

County of Monterey

Board Report

Legistar File Number: A 25-043

Item No.

Board of Supervisors Chambers 168 W. Alisal St., 1st Floor Salinas, CA 93901

March 11, 2025

Introduced: 2/14/2025 Version: 1 Current Status: Agenda Ready Matter Type: BoS Agreement

a. Approve and authorize the Contracts Purchasing Officer, or designee, to sign a Renewal and Amendment #1 to an Agreement with ARC Alternatives to provide energy engineering, auditing, and verification services extending the term by two years, for a new term retroactive to October 1, 2022 through July 31, 2026, and increasing the total contract amount by \$208,600 for a new not to exceed total contract amount \$368,600; and

b. Authorize the County Administrative Officer, or designee, to sign up to three future amendments to this amended agreement where the amendments do not significantly change the responsibilities of the parties, do not cause an increase of more than 10% (\$36,860) of the contract amount and do not increase the total contract amount above \$405,460.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Approve and authorize the Contracts Purchasing Officer, or designee, to sign a Renewal and Amendment #1 to an Agreement with ARC Alternatives to provide energy engineering, auditing, and verification services extending the term by two years, for a new term retroactive to October 1, 2022 through July 31, 2026, and increasing the total contract amount by \$208,600 for a new not to exceed total contract amount \$368,600; and

b. Authorize the County Administrative Officer, or designee, to sign up to three future amendments to this amended agreement where the amendments do not significantly change the responsibilities of the parties, do not cause an increase of more than 10% (\$36,860) of the contract amount and do not increase the total contract amount above \$405,460.

SUMMARY:

Staff recommends that the Board of Supervisors authorize the Contracts Purchasing Officer, or designee, to sign a renewal and Amendment #1 with ARC Alternatives to continue to serve the County as on-call renewable energy experts. This amendment will augment the agreement amount by \$208,600 and will be retroactive from October 1, 2022, through July 31, 2026. The augmented scope includes continuing to develop the County's Decarbonization Framework through the Central Coast Community Energy Member Agency Planning, Implementation, and Innovation Grant Program grant award that the Board accepted on July 12, 2022, \$50,000 for on-call energy services allocated to the Sustainability Program during the FY 2024-25 Budget Process, \$80,023 for verification services of the Board approved solar projects at Natividad Medical Center, 1590 Moffett Street, and 168 & 142 W. Alisal Street, and an invoice for \$9,800 to be paid by Natividad Medical Center for a verification analysis of the PG&E On-Bill Finance program that is currently being implemented by EcoGreen Solutions. The agreement is retroactive to cover the outstanding invoices that ARC Alternatives has performed for the County. The agreement lapsed on July 31, 2024, because staff

were not expecting to need Board authorization for the extension and amendment but were required to seek Board approval due to the contract amount exceeding \$200,000.

DISCUSSION:

Since the original agreement was signed with ARC Alternatives (ARC), the contractor and Sustainability Program have made significant progress on the Decarbonization Framework scope of work through the Central Coast Community Energy Member Agency Planning, Implementation, and Innovation Grant Program. The Sustainability Program, ARC, and San Joaquin Valley Clean Energy Organization have performed audits of nearly all owned County facilities and ARC is undertaking their facilities analysis. ARC has represented the County for six solar energy and battery storage projects and performed verification services for the Natividad Medical Center On-Bill Finance project to ensure that the project met County interests. ARC will provide additional verification services for the Board approved solar projects at Natividad Medical Center, 1590 Moffett Street, and 168 & 142 W. Alisal Street, to ensure that pricing, scheduling, and engineering decisions best suite County interests. With this amendment and renewal, ARC will continue to be an asset for the County as it advances renewable energy, electric vehicle charging, energy efficiency, and other complex sustainability initiatives requiring engineering expertise.

OTHER AGENCY INVOLVEMENT:

Staff have collaborated with Natividad Medical Center to enable ARC Alternatives to provide a verification analysis of PG&E's On-Bill Financing Program that will be paid for as part of this augmentation. County Counsel has approved as to form.

FINANCING:

This item does not require budgetary action at this time because the Board has already allocated \$50,000 as part of the FY 2024-25 Budget Process and the \$80,023 for verification of the solar projects approved by the Board on December 3, 2024, at Natividad Medical Center, 1590 Moffett Street, and 168 & 142 W. Alisal Street has been allocated to fund (404-3200-PFP057-8564). Additional funding has been provided for this contract in the form of a grant by Central Coast Community Energy for \$150,000 that was accepted by the Board on July 26, 2022. Remaining costs associated with this contract include \$9,800 that will be paid by Natividad Medical Center and \$78,776 that was paid in FY23-24 using salary savings and operating budget for the Sustainability Program for the review of ongoing solar projects an increased grant scope. Accounting for these previous costs and funding sources brings the contract with this amendment to a total of \$368,000.

Prepared by: Cora Panturad, Sustainability Program Manager (Interim), ext. 5338

Approved by: Nick Chiulos, Chief Assistant County Administrative Officer, ext. 5145

Attachments: ARC Alternatives Amendment #1; Exhibit-A1; ARC Alternatives Standard Agreement