

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 13

TO: Valley Clean Energy Alliance Board of Directors

FROM: Mitch Sears, Interim General Manager
George Vaughn, Finance and Operations Director

SUBJECT: Consultant Boutin Jones Letter Agreement - Increase Not to Exceed Amount for time period of March 1, 2020 through September 30, 2020

DATE: March 12, 2020

RECOMMENDATION:

Authorize the Interim General Manager to execute the First Amendment to the April 3, 2019 Engagement Letter (agreement) for legal and consulting services with Boutin Jones to increase the not to exceed amount from \$10,000 to \$25,000 for the time period of March 1, 2020 through September 30, 2020.

BACKGROUND

In January 2019, Pacific Gas & Electric (PG&E) filed bankruptcy and the Board voted to participate in the Pacific Gas & Electric bankruptcy litigation and to explore all options. VCE thereafter investigated the feasibility of acquiring some or all of PG&E's electric distribution system within Yolo County as a part of the PG&E bankruptcy process.

To assist in this process and represent VCE in the PG&E bankruptcy litigation, in July 2019, VCE entered into an agreement with Boutin Jones for legal and consulting services; the agreement was for a not to exceed amount of \$10,000 with no expiration date. As of March 1, 2020, VCE has expended the \$10,000.

To update the Boutin Jones letter agreement, a First Amendment (see attached) was prepared to increase the not to exceed amount to \$25,000 for the time period of March 1, 2020 through September 30, 2020.

CONCLUSION

Staff continues to use Boutin Jones for the bankruptcy proceedings and the feasibility of acquiring some or all of PG&E's electric distribution system within Yolo County. Staff recommends the Board approve the First Amendment and authorize Interim General Manager to execute the amendment to increase the not to exceed amount to \$25,000 for the time period of March 1, 2020 through September 2020 to cover VCE through the third quarter of 2020. The not to exceed amount has been budgeted in the FY2019-2020 operating budget and is budgeted in the FY2020-2021 operating budget.

Attachments: First Amendment to April 1, 2019 Engagement Letter
Resolution

March 3, 2020

Valley Clean Energy Alliance
Attention: Mitch Sears
Harriet Steiner
Eric May
602 2nd Street
Davis, CA 95616

Re: First Amendment to Engagement Letter

Dear Mitch, Harriet and Eric:

Under our engagement letter dated April 3, 2019 and signed by Valley Clean Energy Alliance, joint powers authority (“Valley” or “you”) on April 10, 2019 (the “Agreement”), Boutin Jones Inc. (“Boutin Jones” or “we”) agreed to represent you in connection with the bankruptcy of PG&E Corporation and Pacific Gas and Electric Company pending in the United States Bankruptcy Court, Northern District of California, San Francisco Division, Case Nos. 2019-30088 and 2019-30089, respectively (the “Cases”). The Agreement applies to both specific and common interest representation of Valley in connection with the Cases.

The Agreement among other things provided that the fees and costs would not exceed Ten Thousand Dollars (\$10,000) (the “Not-to-Exceed Amount”), without further agreement.

Valley and Boutin Jones now seek to amend the Agreement (the “First Amendment”) as follows:

1. Valley ratifies and affirms that it has consented to the fees and costs we have incurred to date in excess of the Not-to-Exceed Amount.
2. The Not-to-Exceed amount for the period March 1, 2020 through September 30, 2020, will be Twenty-Five Thousand Dollars (\$25,000). The Not-to Exceed Amount may be modified by further agreement.
3. Except as set forth above, all terms and conditions of the Agreement remain in full force and effect.

I encourage you to contact me if you have any questions regarding our representation or our fees. If these terms are acceptable, please sign this First Amendment and return the copy to me. You may keep the original for your files.

Thank you for the opportunity to continue our representation of Valley.

Very truly yours,

BOUTIN JONES INC.

By: 
Mark Gorton
Vice President

ACCEPTANCE

Valley Clean Energy Alliance accepts this First Amendment.

Dated: _____

VALLEY CLEAN ENERGY ALLIANCE, a joint
powers authority

By: _____

Name: _____

Its: _____

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2020- _____

A RESOLUTION OF THE VALLEY CLEAN ENERGY ALLIANCE APPROVING FIRST AMENDMENT TO THE BOUTIN JONES AGREEMENT FOR LEGAL AND CONSULTING SERVICES AND AUTHORIZING THE VCE INTERIM GENERAL MANAGER TO EXECUTE THE AMENDMENT

WHEREAS, the Valley Clean Energy Alliance (“VCE”) is a joint powers agency established under the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (“Act”), and pursuant to a Joint Exercise of Powers Agreement Relating to and Creating the Valley Clean Energy Alliance between the County of Yolo (“County”), the City of Davis (“Davis”), the City of Woodland and the City of Winters (“Cities”) (the “JPA Agreement”), to collectively study, promote, develop, conduct, operate, and manage energy programs; and,

WHEREAS, VCE is investigating the feasibility of acquiring some or all of Pacific Gas & Electric’s (PG&E) electric distribution system within Yolo County as part of the PG&E bankruptcy process and has an interest in PG&E’s Chapter 11 bankruptcy proceedings; and,

WHEREAS, in April 2019 an engagement letter agreement was entered into between VCE and Boutin Jones, Inc. (Boutin Jones) for legal and consulting services for Boutin Jones to represent VCE in PG&E’s bankruptcy proceedings and to assist the VCE team and consultants organized to explore VCE’s options.

NOW, THEREFORE, the VCE Board of Directors hereby authorizes the VCE Interim General Manager to execute on behalf of VCE the First Amendment to the April 2019 Engagement Letter (agreement) with Boutin Jones increasing the not to exceed amount from \$10,000 to \$25,000 for the time period of March 1, 2020 through September 30, 2020, as set forth in the attached First Amendment.

PASSED, APPROVED, AND ADOPTED, at a regular meeting of the Valley Clean Energy Alliance, held on the ____ day of _____ 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Don Saylor, VCE Chair

Alisa M. Lembke, VCE Board Secretary

Attachment: Exhibit A – First Amendment Boutin Jones Letter Agreement

Exhibit A

First Amendment to the Boutin Jones Letter Agreement