVCE and Partner shall solely be responsible for their respective debts, obligations and liabilities accruing and arising out of this MOU. Both SVCE and Partner shall have no rights and shall not make any claims, take any actions or assert any remedies against any of SVCE's or Partner's constituent members in connection with this MOU.

**C. Notice**

All notices shall be given to SVCE at the following location:

Contract Manager:	Kevin Armstrong
<hr/>	
SVCE Address:	333 W El Camino Real Ste 330
<hr/>	
	Sunnyvale, CA 94087
<hr/>	
Email Address:	info@svcleanenergy.org
<hr/>	
Telephone No.:	(408) 721-5301
<hr/>	

Notices and invoices shall be given to Partner at the following address:

Partner:	California Community Choice Financing Authority
<hr/>	
Address:	1125 Tamalpais Avenue
<hr/>	
	San Rafael, CA 94901
<hr/>	
Email Address:	Invoices@cccfa.org
<hr/>	
Telephone No.:	
<hr/>	

The Parties to this MOU hereby acknowledge and agree, by executing this document, that the provisions herein shall constitute legally binding and enforceable obligations in accordance with applicable laws.

DocuSigned by:  
*Girish Balachandran*  
5CA64B9AC4C24C3...

Girish Balachandran, SVCE CEO

11/1/2021

DATE

DocuSigned by:  
*Garth Salisbury*  
556A6B0FC87747E...

Garth Salisbury, CCCFA Treasurer/Controller

11/1/2021

DATE

### **Exhibit A: Supporting Staff and Hourly Rates**

- 1) **Level I: Legal and Senior Professional Services: \$156 per hour** plus an **annual flat-fee** to cover the cost of additional Employed Lawyers' Professional Liability Insurance, as needed
- 2) **Level II: Website and Professional Marketing Services: \$113 per hour**
- 3) **Level III: Administrative Services: \$63 per hour**
- 4) **Other Services and Resources: Direct pass-through** costs incurred by SVCE on behalf of CCCFA (e.g. materials, licenses, domain name for website)





# California Community Choice Financing Authority

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## Staff Report – Item 5

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**Item 5:** Board of Directors

**From:** Garth Salisbury, Treasurer/Controller

**Date:** 02/27/2025

**Attachments:** Board Resolution No. 2025-1 authorizing the issuance of Clean Energy Project Revenue Bonds to finance the acquisition of a long-term supply of electricity for Valley Clean Energy Alliance.

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### **RECOMMENDATION**

By motion, adopt Resolution No. 2025-1 authorizing the issuance of one or more series of Clean Energy Project Revenue Bonds (the “Bonds”) and approving parameters under which an energy prepayment transaction can be completed on behalf of Valley Clean Energy Alliance (“VCE”) with Goldman Sachs & Co. LLC as underwriter (the “Underwriter”) and Aron Energy Prepay 44 LLC as the energy supplier (the “Energy Supplier”); authorizing and/or approving documents or “form of” documents supporting the prepay transaction; and approving payments by CCCFA to service providers for issuance costs from prepay bond proceeds.

### **BACKGROUND**

VCE has retained PFM Financial Advisors LLC (“PFM”) as Municipal Financial Advisor and Orrick, Herrington & Sutcliffe (“Orrick”) as Bond Counsel and Energy Counsel to support VCE’s continued evaluation and preparation of a prepay transaction.

In September 2024, the VCE Board of Directors approved joining CCCFA as an Associate Member. In October 2024, the CCCFA Board of Directors approved VCE's Associate Membership. In February 2025, the VCE Board of Directors adopted a Resolution authorizing the completion of an energy prepay transaction with the Underwriter and the Energy Supplier, provided that the principal amount of the bonds issued to finance such prepay shall not exceed \$600 million.

In the current plan of finance, VCE plans to prepay energy purchased under four solar PPAs, three of which include a storage component.

### **REQUESTED ACTION**

The proposed Board Resolution encompasses the following approvals or authorizations relating to the execution of the prepay transaction:

- Authorizes the issuance of the Bonds by CCCFA for the purpose of financing the purchase of certain quantities of electricity from the Energy Supplier and selling such quantities of electricity to VCE;
- Authorizes CCCFA Officers to execute, or approve for distribution of, documents and "form of" documents supporting the prepay transaction; and
- Confirms receipt by CCCFA of certain representations and good faith estimates from PFM regarding the Bonds;

The proposed Board Resolution is substantially similar to the Resolutions approved by the Board to support previous prepay transactions by other CCAs.

### **Good Faith Estimates for Prepay Transactions**

Pursuant to Government Code Section 5852.1, PFM has provided CCCFA with the following required good faith estimates for the prepay transaction contemplated herein:

- An aggregate principal amount of \$497,245,000 for the Bonds estimated to be sold;
- A True Interest Cost of 4.47%;

- A sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,384,434 plus estimated underwriters' compensation of \$2,797,397) totaling \$4,181,831;
- Proceeds to be received by CCCFA for the sale of the Bonds, less the finance charge for the Bonds and any reserves or capitalized interest paid or funded with proceeds of the Bonds, of \$484,315,383; and
- A total payment amount, being the sum of all payments the borrower will make to pay debt service on the Bonds to final maturity, plus the finance charge for the Bonds described above not paid from proceeds of the Bonds, of \$749,182,467 to the Mandatory Purchase Date.

### **Prepay Documents**

The proposed Board Resolution authorizes Authorized Officers of CCCFA to execute and deliver the following documents and document forms supporting the prepay transaction:

- A proposed form of Trust Indenture, between CCCFA and U.S. Bank Trust Company, National Association ("U.S. Bank"), as trustee, or other trustee named therein;
- A proposed form of Master Power Supply Agreement, between CCCFA and J. Aron & Company LLC ("J. Aron");
- A proposed form of Clean Energy Purchase Contract, between CCCFA and VCE;
- A proposed form of Limited Assignment Agreement, among VCE, J. Aron, and certain sellers of electricity (collectively, the "PPA Sellers") under one or more power purchase and sale agreement between VCE and the respective PPA Sellers (collectively, the "Assigned PPAs");
- A proposed form of PPA Custodial Agreement, among CCCFA, VCE, J. Aron, and U.S. Bank, as custodian, or other custodian named therein, relating to payments to be made with respect to the Assigned PPAs;
- A proposed form of Re-Pricing Agreement between the Energy Supplier and CCCFA;

- Proposed forms of ISDA Master Agreement, Schedule thereto and related Confirmation between CCCFA and BP Energy Company (the “Commodity Swap Counterparty”) relating to a commodity swap (the “Commodity Swap Agreement”);
- A proposed form of Custodial Agreement, among CCCFA, US Bank, as trustee and custodian, and the Commodity Swap Counterparty;
- Proposed forms of ISDA Master Agreement, Schedule thereto and related Confirmations between CCCFA and J. Aron (including a guarantee from The Goldman Sachs Group, Inc.), relating to one or more interest rate swaps (the “Interest Rate Swap Agreements”);
- A proposed form of a Clean Energy Project Operational Services Agreement between CCCFA and VCE;
- A proposed form of official statement (the “Official Statement”) to be used by the Underwriter in connection with the offering and sale of the Bonds; and
- A proposed form of Bond Purchase Contract, between the Underwriter and CCCFA.

### **FISCAL IMPACT**

Upon the successful closing of the prepay bond transaction, the total costs of issuance will be paid by CCCFA out of Bond proceeds. In the event a prepay bond transaction is not successfully completed, VCE will make payments to Moody’s and the Second Party Opinion provider as described in the Ratings Fee Memoranda of Understanding between CCCFA and VCE.

## RESOLUTION NO. 2025-1

### **RESOLUTION OF THE CALIFORNIA COMMUNITY CHOICE FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF CLEAN ENERGY PROJECT REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$600,000,000 TO FINANCE THE ACQUISITION OF A LONG-TERM SUPPLY OF ELECTRICITY FOR VALLEY CLEAN ENERGY ALLIANCE AND OTHER MATTERS RELATING THERETO**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, as amended and supplemented (the “Act”), a number of California public agencies (as defined in the Act) that are community choice aggregators that have implemented CCA programs (as such terms are defined in the California Public Utilities Code) have entered into a joint powers agreement (as amended, the “Agreement”) pursuant to which the California Community Choice Financing Authority (the “Issuer”) has been organized for the purpose, among other things, of entering into contracts and issuing bonds to assist its members in financing or refinancing energy prepayments;

WHEREAS, Valley Clean Energy Alliance (“VCE”) is an Associate Member (as such term is defined in the Agreement) of the Issuer;

WHEREAS, the Issuer is authorized by its Agreement to purchase and sell electric energy and associated capacity and environmental attributes and to issue revenue bonds to finance or refinance the cost of such transactions, and is vested with all powers necessary to accomplish the purposes for which it was created;

WHEREAS, the Issuer has determined to purchase certain quantities of electricity from Aron Energy Prepay 44 LLC (the “Energy Supplier”) on a prepaid basis (the “Project”) and to sell such electricity to VCE, as contemplated herein;

WHEREAS, the Issuer has determined to finance the costs of the Project with the proceeds of its Clean Energy Project Revenue Bonds, to be issued in one or more series or subseries (collectively, the “Bonds”);

WHEREAS, the Issuer has determined to authorize the officers of the Issuer to take all necessary action to accomplish the purchase of the Project on a prepaid basis, the sale of electricity to VCE and the issuance, sale and delivery of the Bonds;

WHEREAS, pursuant to a Trust Indenture (the “Indenture”), between the Issuer and U.S. Bank Trust Company, National Association, as trustee, or other trustee named therein (the “Trustee”), the Issuer will issue the Bonds for the purpose, among others, of financing the Project;

WHEREAS, pursuant to a Bond Purchase Contract, to be dated the date of sale of the Bonds (the “Bond Purchase Contract”), between Goldman Sachs & Co. LLC, as the sole underwriter or as representative of the underwriters (collectively, the

“Underwriters”), and the Issuer, the Bonds will be sold to the Underwriters, and the proceeds of such sale will be used as set forth in the Indenture and the Bond Purchase Contract to finance the Project and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, pursuant to a Master Power Supply Agreement (the “Master Power Supply Agreement”) between the Issuer and the Energy Supplier, the Issuer will acquire a supply of electricity from the Energy Supplier;

WHEREAS, pursuant to a Clean Energy Purchase Contract (the “Clean Energy Purchase Contract”) between the Issuer and VCE, the Issuer will sell such supply of electricity to VCE over a period of years; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Issuer has received certain representations and good faith estimates from PFM Financial Advisors LLC, which good faith estimates are attached hereto as Exhibit A;

WHEREAS, there have been made available to the Board of Directors of the Issuer (the “Board of Directors”) the following documents and agreements:

1. A proposed form of the Indenture;
2. A proposed form of the Master Power Supply Agreement;
3. A proposed form of the Clean Energy Purchase Contract;
4. A proposed form of Limited Assignment Agreement, among VCE, J. Aron & Company LLC, a New York limited liability company (“J. Aron”), and certain sellers of electricity (collectively, the “PPA Sellers”) under one or more power purchase and sale agreements between VCE and the respective PPA Sellers (collectively, the “Assigned PPAs”);
5. A proposed form of PPA Custodial Agreement (the “PPA Custodial Agreement”) among the Issuer, VCE, J. Aron, and U.S. Bank Trust Company, National Association, as custodian, or other custodian named therein, relating to payments to be made with respect to the Assigned PPAs;
6. A proposed form of Re-Pricing Agreement (the “Re-Pricing Agreement”), between the Energy Supplier and the Issuer;
7. Proposed forms of ISDA Master Agreement, the Schedule thereto and related Confirmation between the Issuer and BP Energy Company (the “Commodity Swap Counterparty”) relating to a commodity swap (the “Commodity Swap Agreement”);
8. A proposed form of Custodial Agreement (the “Front-End Custodial Agreement”), among the Issuer, the Trustee, as trustee and custodian, and the Commodity Swap Counterparty;

9. Proposed forms of one or more ISDA Master Agreements, Schedules thereto and related Confirmations between the Issuer and J. Aron, relating to one or more interest rate swaps (the “Interest Rate Swap Agreements”);

10. A proposed form of Clean Energy Project Operational Services Agreement (the “Operational Services Agreement”) between the Issuer and VCE;

11. A proposed form of official statement (the “Official Statement”) to be used by the Underwriters in connection with the offering and sale of the Bonds; and

12. A proposed form of Bond Purchase Contract.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Community Choice Financing Authority, as follows:

Section 1. Pursuant to the Act and the Indenture, the Issuer is hereby authorized to issue its revenue bonds designated as the “California Community Choice Financing Authority Clean Energy Project Revenue Bonds” in an aggregate principal amount not to exceed six hundred million dollars (\$600,000,000), in one or more series or subseries, with such other name or names of the Bonds or series or subseries thereof as designated in the Indenture pursuant to which the Bonds are issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the form of the Indenture made available to the Board of Directors for this meeting. The Bonds shall be executed by the manual or facsimile signature of the Chair of the Issuer, the Vice Chair of the Issuer, the Treasurer/Controller of the Issuer, the Secretary of the Issuer or any other person or persons designated by the Board of Directors by resolution to act on behalf of the Issuer (each, including the designees thereof, an “Authorized Officer”), and attested by the manual or facsimile signature of the Secretary of the Issuer or any other Authorized Officer.

Section 2. The proposed form of the Indenture, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The designation of the trustee, dated date, maturity date or dates, methods of determining interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, tender provisions, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 3. The proposed forms of the Master Power Supply Agreement, the Clean Energy Purchase Contract, the Limited Assignment Agreement, the PPA Custodial Agreement, the Re-Pricing Agreement, the Front-End Custodial Agreement, and the Operational Services Agreement, each as made available to the Board of Directors for this meeting, are hereby approved. Any Authorized Officer is hereby

authorized and directed, for and on behalf of the Issuer, to execute and deliver such agreements in substantially said forms, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed preliminary form of the Official Statement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver a certificate deeming the preliminary form of the Official Statement final for purposes of Securities and Exchange Commission Rule 15c2-12 and to execute and deliver the Official Statement in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriters are hereby authorized to distribute the Official Statement in preliminary form to persons who may be interested in the purchase of the Bonds, and to deliver the Official Statement in final form to the purchasers of the Bonds, in each case with such changes as may be approved as aforesaid.

Section 5. The proposed form of the Bond Purchase Contract, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver the Bond Purchase Contract in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the Underwriters' discount or compensation pursuant to such Bond Purchase Contract shall not exceed 0.6% of the principal amount of the Bonds and total costs of issuance for the Bonds, including all underwriting, legal and consultant fees will not exceed 1.0% of the proceeds of the Bonds. For the purpose of the limitations contained in this Section, costs of issuance do not include any structuring charge payable by the Energy Supplier to J. Aron or any costs ultimately paid with additional proceeds or rounding amounts (howsoever such proceeds or amounts are designated in any pricing schedules relating to the Bonds).

Section 6. The proposed form of the Commodity Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver the Commodity Swap Agreement in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of the Commodity Swap Counterparty, and that the Commodity Swap Agreement is designed to reduce the amount or duration of rate, spread or similar risk and result in a lower cost of borrowing when used in combination with the issuance of the Bonds, including entering into the Master Power Supply Agreement and the Clean Energy Purchase Contract, and, in particular, to reduce the rate, spread or similar risk between the variable payments to be made by VCE under the Clean Energy Purchase



Contract and the fixed payments to be made on the Bonds and under the Interest Rate Swap Agreements.

Section 7. The proposed form of Interest Rate Swap Agreement, as made available to the Board of Directors for this meeting, is hereby approved. Any Authorized Officer is hereby authorized and directed, for and on behalf of the Issuer, to execute and deliver one or more Interest Rate Swap Agreements in substantially said form, with such changes and insertions therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board of Directors hereby finds and determines, pursuant to Section 5922 of the California Government Code, that due consideration has been given for the creditworthiness of J. Aron, including the guarantee of the obligations of J. Aron under the Interest Rate Swap Agreements by The Goldman Sachs Group, Inc., and that the Interest Rate Swap Agreements are designed to reduce the amount or duration of rate, spread or similar risk when used in combination with the issuance of the Bonds and to enhance the relationship between risk and return with respect to the electricity purchase program financed or refinanced with the proceeds of the Bonds, and, in particular, to reduce the rate, spread or similar risk between the fixed payments received under the Commodity Swap Agreement and the variable interest rate payments on one or more series of the Bonds.

Section 8. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Issuer by an Authorized Officer, which any Authorized Officer, acting alone, is authorized and directed, for and on behalf of the Issuer, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 9. The Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute and deliver any and all documents, including, without limitation, any tax certificates or agreements relating to the Bonds, any continuing disclosure certificates or agreements relating to the Bonds, any calculation agent agreements relating to the Bonds, any investment agreements relating to the Bonds or the investment of moneys in the funds and accounts under the Indenture, any letter agreement with J. Aron relating to the Limited Assignment Agreements, any rating agency fee memoranda of understanding, and any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, or investing proceeds of the Bonds or other moneys held under the Indenture, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Issuer has approved in this Resolution and to consummate by the Issuer the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given under or in accordance with such documents,

the retaining of financial, legal or other consultants, as needed, the costs for which may be payable from proceeds of the Bonds as provided in Section 5 of this Resolution, the appointment of a director to the board of directors of the Energy Supplier, and the collection and spending of any administrative fees funded with proceeds of the Bonds and on an annual and ongoing basis as needed.

Section 10. All actions heretofore taken by the Authorized Officers with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 11. The Board of Directors hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 12. This Resolution shall take effect immediately.

**PASSED AND ADOPTED** at a regular meeting of the CCCFA Board of Directors on this 27th day of February, 2025, by the following vote:

	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Ted Bardacke				
Robert Shaw				
Vicken Kasarjian				
Monica Padilla				
Howard Chang				

\_\_\_\_\_  
CHAIR, CCCFA

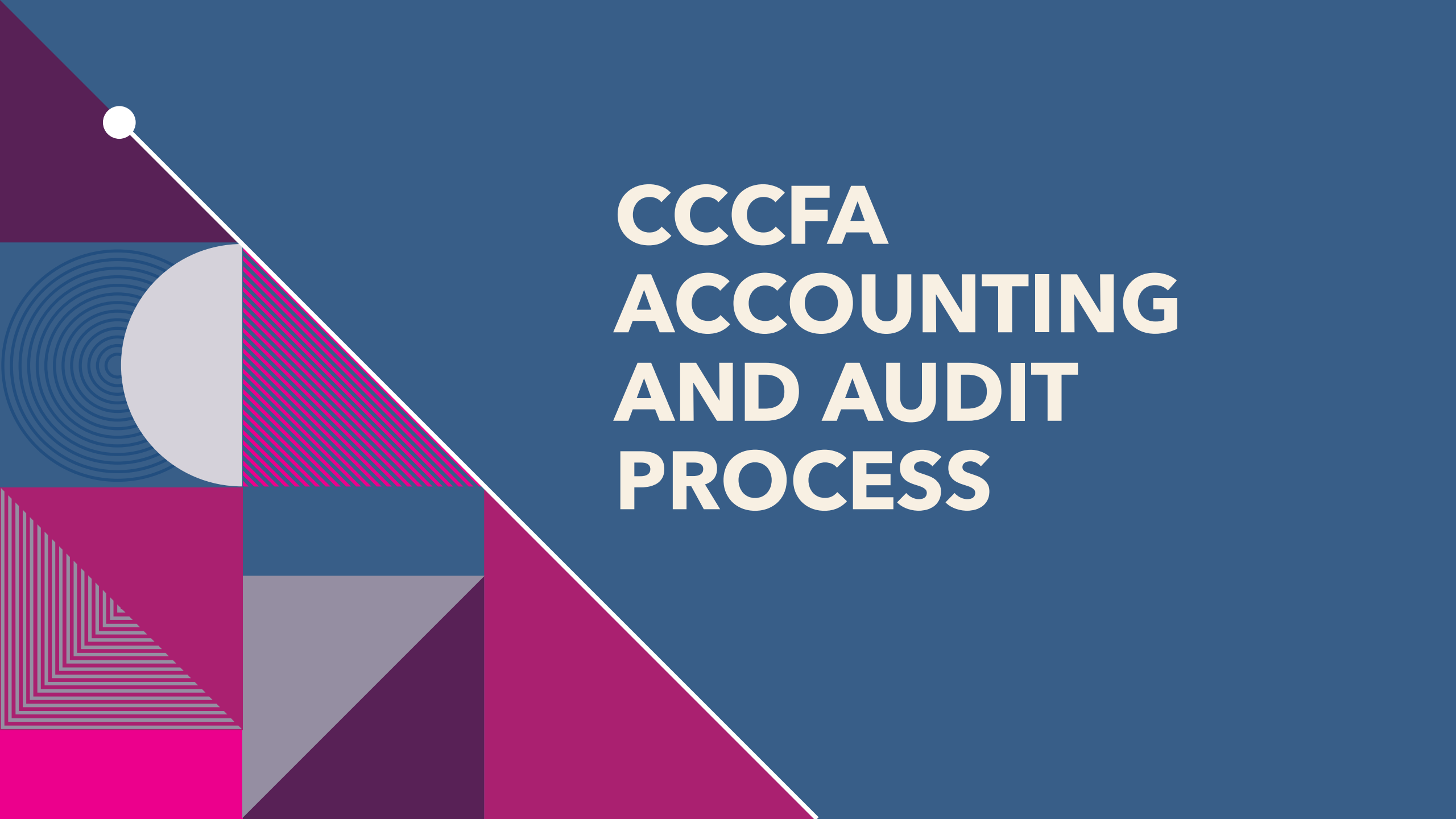
**Attest:**

\_\_\_\_\_  
SECRETARY, CCCFA

## EXHIBIT A

### REQUIRED GOOD FAITH ESTIMATES PURSUANT TO GOVERNMENT CODE SECTION 5852.1

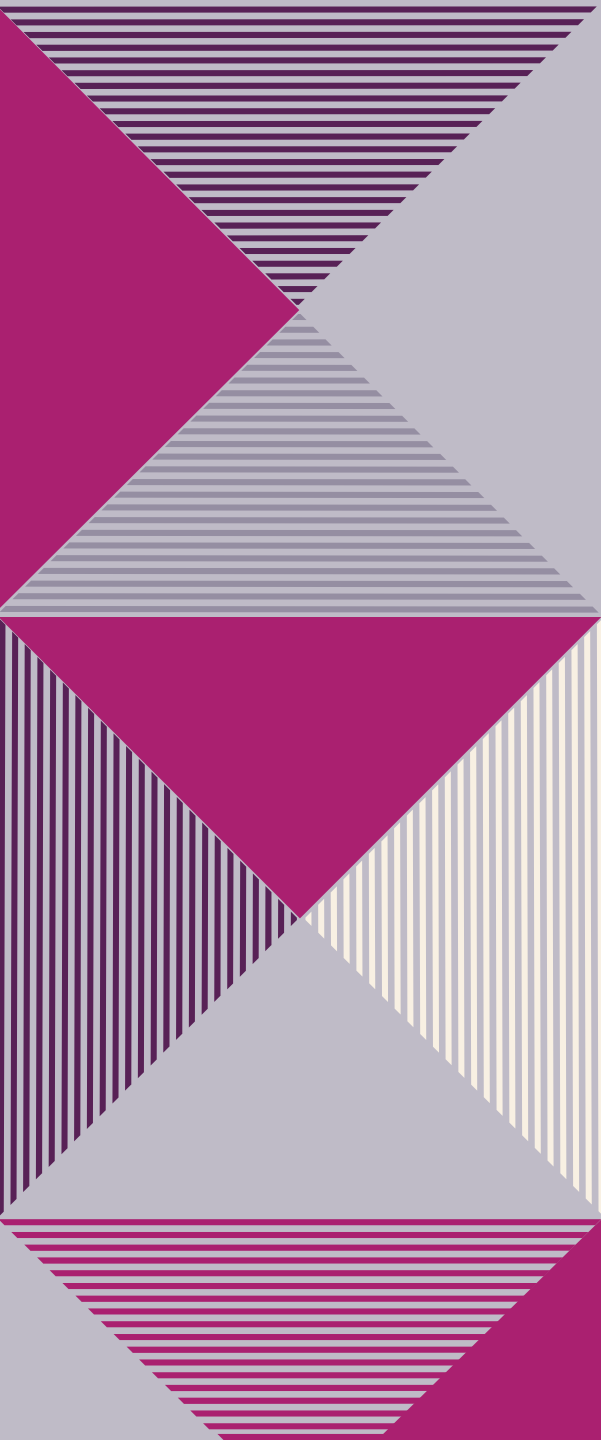
1. **Estimated Principal Amount.** The aggregate principal amount of Bonds estimated to be sold: \$497,245,000.
2. **True Interest Cost.** As defined in Section 5852.1(a)(1)(A) of the Government Code: 4.47%.
3. **Finance Charge.** As defined in Section 5852.1(a)(1)(B) of the Government Code, the sum of all fees and charges paid to third parties (being costs of issuance of approximately \$1,384,434 plus estimated underwriters' compensation of \$2,797,397): \$4,181,831.
4. **Amount of Proceeds to be Received.** As described in Section 5852.1(a)(1)(C) of the Government Code, the proceeds to be received by the Issuer for sale of the Bonds, less the finance charge for the Bonds described in (3) above and any reserves or capitalized interest paid or funded with proceeds of the Bonds: \$484,315,383.
5. **Total Payment Amount.** As defined in Section 5852.1(a)(1)(D) of the Government Code, the total payment amount, being the sum of (a) all payments the borrower will make to pay debt service on the Bonds to final maturity, plus (b) the finance charge for the Bonds described in (3) above not paid from proceeds of the Bonds: \$749,182,467 to the Mandatory Purchase Date.

The background features a complex geometric design. On the left, there are several overlapping shapes: a dark purple triangle at the top left, a blue square with a white circle and concentric lines, a pink square with a white circle and concentric lines, and a dark purple triangle at the bottom left. A diagonal line runs from the top left towards the bottom right, separating the purple and pink areas. The text is positioned on the right side of the image, set against a solid blue background.

# CCCFA ACCOUNTING AND AUDIT PROCESS

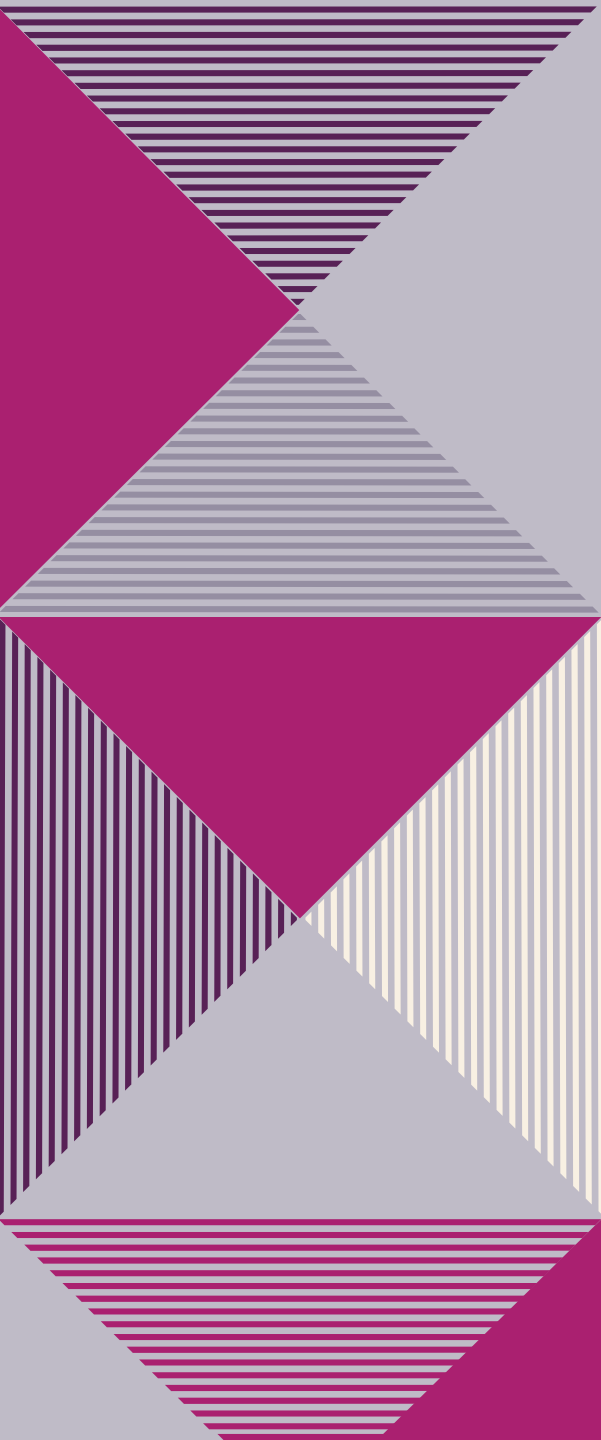
# CCCFA FISCAL YEAR: JANUARY 1- DECEMBER 31

- CCCFA is required to undergo annual financial statement audits from an independent outside auditor.
- CCCFA's current auditor is Baker Tilly US LLC:
  - Baker Tilly is a firm specializing in government and municipal clients and has experience with conduits.
  - CCCFA just executed an engagement letter to have Baker Tilly complete the CCCFA financial audit for fiscal years 2024, 2025 and 2026.



# ACCOUNTING AND FINANCIAL AUDIT STEPS AND TIMELINE

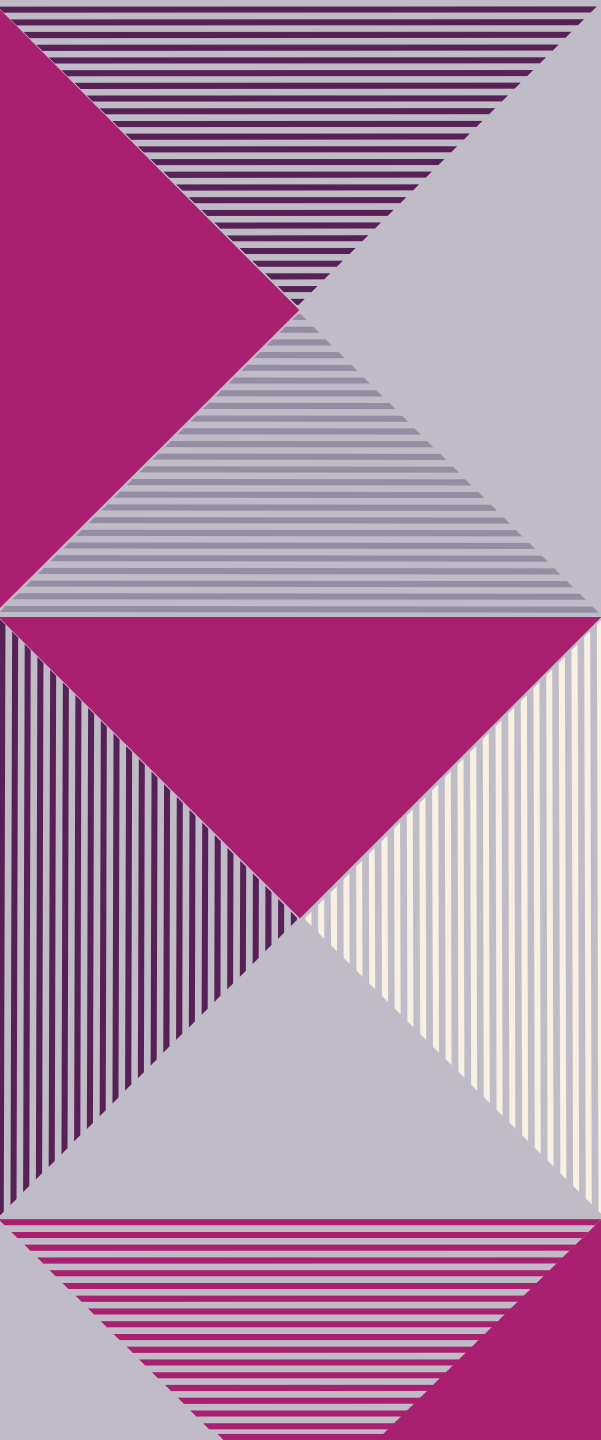
- Prior to calendar year end, the Auditor, CCCFA and Maher Accounting (CCCFA's outside accountant) coordinate the schedule for audit fieldwork and various due dates.
- Throughout the year, Maher Accounting has been periodically accessing and inputting the details of each new transaction through deal documents and access to the Trustee accounts in each Indenture (ongoing).



# ACCOUNTING AND FINANCIAL AUDIT STEPS AND TIMELINE (CONT')

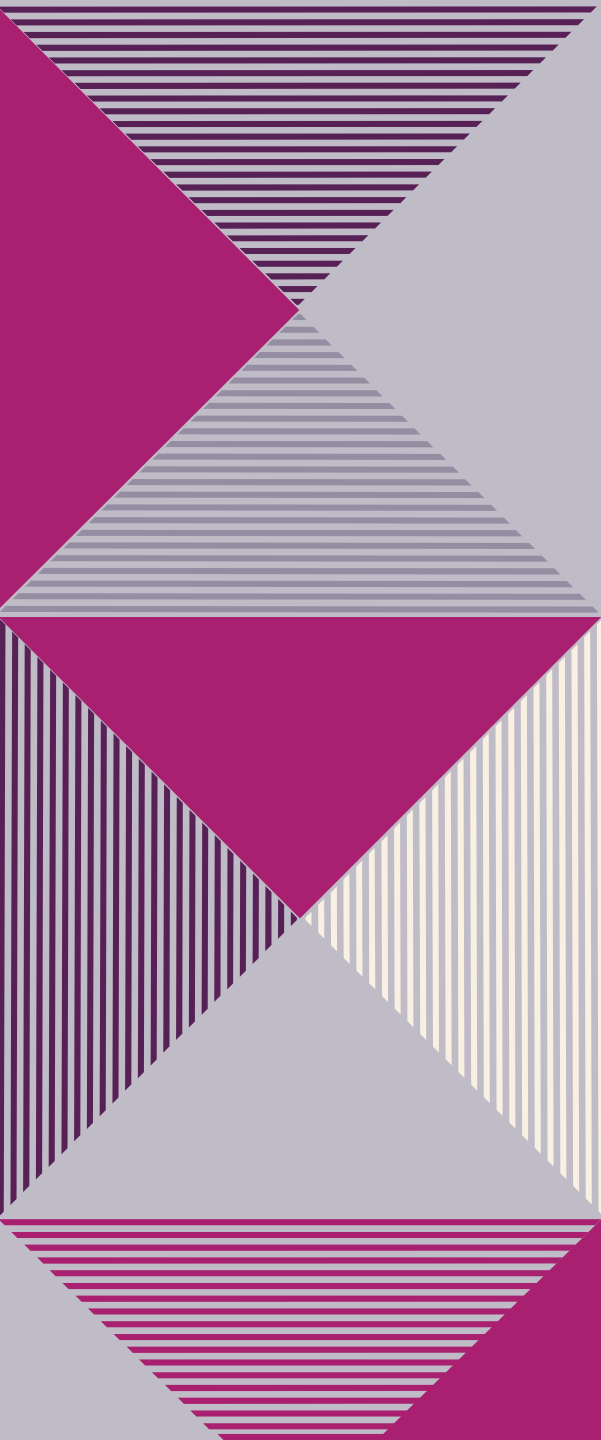
- Maher Accountancy will work with Baker Tilly to grant access to the Trustee accounts for each transaction.
- Early audit testing includes communicating with outside parties to confirm bank balances, outstanding debt balances and purchase and sale activity. (April-June)





# ACCOUNTING AND FINANCIAL AUDIT STEPS AND TIMELINE (CON'T)

- Maher Accountancy will produce unaudited financials by June 30<sup>th</sup> of the following year as per the Continuing Disclosure requirements.
- The auditors will perform test on the various samples of financial transactions, including tracing source documents and eventual cash flows (ongoing).
- Bond issuances that occurred in the year under audit will be closely analyzed to ensure the proper accounting treatment of the various elements, including debt, prepayment, amortization, swap activity, and cash flows




# ACCOUNTING AND FINANCIAL AUDIT STEPS AND TIMELINE (CON'T)

- The auditors will review the draft financial statements for completeness and accuracy.
- CCCFA's financial statements include numerous note disclosures and are complex due to the nature of the organization and volume of bond issuances.



# AUDIT PROCESS AND DRAFT FINANCIAL AUDIT WITH NOTES

- Completed Financial Audit is due within 270 days of the end of the fiscal year (December 31).
- Baker Tilly will make available a draft audit document sometime late in August or early September.
- Treasurer/Controller, Maher Accountancy and working group members will review draft audit and provide comments on the content and notes.



# AUDIT PROCESS AND FINAL FINANCIAL AUDIT WITH NOTES

- Treasurer/Controller and Working Group members will sign-off on the Audit. (Late August or September)
- JPA/Bylaws require that the Financial Audit be “provided to the Board of Directors” once complete.
- Final Audit is provided to BLX for posting on EMMA.

The background features a complex geometric design. A diagonal line runs from the top-left to the bottom-right. The area above and to the left of this line is filled with various patterns: a white dot, concentric circles, a grey semi-circle, and a pink hatched pattern. The area below and to the right of the line consists of solid blocks of color in shades of blue, purple, and pink. The text 'THANK YOU QUESTIONS?' is positioned on the right side of the image, centered vertically relative to the diagonal line.

**THANK YOU  
QUESTIONS?**



# California Community Choice Financing Authority

## Staff Report – Item 7

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**Item 7:** CCCFA Treasurer/Controller’s Working Group Project List Report

From: Garth Salisbury, Treasurer/Controller  
David J. Ruderman, General Counsel

Date: 2/27/2025

### 1. New Business

- a. Welcome Rusty Mills, Ava’s new CFO, to the Working Group!
- b. February 27, 2025 regular Board meeting items:
  - i. Minutes
  - ii. VCE prepayment transaction
  - iii. Audit process presentation
  - iv. Contract updates/amendments:
    - (1) Baker Tilly, CHW, and Treasurer/Controller contracts
    - (2) Founding Member MOU amendment to Exhibit A for reimbursement rates
  - v. GM Ad Hoc update—Not requested for February meeting
  - vi. Working group project list
- c. Authorization letter for Trustee to pay deal fees (Salisbury)
  - i. Garth has prepared a form letter to US Bank for this purpose if necessary.
  - ii. If other deals have a similar problem regarding on-going deal expenses, CCCFA can provide this authorization letter
- d. Bankhead to work on download backups of all deal docs

- e. Discussion regarding tax exemption for public agency bonds

**2. Old Business**

- a. Financial Audit
  - i. Renewed Baker Tilly auditor contract (Salisbury)
  - ii. Consider as a proposal that the audit plan is presented to the Board and upon completion the auditor presents to the Board (Singh)
- b. 2025 Board meeting schedule—Bankhead already sent calendar invites, but will also provide written schedule to Directors via email.
- c. Salisbury has reached out to BLX to provide Rule 15c2-12 training for members and staff including preparation of one page due diligence summary sheet for Board/WG. Currently awaiting pricing from BLX.
- d. Salisbury reached out to San Diego Community Power regarding a representative for WG as step in process of becoming founding member—awaiting response.
- e. Support for GM Research Ad Hoc Committee (Kasarjian & Shaw). None requested at this time.
- f. Update of interim debt management policy. Salisbury to work with Mills.
- g. MOU clean up with founding members:
  - i. Need to re-sign with 3CE
  - ii. Taking amendment to reimbursement rates to Board at February meeting
- h. New Member On-Boarding Packet (Salisbury)
  - i. Doug Bird has provided draft; Salisbury/Ruderman to review. (sent to WG to review and consider-MCE responded and need others to respond)
- i. Insurance (McNeil)
  - i. Copy of D&O policy sent to Board of 2/11.

**BOARD OPTIONS**

Board discretion.

**FISCAL IMPACT**

N/A

**RECOMMENDED MOTION**

None. Information only.