

FIRST PUBLIC H₂ AGENDA

**Board of Directors Special Meeting
March 5, 2025, 12:00 p.m.**

**City of Lancaster, Council Chambers
44933 Fern Avenue, Lancaster CA 93534**

**Alternate Location:
City of Industry, Council Chambers
15625 Mayor Dave Way, City of Industry, CA 91744**

**Alternate Location:
1414 K Street, Sixth floor, Sacramento, CA 95814**

Members of the public can observe the livestream of the meeting via Zoom by clicking:

<https://cityoflanasterca-gov.zoom.us/j/88251725175>
1(669) 900-9128
Webinar ID: 882 5172 5175

All documents available for public review are on file with the First Public Hydrogen Authority (FPH₂) Secretary located at the City of Lancaster, City Clerk's Office, 44933 Fern Avenue, Lancaster, CA 93534.

Members of the public can provide public comment in writing or orally in person as follows:

Written Comments: If you are unable to participate in person and you wish to make a comment, you may submit written comments by 9:00am on the day of the meeting via email to: Secretary@FPH2.org All written comments will be posted online and become part of the meeting record. Public comments received in writing will not be read aloud at the meeting.

Oral Comments: Members of the public can address the Board in person on items on the agenda at the time the item is being addressed or during Public Comments for topics that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment.

To address the Board regarding an item on the agenda, please fill out a speaker card and submit it to the Board Secretary before the Board Chair announces the item. If you desire to speak during Public Comment, please fill out a speaker card and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name.

CALL TO ORDER

ROLL CALL FLAG

SALUTE

OATH OF OFFICE – Robert (Bob) Hertzberg

ACTION ITEMS

Prior to action of the FPH₂ Board, any member of the public will have the opportunity to address the FPH₂ on any item listed on the agenda.

Consent Calendar

Item 1: Approve Minutes from January 13, 2025, Special Meeting

RECOMMENDATION

Approve the Minutes of January 13, 2025, Special Meeting.

Item 2: Consider Approval of Assignment of Professional Services Agreements from the City of Lancaster to First Public Hydrogen Authority

RECOMMENDATION

Approve the assignment of the following professional services agreements from the City of Lancaster to the First Public Hydrogen Authority (FPH₂), transferring all rights, obligations, and responsibilities associated with these agreements:

1. ENSO Advisory Services – Providing advisory services for the H2 Twin Cities Mentor/Mentee Program for an amount not to exceed \$112,000, term through July 2025
2. FTI Consulting – Providing hydrogen-related communications and design support for an amount not to exceed \$109,000, term through July 2025

Authorize the Chief Executive Officer, or his designee, to execute the Assignment Agreements and any necessary documents to finalize the transfer, ensuring continuity of services under FPH₂'s administration.

New Business

Item 3: Consider Authorization of Execution of a Partnership Agreement Between First Public Hydrogen and the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) for the Hydrogen Market Activation Partnership

RECOMMENDATION

Authorize the Chief Executive Officer to execute a partnership agreement between First Public Hydrogen (FPH₂) and the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) to establish the Hydrogen Market Activation Partnership, substantially in the form presented, and authorize the Chief Executive Officer to execute all related documents, subject to General Counsel approval.

Item 4: Discussion and consideration of a revised FPH₂ Board of Directors regular meeting schedule.

RECOMMENDATION

Discuss and direct staff to return to the next regular meeting with a resolution for consideration and adoption establishing a Revised Regular Board Meeting Schedule.

Item 5: Chief Executive Officer/General Counsel Update

RECOMMENDATION

Receive updates from the Chief Executive Officer and General Counsel

PUBLIC COMMENT

Members of the public may address the Board of Directors on any item that is within the jurisdiction of First Public Hydrogen Authority (FPH₂); however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Under the provisions of the Brown Act, the FPH₂ Board is prohibited from taking action on non-agendized matters. However, Board Members may respond briefly or refer the communication to staff. The FPH₂ Board may also request the Secretary to calendar an item related to your communication at a future Board meeting.

BOARD MEMBER QUESTIONS/COMMENTS BOARD

REQUESTS FOR FUTURE AGENDA ITEMS

PREVIEW OF AGENDA ITEMS FOR FUTURE MEETINGS – DRAFT AGENDA FORECAST ATTACHED

NEXT MEETING: Regular Board Meeting March 20, 2025.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”), please contact Secretary@FPH2.org prior to the meeting for assistance.

**FIRST PUBLIC HYDROGEN AUTHORITY
FORECAST OF MARCH 20, 2025, AGENDA ITEMS - DRAFT**

**Approval of Minutes
Consider Approval of Resolution Setting Revised Meeting Schedule
Consider Approval of New Members
CEO/General Counsel Report
Board Questions/Discussion**

**First Public Hydrogen Authority
Board of Directors Special Meeting Minutes
January 13, 2025, 2:00 p.m.
City of Industry, Expo Center, Avalon Room
16200 Temple Avenue, City of Industry, CA 91744**

CALL TO ORDER: The special meeting of the First Public Hydrogen Authority (FPH2) was called to order by General Counsel Allison Burns at 2:20 p.m.

OATH OF OFFICE: The Oath of Office was administered to all Board members present by City of Industry Mayor Cory Moss and City of Lancaster Council member Lauren Hughes-Leslie.

ROLL CALL: Board Members: Vasquez, Peacock, Vice Chair Ruggles, Chair Parris. Board Member Brouwer arrived at 2:44 p.m.

FLAG SALUTE: Chair Parris led the flag salute.

PUBLIC COMMENT: None

Item 1: Consider Appointment of First Public Hydrogen Authority Officers

RECOMMENDATION

Board of Directors appoint First Public Hydrogen Authority Officers:
Chief Executive Officer – Jason Caudle
General Counsel – Allison Burns
Secretary – Susan Caputo
Treasurer – Barbara Boswell

Motion by Vice Chair Ruggles, second by Board Member Peacock, to approve the appointment of the FPH2 Authority Officers as stated.

Motion approved unanimously.

PRESENTATIONS – Duties and Responsibilities – Allison Burns, General Counsel

General Counsel Allison Burns gave an overview of Board duties and responsibilities including, Conflicts of Interest, the Brown Act.

Consent Calendar

Item 2: Consider Adoption of Resolution No. 2025- 001 Establishing Regular Board Meeting Schedule.

RECOMMENDATION

Adopt Resolution No. 2025- 001 Establishing Regular Board Meeting Schedule.

Item 3: Consider Adoption of Resolution No. 2025-002 Approving First Public Hydrogen Authority Bylaws

RECOMMENDATION

Adopt Resolution No. 2025- 002 Approving First Public Hydrogen Authority Bylaws.

Item 4: Consider Adoption of First Public Hydrogen Policy No. FPH₂ 2025-01 Non-Energy Procurement Policy

RECOMMENDATION

Approve First Public Hydrogen Authority Policy No. FPH₂ 2025-01 Non-Energy Procurement Policy.

No requests to speak on the Consent Calendar were received.

Motion by Board Member Peacock, second by Vice Chair Ruggles, to approve the Consent Calendar.

Motion approved unanimously.

Oath of Office: General Counsel Allison Burns administered the Oath of Office to incoming Board Member Jack Brouwer.

New Business

Item 5: Consider Adoption of Resolution No. 2025-004 Approving First Public Hydrogen Authority Fiscal Year 2024/25 Budget and Approve Execution of City of Lancaster Agreement.

RECOMMENDATION

Adopt Resolution No. 2025-004 approving the First Public Hydrogen Authority Fiscal Year 2024/25 budget and approve execution of City of Lancaster Agreement, substantially in the form attached, and authorize Chief Executive Officer to execute all documents, subject to General Counsel approval.

Motion by Vice Chair Ruggles, second by Board Member Peacock, to approve the Consent Calendar.

Motion approved unanimously.

Item 6: Consider Authorization of Execution of a Community Workforce Agreement

RECOMMENDATION

Authorize the Chief Executive Officer to execute a Community Workforce Agreement, establishing labor relations policies and procedures for certain First Public Hydrogen projects, substantially in the form attached, subject to General Counsel approval.

Addressing the Board was Joe Sullivan representing IBEW/NECA.

Motion by Board Member Peacock, second by Board Member Vasquez, to approve the recommended action.

Motion approved unanimously.

Item 7: Consider Approval of Qualified Hydrogen Fuel Supplier List

RECOMMENDATION

Approve Qualified Hydrogen Fuel Supplier List as submitted.

Board Member Peacock recused herself from participating on this item due to a possible conflict of interest involving a client relationship and left the room.

Motion by Vice Chair Ruggles, second by Board Member Brouwer, to approve the recommended action.

Motion approved unanimously.

Board Member Peacock reentered the room.

Item 8: Chief Executive Officer/General Counsel Update

RECOMMENDATION

Receive updates from the Chief Executive Officer and General Counsel

No updates.

PUBLIC COMMENT

None

BOARD MEMBER QUESTIONS/COMMENTS

The Board expressed their gratitude to all in attendance and commented on the many benefits of hydrogen to the trucking industry.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

None

Chair Parris adjourned the meeting at 2:53 pm.

NEXT MEETING: Regular Board Meeting February 20, 2025

Susan Caputo, MMC
Board Secretary



STAFF REPORT

3/05/25
JC

Date: March 5, 2025

To: Chair Parris and Authority Members

From: Jason Caudle, Chief Executive Officer

Item 2: **Consider Approval of Assignment of Professional Services Agreements from the City of Lancaster to First Public Hydrogen Authority**

Recommendation:

Approve the assignment of the following professional services agreements from the City of Lancaster to the First Public Hydrogen Authority (FPH2), transferring all rights, obligations, and responsibilities associated with these agreements:

1. ENSO Advisory Services – Providing advisory services for the H2 Twin Cities Mentor/Mentee Program for an amount not to exceed \$96,000, term through July 2025
2. FTI Consulting – Providing hydrogen-related communications and design support for an amount not to exceed \$109,000, term through July 2025

Authorize the Chief Executive Officer, or his designee, to finalize in form approved by General Counsel and execute the Assignment Agreements and any necessary documents to finalize the transfer, ensuring continuity of services under FPH2’s administration.

Fiscal Impact:

The costs for the agreements are within the Board approved budget, with FPH2 assuming all associated costs and obligations.

Background:

As part of the transition of hydrogen-related programs from the City of Lancaster to FPH2, it is necessary to assign existing professional services agreements to FPH2. This action ensures

continuity in program execution while aligning with FPH2’s mission of managing hydrogen development initiatives.

The following agreements are recommended for assignment:

Type	Vendor	Services	Amount	Start Date	Expiration
Professional Services Agreement	Enso Advisory Services	Advisor to H2 Twin Cities Mentor/Mentee Program	\$480,000	8/8/2023	July 2025
Professional Services Agreement	FTI Consulting	H2 Communications & Design Support	\$250,000	7/23/2024	July 2025

Under the terms of the Assignment Agreement, FPH2 will fully assume these agreements, including all obligations, responsibilities, and liabilities. The transition aligns with FPH2’s objective to centralize hydrogen-related initiatives and manage associated professional services.

Attachments:

Attachment A - Assignment Agreement between City of Lancaster and FPH2 for Enso Advisory Services

Attachment B - Assignment Agreement between City of Lancaster and FPH2 for FTI Consulting

ASSIGNMENT AGREEMENT
(Professional Services Agreement)

This Assignment Agreement (the “Assignment Agreement”), is made as of this ___ day of _____, 2025, (Effective Date) by and between City of Lancaster, a municipal corporation (“City”) and First Public Hydrogen Authority, a joint powers authority (“FPH2”).

RECITALS

A. City is a party to that certain Agreement **Professional Services Agreement** dated **8/8/2023** (“Primary Agreement”) by and between City and **Enso Advisory Services** (“Consultant”).

B. City desires to assign its rights and obligations under the Primary Agreement to FPH2 and FPH2 desires to assume the same under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Recitals True and Correct. The Recitals set forth above are true and correct and are incorporated into this Assignment Agreement by this reference, as though fully set forth in this Assignment Agreement.

2. Assignment. City hereby assigns, transfers, conveys, sells, and delivers to FPH2, all of City’s rights, title, obligations, duties and interest in and to the Primary Agreement, and FPH2 accepts same.

3. Assumption of Liabilities. FPH2 hereby assumes all of the obligations of City under the Primary Agreement, including without limitation, all covenants, indemnity obligations, representations and warranties of the Primary Agreement.

4. Implementation. City further agrees to execute and deliver such further documents and instruments and take such other actions as may be reasonably required or appropriate to evidence or carry out the intent of this Assignment Agreement and/or assist in the transfer and conveyance of all rights under the Primary Agreement to FPH2.

5. Successors and Assigns. FPH2 may assign its rights hereunder to any entity without notice of such assignment. This Assignment Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

6. Governing Law and Venue. This Assignment Agreement shall be construed and governed by the laws of the State of California. Any litigation or other proceedings between the Parties arising from this Assignment Agreement, shall be brought in the County of Los Angeles, California.

7. Counterparts. This Assignment Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

8. Severability. If any term, provision or portion of this Assignment Agreement or the application of this Assignment Agreement to any person or circumstance shall, to any

extent, be invalid or unenforceable, the remainder of this Assignment Agreement, or the application of such term or provision or portion of this Assignment Agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Assignment Agreement shall be valid and enforceable to the fullest extent permitted by law.

9. No Joint Venture. Nothing in this Assignment Agreement shall be construed to constitute the creation of a partnership or joint venture between City and FPH2 or any contractor or other person relating to the Primary Agreement. City is not an agent or representative of Consultant or FPH2 or vice versa.

10. Indemnity. FPH2 shall indemnify, defend and hold City and its officials, directors, officers, employees, consultants, attorneys and agents free and harmless from and against any and all losses, claims, damages, fees (including, without limitation, attorneys' fees and costs), injuries to persons or property (including wrongful death) arising out of or incident to this Assignment Agreement. The indemnification obligations of this Section shall survive the termination of this Assignment or any future assignments allowed pursuant to Section 5.

11. Termination. In the event FPH2 is unable or unwilling to implement or proceed under the terms of the Primary Agreement, the termination of the Primary Agreement which, barring entry into this Assignment Agreement, is effective on _____ ("Termination Date") shall take effect and City shall be relieved of all duties, rights, and obligations under the Primary Agreement as of the Termination Date.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the day first above written.

CITY OF LANCASTER:

**FIRST PUBLIC HYDROGEN
AUTHORITY:**

By: _____
Its: _____

By: _____
Its: _____

CONSENT TO ASSIGNMENT

_____ ("Consultant") consents to the assignment of that certain Agreement _____ dated _____ ("Primary Agreement") by and between City and Consultant.

CONSULTANT:

By: _____
Its: _____

AMENDMENT NO. 1 TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT

This Amendment (“Amendment No. 1”) is hereby entered into effective July 1, 2024, by and between the CITY OF LANCASTER, a Municipal Corporation, in the State of California, and Enso Advisory Services, LLC, a New York Corporation, (“Consultant”) with respect to the Agreement for Professional Consultant Services between the parties dated August 8, 2023 (“Agreement”).

The Parties agree as follows:

1. Section 5A (“Obligations of the City”) is amended by deleting the entire paragraph and replacing it as follows:

The City shall pay Consultant an amount not to exceed \$480,000 for all work necessary to complete the Services, as described in Exhibit A and Exhibit B. Payments shall be due within thirty (30) days following submittal of an invoice detailing the services performed, at the rates set forth in Exhibit A and Exhibit B.

2. Section 10 (“Term; Effective Date”) is amended by deleting the entire paragraph and replacing it as follows:

This Agreement shall become effective and shall be in full force and effect upon the execution of the Agreement by the City and the Consultant. This Agreement shall continue in full force and effect for twenty-four (24) months, unless the Agreement is sooner terminated in accordance with this Agreement; provided, however, that the City and the Consultant may mutually agree in writing to extend the Term of this Agreement.

3. Exhibit A is amended by adding Exhibit B to the current Exhibit A pages.
4. All other terms and provisions of the Agreement and subsequent amendments are hereby reaffirmed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF LANCASTER
LANCASTER, CALIFORNIA

ENSO ADVISORY SERVICES, LLC
NEW YORK, NEW YORK

DocuSigned by:
Trolis Niebla
D937EDBARD2B4E7
January 30, 2025 | 2:51:11 PM PST
Trolis Niebla, City Manager

Signed by:
Lex Heslin
0AC1D2394F7E4D7...
January 23, 2025 | 9:52:11 PM PST
Lex Heslin, CEO

ATTEST:

DocuSigned by:
Andrea Alexander
E37A8C8A94E5421
January 30, 2025 | 3:42:35 PM PST
City Clerk

APPROVED AS TO FORM:

DS
mw
DocuSigned by:
[Signature]
7632AD2CC5A748F
January 29, 2025 | 5:47:53 PM PST
City Attorney

CONTRACT SUBMISSION APPROVAL:

DocuSigned by:
Alexus Merino
CFBC991A449B430...
January 23, 2025 | 9:30:20 AM PST
Department Head

DS
Ak

EXHIBIT B

SCOPE OF SERVICES

Enso's Scope of Work (SOW) would extend his time as Advisor on the Clean Energy Ministerial / United States Department of Energy H2 Twin Cities Mentor-Mentee Program:

1. Continued Advisory Support for Lancaster
 - a. Maintain close collaboration with Lancaster officials to continue advancing the goals outlined in the CEM / DOE application
2. Development and Implementation of the Professional Exchange Program (PEP)
 - a. Develop a Professional Exchange Program where one selected professional from each of the three mentor-mentee cities (Lancaster, CA, Hawai'i County, HI, and Namie Town, Japan) will travel to the other cities to learn about their hydrogen practices and developments.
 - b. Coordinate the travel, logistics, and scheduling of participants from each city to ensure an enriching exchange of knowledge.
 - c. Collect feedback from participants to continuously improve the PEP and ensure its aligned with the overall goals of the program.
3. Implementation of Outstanding Deliverables
 - a. Finalize and disseminate outstanding deliverables, such as hydrogen development tools, case studies, manuals, and fact sheets, to support the continued education of stakeholders in the Cities.
 - b. Oversee the administration of any remaining grant funds, ensuring that expenditures align with the program's objectives. Provide quarterly updates and progress reports on budget and financial activities.
 - c. Continue facilitating collaborations between public and private stakeholders, ensuring the development of a robust hydrogen ecosystem. This will include organizing additional events and webinars to connect key stakeholders and share lessons learned.
4. Continued Knowledge Exchange and Cross-City Collaboration
 - a. Facilitating ongoing knowledge exchange between the three mentor-mentee cities, fostering collaboration on hydrogen development. This includes regular meetings, webinars, in-person meetings, representation at conferences, and collaborative efforts to address key challenges in hydrogen deployment.
 - b. Continue to support the development and sharing of best practices, manuals, checklists, and other resources to educate the Cities on hydrogen development, focusing on sustainability, environmental justice, and workforce growth.
5. Track and report on the completion of deliverables, including the implementation of the Professional Exchange Program, and monitor the environmental and workforce impacts of the hydrogen initiatives.

Enso's fee for the above services will be \$16,000.00 per month, including expenses, to be paid by the City monthly.

LEVINE ACT DISCLOSURE.

California Government Code section 84308 (“Levine Act”) requires a party to a contract other than competitively bid, labor, or personal employment contract, to disclose any contribution of more than \$250 that the party (or their agent) has made to a member of the City Council or any other officer of the City as defined in the Levine Act within the prior 12 months. The Levine Act also prohibits for 12 months following a final decision, a party (or their agent) from making a contribution of more than \$250 to any member of the City Council or any other officer as defined in the Levine Act who may participate in the making of this Agreement.

A. By its signature on this Agreement, ENSO Advisory Services represents and warrants [select one]:

Initial
UH

Neither ENSO Advisory Services nor any agent or principal acting on behalf of ENSO Advisory Services has, within the 12 months preceding the commencement of negotiations of this Agreement, made any political contribution of more than \$250 to any member of the City Council or any other officer as defined in the Levine Act who may have participated in the making of this Agreement.

OR

[COMPANY NAME] (or an agent acting on behalf of [COMPANY NAME]) has made a political contribution of more than \$250 to:

Identify the person(s) or agent(s) who made the contribution:

Identify the City officer(s) who received the contribution:

B. By its signature on this Agreement, ENSO Advisory Services further represents and warrants [select one]:

Initial
UH

Neither ENSO Advisory Services nor any agent or principal acting on behalf of ENSO Advisory Services intends, within the 12 months following the execution of this Agreement, to make any political contribution of more than \$250 to any member of the City Council or any other officer as defined in the Levine Act who may have participated in the making of this Agreement.

OR

[COMPANY NAME] (or an agent acting on behalf of [COMPANY NAME]) intends to make a political contribution of more than \$250 to:

Identify the person(s) or agent(s) who will make the contribution:

Identify the City officer(s) who will receive the contribution:

STAFF REPORT

City of Lancaster

CC 9
1/14/2025
TN

Date: January 14, 2025

To: Mayor Parris and City Council Members

From: Jason Caudle, CEO – Lancaster Energy

Subject: Professional Services Amendment with ENSO Advisory Services – Project Advisor of Clean Energy Ministerial / DOE H2 Twin Cities Mentor-Mentee Program

Recommendation:

1. It is recommended that the City Council approve the Professional Services Amendment with ENSO Advisory Services in an amount not to exceed \$192,000, and authorize the City Manager, or their designee, to sign all documents; and
2. Authorize the City Manager, or their designee, to execute any additional amendments to the Agreement deemed necessary to complete the project in a form approved by the City Attorney; and
3. Approve the updated Scope of Services in “Exhibit B”

G.C. Section 84308: Yes

Fiscal Impact:

Sufficient funds of \$192,000 are available in account number 50191700.5710 bringing the total contract amount to \$480,000.

Background:

In 2020, the City of Lancaster became the first Hydrogen City in the United States, a groundbreaking step toward a more sustainable and innovative future. In May of 2022, the City further solidified its commitment by applying to the Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee Program with Namie, Japan and Hawaii County to advance renewable hydrogen solutions. This program allowed Lancaster to deepen its international and national relationships and position itself as a global leader.

In 2020, the City of Lancaster became the first Hydrogen City in the United States, a

groundbreaking step toward a more sustainable and innovative future. In May of 2022, the City further solidified its commitment by applying to the Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee Program with Namie, Japan and Hawaii County to advance renewable hydrogen solutions. This program allowed Lancaster to deepen its international and national relationships and position itself as a global leader.

Central to Lancaster's success in the H2 Twin Cities program has been the invaluable support of Enso Advisory Services. From the beginning, Enso has played a critical role in fostering and strengthening these key relationships with Namie, Japan and County of Hawai'i. Enso's expertise has been instrumental in facilitating meaningful dialogue and collaboration with our partners, ensuring that Lancaster's participation in the program is not just about technological advancement but about building lasting, impactful partnerships.

Enso's advisory role is vital to continuing and deepening these relationships. With their support, Lancaster has been able to engage in productive exchanges of ideas and best practices with Namie, Japan and County of Hawai'i, advancing mutual goals for clean energy and sustainable development. Enso's deep understanding of both local global energy landscapes has enabled the City to navigate complex challenges and maximize the opportunities presented by this program.

The H2 Twin Cities program is more than just a technical endeavor - it's a platform for strengthening global collaboration on renewable hydrogen, environmental justice, and clean energy job creation. Through Enso's support, Lancaster has been able to fully leverage the program's potential to build strong, impactful ties with our partners. Enso's continued guidance will be key to deepening these relationships and ensuring Lancaster remains at the forefront of hydrogen innovation, both domestically and globally.

Pending council approval, Enso will continue to play a pivotal role in advising the City through the H2 Twin Cities program, helping us maintain and grow our partnerships with Namie, Japan and County of Hawai'i. Their expertise in navigating these international collaborations and driving forward our shared clean energy goals is indispensable.

Attachment:

Sole Source Memo

Amendment No. 1 to Professional Services Agreement

Professional Services Agreement dated August 8, 2023



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/21/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Hiscox Inc. d/b/a/ Hiscox Insurance Agency in CA
INSURED: ENSO ADVISORY SERVICES ,LLC
CONTACT NAME: Hiscox Insurance Company Inc
PHONE (A/C. No. Ext): (888) 202-3007
E-MAIL ADDRESS: contact@hiscox.com
INSURER(S) AFFORDING COVERAGE: Hiscox Insurance Company Inc
NAIC #: 10200

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Includes Commercial General Liability, Automobile Liability, Umbrella Liab, Excess Liab, Workers Compensation and Employers' Liability, Professional Liability.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Insurance coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits expect after 30 days prior written notice (10 days written notice for nonpayment) to The City of Lancaster. Project Advisor of Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee Program.

CERTIFICATE HOLDER

CANCELLATION

The City of Lancaster
44933 Fern Ave
Lancaster, CA 93534

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
AUTHORIZED REPRESENTATIVE
Mary Boyd



ENSO Advisory Services, LLC

140 Broadway, 46th Floor, New York, NY 10005

January 22, 2025

City of Lancaster
44933 Fern Avenue
Lancaster, CA 93534

RE: ENSO Advisory Services, LLC

To whom it may concern:

ENSO Advisory Services, LLC is a sole proprietorship with no employees. The only automobile coverage that I carry is personal auto coverage and my insurer informed me that I can not name the city as an additional insured on a personal policy.

I hereby understand and agree that I will assume any and all liability for my travel to and from any city facility where I have agreed to perform a job.

ENSO Advisory Services, LLC

Lex

Lex Heslin,
Owner and Sole Proprietor



ENSO Advisory Services, LLC

140 Broadway, 46th Floor, New York, NY 10005

January 22, 2025

City of Lancaster
44933 Fern Avenue
Lancaster, CA 93534

RE: ENSO Advisory Services, LLC

To City of Lancaster, Risk Management:

I, Lex Heslin, am the sole proprietor of ENSO Advisory Services, LLC and swear under penalty of perjury that we are exempt from the State of California requirement to accry Worker's Compensation Insurance because we do not have any employees.

Thank you so much.

ENSO Advisory Services, LLC

Lex

Lex Heslin,
Owner and Sole Proprietor



Declarations Page



HISCOX INSURANCE COMPANY INC. (A Stock Company)

104 South Michigan Avenue, Suite 600, Chicago, Illinois 60603

Commercial General Liability Declarations

In return for the payment of the premium, and subject to all the terms of this Policy, we agree with you to provide the insurance as stated in this Policy.

Declaration effective from:	December 15, 2024
Policy No.:	P101.330.852.3
Renewal of:	P101.330.852.2
Named Insured:	ENSO ADVISORY SERVICES ,LLC
Address:	39 Broadway Suite 3010 New York, NY 10007
Email Address:	lheslin@ensoinfrastructure.com

Policy period: From: To:

At 12:01 A.M. (Standard Time) at the address shown above.

Form of Business:	Limited Liability Company
Each Occurrence Limit:	\$1,000,000
Damage to Premises Rented to You Limit:	\$100,000 Any one premises
Medical Expense Limit:	\$5,000 Any one person
Personal & Advertising Injury Limit:	\$1,000,000 Any one person or organization
General Aggregate Limit:	\$2,000,000
Products/Completed Operations Aggregate Limit:	Products-completed operations are subject to the General Aggregate Limit
Supplemental Business Personal Property Floater Coverage Limit:	\$0
Supplemental Business Personal Property Floater Coverage Deductible:	Not Applicable

All Premises You Own, Rent or Occupy

Premises Number:	1
Address:	39 Broadway Suite 3010 New York, NY 10007

Total Premium:

Attachments:



HISCOX INSURANCE COMPANY INC. (A Stock Company)
104 South Michigan Avenue, Suite 600, Chicago, Illinois 60603

IN WITNESS WHEREOF, the Insurer indicated above has caused this Policy to be signed by its President and Secretary, but this Policy shall not be effective unless also signed by the Insurer's duly authorized representative.

A handwritten signature in black ink, appearing to read "Kenell", with a long horizontal flourish extending to the right.

President

A handwritten signature in black ink, appearing to read "S. Smitka", written in a cursive style.

Secretary

A handwritten signature in black ink, appearing to read "Kenell", with a long horizontal flourish extending to the right.

Authorized Representative



HISCOX INSURANCE COMPANY INC. (A Stock Company)

104 South Michigan Avenue, Suite 600, Chicago, Illinois 60603

Forms and Endorsements Schedule

Forms and Endorsements made part of this policy at time of issue:

CGL D001 10 18 - Commercial General Liability Declarations
INT D001 01 10 - Forms and Endorsements Schedule
CG 00 01 12 07 - General Liability Coverage Form
CGL E5401 CW (03/10) - Definition of Employee
CGL E5404 CW (03/10) - Exclusion - Personal Information
CGL E5407 CW (03/10) - Exclusion - Professional Services
CGL E5408 CW (03/10) - Cancellation Provision (14 Day Full Refund)
CGL E5409 CW (03/10) - Right and Duty to Select Defense Counsel
CGL E5413 NY (08/10) - Notice Information New York
CGL E5421 CW (02/14) - Additional Insured - Automatic Status
IL 00 17 11 98 - Common Policy Conditions
IL 00 23 07 02 - Nuclear Energy Liability Exclusion Endorsement (Broad Form)
CG 00 68 05 09 - Recording and Distribution of Material or Information in Violation of Law Exclusion
CG 21 41 11 85 - Exclusion - Intercompany Products Suits
CG 04 37 12 04 - Electronic Data Liability
CGL E2221 CW (10/23) - Exclusion - Privacy and Cyber Incidents
CG 26 21 10 91 - New York Changes - Transfer of Duties When a Limit of Insurance is Used Up
CG 01 04 12 04 - New York Changes - Premium Audit
CG 01 63 04 09 - New York Changes - Commercial General Liability Coverage Form
IL 02 68 08 08 - New York Changes - Cancellation and Nonrenewal
CGL E5693 NY (11/19) - Hired Auto And Non-Owned Auto Liability - New York
IL 09 85 12 20 - Disclosure Pursuant To Terrorism Risk Insurance Act
CG 21 70 01 15 - Cap On Losses From Certified Acts Of Terrorism
CG 20 26 07 04 - Additional Insured - Designated Person or Organization
CG 21 32 05 09 - Communicable Disease Exclusion
CGL E2227 CW (03/23) - Amended War Exclusion
CG 40 32 05 23 - Exclusion - Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)
INT N003 CW (01/19) - Policyholder Notice Electronic Delivery
INT N001 CW (01/09) - Economic And Trade Sanctions Policyholder Notice
INT N0425 CW (03/23) - War Exclusion Notice

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES is made and entered into this 8th day of August 2023, by and between the CITY OF LANCASTER, a municipal corporation and charter city, (“City”), and Enso Advisory Services, LLC, a New York Corporation (“Consultant”) (collectively, sometimes referred to hereinafter as the “Parties”).

RECITALS

WHEREAS, the City desires to engage Consultant to perform certain technical and professional services, as provided herein, identified as:

**Project Advisor of Clean Energy Ministerial / DOE H2 Twin Cities Mentor-Mentee Program
(THE “SERVICES”)**

WHEREAS, the principal members of Consultant are qualified and duly registered/licensed under the laws of the State of California, and Consultant desires to accept such engagement;

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the Agreement.**

The parties to this Agreement are:

- A. CITY: City of Lancaster
- B. CONSULTANT: Enso Advisory Services, LLC

2. **Notices.** All written notices required by or related to this Agreement shall be sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this Agreement shall refuse to accept such mail; parties to this Agreement shall promptly inform the other party of any changes of address. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

CITY City of Lancaster
 Attn: Jason Caudle, City Manager
 44933 North Fern Avenue
 Lancaster, California 93534

CONSULTANT Enso Advisory Services
 Attn: Lex Heslin, CEO
 39 Broadway, Suite 3010
 New York, NY 10006

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign any

of the benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Description of Work.** The City hereby engages Consultant, and Consultant accepts such engagement, to perform the technical and professional services set forth in the “Scope of Services and Rates Schedule,” attached hereto as Exhibit “A” and incorporated herein by reference. Consultant shall perform and complete, in a manner satisfactory to the City, all work and services set forth in Exhibit “A.” The City Manager or his designee shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the City Manager, or his designee.

5. **Obligations of the City.**

A. The City shall pay Consultant an amount not to exceed \$288,000 for all work necessary to complete the Services, as described in the Scope of Services and Rates Schedule. Payments shall be due within thirty (30) days following submittal of a monthly invoice detailing the services performed.

B. No payment made hereunder by the City to Consultant, other than the final payment, shall be construed as an acceptance by the City of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.

6. **Obligations of the Consultant.**

A. Consultant shall perform as required by this Agreement and in accordance with the Scope of Services and Rates Schedule set forth in Exhibit A.

B. Consultant shall be responsible for payment of all employees’ wages and benefits, and shall comply with all requirements pertaining to employer’s liability, workers’ compensation, unemployment insurance, and Social Security.

C. Consultant shall not subcontract any of the work required to perform the Services without the express prior written approval of the City.

7. **Hold Harmless and Indemnification.** Consultant agrees to indemnify and hold harmless the City, its elected officials, officers and employees, from and against any and all third party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney’s fees, incurred to the extent arising out of or related to Consultant’s negligent or willful wrongful acts, errors or omissions, or those of its employees or agents. Consultant agrees to defend the City, its officers and employees, using counsel of the City’s choosing, from and against any and all claims covered by the indemnity in the preceding sentence.

8. **Amendments.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by the City and Consultant.

9. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. The City shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

10. **Term; Effective Date.** This Agreement shall become effective and shall be in full force and effect upon the execution of the Agreement by the City and the Consultant. This Agreement shall continue in full force and effect for eighteen (18) months, unless the Agreement is sooner terminated in accordance with this Agreement; provided, however, that the City and the Consultant may mutually agree in writing to extend the Term of this Agreement.

11. **Termination.**

A. For Convenience. The City may terminate this Agreement at any time without cause by giving thirty (30) days written notice to the other party of such termination and specifying the effective date thereof. In the event of termination of this Agreement, Consultant will be paid for work completed through the date of termination within thirty (30) days following submittal of a final invoice.

B. For Cause. If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, Consultant shall correct such failure within ten (10) days (or such longer period that the City may authorize in writing) after receipt of notice from the City specifying such failure. Should the failure not be corrected within this time period, the City may immediately terminate the Agreement by written notice to Consultant.

C. In the event of termination, whether for convenience or cause, reports, plans, studies and other documents (collectively, "documents") related to the Services shall become the City's property. Consultant shall provide all documents to the City that have not yet been within ten (10) calendar days after termination of the Agreement.

12. **Independent Contractor.** Consultant is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of the City. It is expressly understood between the Parties to this Agreement that no employee/employer relationship is intended.

13. **Insurance.**

A. The Consultant, at its expense, shall maintain in effect at all times during the term of this Agreement the following coverage and limits of insurance, which shall be maintained with insurers listed “A-, VIII” or better in the Best’s Key Rating Guide:

Commercial General Liability

Each Occurrence	\$1,000,000
Per Project General Aggregate	\$2,000,000
Including Products/Completed Operations; Contractual Liability/Independent Contractors; Property Damage	
<i>(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)</i>	

Commercial Automobile Liability

Combined Single Limit per Accident for Bodily Injury and Property Damage	\$1,000,000
<i>(Coverage shall be at least as broad as ISO form CA00 01)</i>	

Workers Compensation

As Required by the State of California	Statutory Limits
--	------------------

Employers’ Liability

Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000
<i>(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation & Employers’ Liability policies)</i>	

Professional Liability

Each Occurrence	\$2,000,000
General Aggregate	\$2,000,000

Provide one of the following for cyber-related services

Technology Professional Liability

<i>(Errors and Omissions)</i>	
Each Occurrence	\$2,000,000
General Aggregate	\$2,000,000
<i>(Coverage shall be sufficiently broad to respond to the duties and obligations as are undertaken by Consultant pursuant to this Agreement and shall include, without limitation, claims involving invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as any applicable regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.)</i>	

Or

Cyber Liability Insurance

Each Occurrence	\$5,000,000
General Aggregate	\$5,000,000

B. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.

C. Professional liability and/or cyber insurance written on a "claims made" basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

D. Any deductibles or self-insurance retentions must be declared and approved by the City. At the City's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant's insurance and shall not contribute with it.

F. Consultant shall name the City, its elected officials, officers, employees and volunteers as additional insured, and shall furnish the City with Certificates of Insurance and with original endorsements effecting coverage required by this Agreement. Certificates of Insurance shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days' written notice for non-payment) to the City of Lancaster.

(2) List in the "Descriptions of Operations/Locations/Vehicles" section: **"Project Advisor of Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee Program"** The City of Lancaster, its elected officials, officers, employees and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned."

(3) List in the "Certificate Holder" section:
The City of Lancaster, 44933 Fern Avenue, Lancaster, California 93534.

14. **Commencement and Completion of Work.** The Services to be provided by Consultant pursuant to this Agreement shall commence upon execution of this Agreement, and shall be completed no later than eighteen (18) months following commencement; provided however, that the Parties may agree to extend the time for completion upon mutual written agreement.

15. **Ownership of Documents.** All plans, specifications, reports, studies, maps and other documents prepared or obtained by Consultant in the course of performing the work and are required by this Agreement to be delivered to the City shall be the property of the City. Basic sketches, charts, computations and similar data prepared or obtained by Consultant under this Agreement shall, upon request, be made available to City without restriction or limitation on their use.

16. **Data Provided to Consultant.** City shall provide to Consultant, without charge, all data, including reports, records, maps and other information, now in the City's possession which may facilitate the timely performance of the work described in Exhibit A.

17. **Consultant's Warranties and Representations.**

Consultant warrants and represents to City as follows:

A. Consultant has not employed or retained any person or entity, other than a bona fide employee working exclusively for Consultant, to solicit or obtain this Agreement.

B. Consultant has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Consultant, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon any breach or violation of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. Consultant has no knowledge that any officer or employee of the City has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the Consultant, and that if any such interest comes to the knowledge of Consultant at any time, a complete written disclosure of such interest will be made to City, even if such interest would not be deemed a prohibited "conflict of interest" under applicable laws.

D. Upon the execution of this Agreement, Consultant has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this Agreement, nor shall any such interest be acquired during the term of this Agreement.

18. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys' fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties be resolved by binding arbitration.

C. If any action at law or in equity is brought to enforce or interpret any provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, cost and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **Exhibits.**

The following exhibits to which reference is made in this Agreement are deemed incorporated herein in their entirety:

Exhibit "A" Scope of Services and Rates Schedule

20. **Governing Law.**

This Agreement shall be governed by the laws of the State of California.

21. **Effective Date.** This Agreement shall become effective as of the date set forth below on which the last of the parties, whether City or Consultant, executes said Agreement.

[Signatures begin on next page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF LANCASTER
LANCASTER, CALIFORNIA

DS
TN

DocuSigned by:
Jason Caudle
By: _____
D682AED6E85E4DD
Jason Caudle, City Manager

Dated: October 11, 2023 | 1:02:44 PM PDT

ENSO ADVISORY SERVICES, LLC
NEW YORK, NEW YORK

DocuSigned by:
[Signature]
By: _____
26D87644B435454...
Lex Heslin, CEO

Dated: October 5, 2023 | 12:44:29 PM EDT

ATTEST:

DocuSigned by:
Andrea Alexander

E37A8C8A94E5421...
City Clerk

APPROVED AS TO FORM:

DocuSigned by:
[Signature]

7632AD2CC6A748F...
City Attorney

DocuSigned by:
Alexus Merino

CFBC991A449B430...

DS
CV

**EXHIBIT A
SCOPE OF SERVICES
AND RATES SCHEDULE**

Enso's Scope of Work (SOW) as Advisor on the Clean Energy Ministerial / United States Department of Energy H2 Twin Cities Mentor-Mentee Program:

1. Interact closely with Lancaster officials and provide support for the City in achieving the measurable goals outlined in the application to the CEM / DOE of May 25, 2022, that include developing the Hydrogen Five-Year plan focused on personal impact on Lancaster citizens, hydrogen infrastructure and environmental benefits; developing the workforce including engagement with community partners in higher education system, labor and original equipment manufacturers to directly promote workforce training; providing analysis of end-users and beneficiaries of hydrogen to city staff; tracking the number of jobs created by the hydrogen industry and number of passengers and commercial fuel cell vehicles on the road; and tracking the environmental impact of hydrogen deployment via greenhouse gas emission reductions.
2. Develop advisory committee, governance structure and oversee administrative functions required to maintain the grant budget provided to the Cities, including providing quarterly reports and updates to the City.
3. Facilitate exchange between the DOE Mentor/Mentee cities of Lancaster, CA, Hawai'i County, Hawai'i and Namie Town, Japan ("the Cities") to support project investment and development in hydrogen, including increasing the number of hydrogen fueling stations (ongoing deliverable). Enso will deliver to Lancaster an analysis of development tools, such as a checklist of considerations for environmental justice, and other development and training tools, including manuals, brochures, case studies, and lesson-learned fact sheets.
4. Apply for additional grants and subsidies to expand the program, including grant applications to DOE, CEM state agencies, private sector companies and NPO's (ongoing deliverable).
5. Support deeper project involvement between the Cities (encouraging hydrogen companies in Namie to develop projects in Lancaster for example). Enso will invite and arrange for key partners, including community groups, private businesses, non-profit entities and academic institutions, to take part.
6. Facilitate public- and private-sector knowledge and concept sharing to educate and connect the Cities.
7. Progress reports to the City Council every six months regarding accomplishments and progress toward goals.

Enso's fee for the above services will be \$16,000.00 per month, including expenses, to be paid by the City monthly.



To: Purchasing Division
From: Jason Caudle, City Manager
CC: George Harris, Finance and IT Director
Date: December 8, 2022
Subject: **Sole Source Justification – Enso Advisory Services**

Memo: As part of the City’s objective, Enso Advisory Services, LLC (“Enso”), upon Council approval, will continue to advise the City on the Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee program pursuant to a contract awarded in November 2022 for the first 18 months of the proposed five-year program.

H2 Twin Cities is a global initiative connecting cities and communities worldwide to deploy clean hydrogen solutions. The program is designed for the DOE to support cities sharing ideas, mentorship, building a community of renewable hydrogen best practices, and strengthening the global commitment to environmental justice, social equity, and clean energy jobs. The City of Lancaster applied to the program in May 2022.

Enso has already established a working relationship with the City for the past twenty-four months creating essential resources and insight on the City’s key supporters, obstacles, and past contact relationships who’ve provided additional outreach efforts.

In an unofficial capacity, Enso initially supported the City in its application to the Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee Program via introductions to the mayors and key staff of Namie Town, Japan, and Hawai’i County. Enso arranged numerous calls, with translation, and in-person meetings to discuss alignment and goals for the program and interface with DOE and Japanese government agency officials on behalf of the City of Lancaster. Enso assisted the City in planning its first visit by City officials to Japan in August 2022. This visit included extensive promotion of the City at international conferences, high-level meetings with elected officials and agencies, meetings with companies interested in potential direct investments in renewable hydrogen and energy-related projects in Lancaster, and a full agenda of meetings with the Mayor and staff of Namie Town to discuss how the cities could benefit by sharing market information, business opportunities, best practices, contacts, and trade and investment data, to attract companies interested in locating projects and plants.

Enso is the only consultant with previous experience with specific City of Lancaster renewable hydrogen development and is a specialized consultant in developing renewable energy projects. With their extensive knowledge of current renewable hydrogen development, key relationships, and existing resources, bringing on another consultant would contradict any cost savings. Therefore, the City has no cost benefit to obtaining additional quotes from other consultants for this project.

**ASSIGNMENT AGREEMENT
(Professional Services Agreement)**

This Assignment Agreement (the “Assignment Agreement”), is made as of this ___ day of _____, 2025, (Effective Date) by and between City of Lancaster, a municipal corporation (“City”) and First Public Hydrogen Authority, a joint powers authority (“FPH2”).

RECITALS

- A. City is a party to that certain Agreement **Professional Services Agreement** dated **July 23, 2024** (“Primary Agreement”) by and between City and **FTI Consulting, Inc.** (“Consultant”).
- B. City desires to assign its rights and obligations under the Primary Agreement to FPH2 and FPH2 desires to assume the same under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Recitals True and Correct. The Recitals set forth above are true and correct and are incorporated into this Assignment Agreement by this reference, as though fully set forth in this Assignment Agreement.
2. Assignment. City hereby assigns, transfers, conveys, sells, and delivers to FPH2, all of City’s rights, title, obligations, duties and interest in and to the Primary Agreement, and FPH2 accepts same.
3. Assumption of Liabilities. FPH2 hereby assumes all of the obligations of City under the Primary Agreement, including without limitation, all covenants, indemnity obligations, representations and warranties of the Primary Agreement, including the obligations for payment of any outstanding and unpaid fees and expenses under the Primary Agreement.
4. Implementation. City further agrees to execute and deliver such further documents and instruments and take such other actions as may be reasonably required or appropriate to evidence or carry out the intent of this Assignment Agreement and/or assist in the transfer and conveyance of all rights under the Primary Agreement to FPH2.
5. Successors and Assigns. FPH2 may assign its rights hereunder to any entity without notice of such assignment. This Assignment Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.
6. Governing Law and Venue. This Assignment Agreement shall be construed and governed by the laws of the State of California. Any litigation or other proceedings between the Parties arising from this Assignment Agreement, shall be brought in the County of Los Angeles, California.
7. Counterparts. This Assignment Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.

8. Severability. If any term, provision or portion of this Assignment Agreement or the application of this Assignment Agreement to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Assignment Agreement, or the application of such term or provision or portion of this Assignment Agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Assignment Agreement shall be valid and enforceable to the fullest extent permitted by law.

9. No Joint Venture. Nothing in this Assignment Agreement shall be construed to constitute the creation of a partnership or joint venture between City and FPH2 or any contractor or other person relating to the Primary Agreement. City is not an agent or representative of Consultant or FPH2 or vice versa.

10. Indemnity. FPH2 shall indemnify, defend and hold City and its officials, directors, officers, employees, consultants, attorneys and agents free and harmless from and against any and all losses, claims, damages, fees (including, without limitation, attorneys' fees and costs), injuries to persons or property (including wrongful death) arising out of or incident to this Assignment Agreement. The indemnification obligations of this Section shall survive the termination of this Assignment or any future assignments allowed pursuant to Section 5.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the day first above written.

CITY OF LANCASTER:

**FIRST PUBLIC HDYROGEN
AUTHORITY:**

By: _____
Its: _____

By: _____
Its: _____

CONSENT TO ASSIGNMENT

FTI Consulting, Inc. ("Consultant") consents to the assignment and amendment of Primary Agreement by and between City and Consultant.

CONSULTANT: FTI Consulting, Inc.

By: _____
Its: _____

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES is made and entered into this **23rd day of July, 2024**, by and between the **CITY OF LANCASTER**, a municipal corporation and charter city, (“City”), and **FTI CONSULTING, INC.**, a Business Advisory Firm (“Consultant”) (collectively, sometimes referred to hereinafter as the “Parties”).

RECITALS

WHEREAS, the City desires to engage Consultant to perform certain technical and professional services, as provided herein, identified as:

HYDROGEN & CLEAN ENERGY COMMUNICATIONS AND DESIGN SUPPORT (THE “SERVICES”)

WHEREAS, the principal members of Consultant are qualified and duly registered/licensed under the laws of the State of California, and Consultant desires to accept such engagement;

NOW, THEREFORE, the parties agree as follows:

1. **Parties to the Agreement.**

The parties to this Agreement are:

- A. CITY: City of Lancaster
- B. CONSULTANT: FTI Consulting, Inc.

2. **Notices.** All written notices required by or related to this Agreement shall be sent by Certified Mail, Return Receipt Requested, postage prepaid and addressed as listed below. Neither party to this Agreement shall refuse to accept such mail; parties to this Agreement shall promptly inform the other party of any changes of address. All notices required by this Agreement are effective on the day of receipt, unless otherwise indicated herein.

CITY City of Lancaster
Attn: Trolis Niebla, City Manager
44933 Fern Avenue
Lancaster, California 93534

CONSULTANT FTI Consulting
Attn: Chris Tucker, Global Energy Sector Lead
88 Pine St., 32nd Floor
New York, NY 10005

3. **Successors and Assigns.** The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto; provided, however, that no party hereto shall assign any of the benefits and burdens hereunder, whether voluntarily or by operation of law, without prior written consent of the other party, and any such assignments without said consent shall be void.

4. **Description of Work.** The City hereby engages Consultant, and Consultant accepts such engagement, to perform the technical and professional services set forth in the “Scope of Services and Rates Schedule,” attached hereto as Exhibit “A” and incorporated herein by reference. Consultant shall perform and complete, in a manner satisfactory to the City, all work and services set forth in Exhibit “A.” The City Manager or his designee shall have the right to review and inspect the work during the course of its performance at such times as may be specified by the City Manager, or his designee.

5. **Obligations of the City.**

A. The City shall pay Consultant an amount not to exceed \$250,000 for all work necessary to complete the Services, as described in the Scope of Services and Rates Schedule. Payments shall be due within thirty (30) days following submittal of an invoice detailing the services performed, at the hourly rates set forth in Exhibit A.

B. No payment made hereunder by the City to Consultant, other than the final payment, shall be construed as an acceptance by the City of any work or materials, nor as evidence of satisfactory performance by Consultant of its obligations under this Agreement.

6. **Obligations of the Consultant.**

A. Consultant shall perform as required by this Agreement and in accordance with the Scope of Services and Rates Schedule set forth in Exhibit A.

B. Consultant shall be responsible for payment of all employees’ wages and benefits, and shall comply with all requirements pertaining to employer’s liability, workers’ compensation, unemployment insurance, and Social Security.

C. Consultant shall not subcontract any of the work required to perform the Services without the express prior written approval of the City.

7. **Hold Harmless and Indemnification.** Consultant agrees to indemnify and hold harmless the City, its elected officials, officers and employees, from and against any and all third-party claims, losses, obligations, or liabilities whatsoever, including reasonable attorney’s fees, incurred to the extent arising out of or related to Consultant’s negligent or willful wrongful acts, errors or omissions, or those of its employees or agents. Consultant agrees to defend the City, its officers and employees, using counsel of the City’s choosing, from and against any and all claims covered by the indemnity in the preceding sentence.

8. **Amendments.** Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon mutual written approval by the City and Consultant.

9. **Non-Discrimination and Equal Employment Opportunity.**

A. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment

without regard to their race, color, religion, ancestry, sex, national origin, physical or mental disability or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

B. The provisions of subsection A above shall be included in all solicitations or advertisements placed by or on behalf of Consultant for personnel to perform any services under this Agreement. The City shall have access to all documents, data and records of Consultant and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section.

10. **Term; Effective Date.** This Agreement shall become effective and shall be in full force and effect upon the execution of the Agreement by the City and the Consultant. This Agreement shall continue in full force and effect for twelve (12) months, unless the Agreement is sooner terminated in accordance with this Agreement; provided, however, that the City and the Consultant may mutually agree in writing to extend the Term of this Agreement.

11. **Termination.**

A. For Convenience. The City may terminate this Agreement at any time without cause by giving thirty (30) days written notice to the other party of such termination and specifying the effective date thereof. In the event of termination of this Agreement, Consultant will be paid for work completed through the date of termination within thirty (30) days following submittal of a final invoice.

B. For Cause. If Consultant fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, Consultant shall correct such failure within ten (10) days (or such longer period that the City may authorize in writing) after receipt of notice from the City specifying such failure. Should the failure not be corrected within this time period, the City may immediately terminate the Agreement by written notice to Consultant.

C. In the event of termination, whether for convenience or cause, reports, plans, studies and other documents (collectively, "documents") related to the Services shall become the City's property. Consultant shall provide all documents to the City that have not yet been within ten (10) calendar days after termination of the Agreement.

12. **Independent Contractor.** Consultant is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of the City. It is expressly understood between the Parties to this Agreement that no employee/employer relationship is intended.

13. **Insurance.**

A. The Consultant, at its expense, shall maintain in effect at all times during the term of this Agreement the following coverage and limits of insurance, which shall be maintained with insurers listed "A-, VIII" or better in the Best's Key Rating Guide:

Commercial General Liability	
Each Occurrence	\$1,000,000
Per Project General Aggregate	\$2,000,000

Including Products/Completed Operations; Contractual Liability/Independent Contractors; Property Damage
(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)

Commercial Automobile Liability

Combined Single Limit per Accident for Bodily Injury and Property Damage \$1,000,000
(Coverage shall be at least as broad as ISO form CA00 01)

Workers Compensation

As Required by the State of California Statutory Limits

Employers' Liability

Each Accident \$1,000,000
 Bodily Injury by Disease \$1,000,000
 Each Employee \$1,000,000
(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation & Employers' Liability policies)

Professional Liability

Each Occurrence \$2,000,000
 General Aggregate \$2,000,000

B. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.

C. Professional liability and/or cyber insurance written on a "claims made" basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Consultant for all claims made by the City insured entities arising out of any acts or omissions of Consultant or its officers, employees, or agents during the time this Agreement was in effect.

D. Any deductibles or self-insurance retentions must be declared and approved by the City. At the City's option, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City insured entities or the insurer shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. All insurance shall be primary and non-contributory as respects the City insured entities. Any insurance or self-insurance maintained by the City insured entities shall be in excess of the Consultant's insurance and shall not contribute with it.

F. Consultant shall furnish the City with Certificates of Insurance and with endorsements effecting coverage required by this Agreement. Certificates of Insurance shall meet the following requirements:

(1) Show that the insurance policy has been endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30 days' prior written notice (10 days' written notice for non-payment) to the City of Lancaster.

(2) List in the "Descriptions of Operations/Locations/Vehicles" section:
"HYDROGEN & CLEAN ENERGY COMMUNICATIONS AND DESIGN SUPPORT"

The City of Lancaster, its elected officials, officers, employees and volunteers are included as additional covered parties, but only insofar as the operations under this contract are concerned."

(3) List in the "Certificate Holder" section:

The City of Lancaster, 44933 Fern Avenue, Lancaster, California 93534.

14. **Commencement and Completion of Work.** The Services to be provided by Consultant pursuant to this Agreement shall commence immediately after execution of this Agreement, and shall be completed no later than six months following commencement; provided however, that the Parties may agree to extend the time for completion upon mutual written agreement.

15. **Ownership of Documents.** All plans, specifications, reports, studies, maps and other documents prepared or obtained by Consultant in the course of performing the work and are required by this Agreement to be delivered to the City shall be the property of the City. Basic sketches, charts, computations and similar data prepared or obtained by Consultant under this Agreement shall, upon request, be made available to City without restriction or limitation on their use.

16. **Data Provided to Consultant.** City shall provide to Consultant, without charge, all data, including reports, records, maps and other information, now in the City's possession which may facilitate the timely performance of the work described in Exhibit A.

17. **Consultant's Warranties and Representations.**

Consultant warrants and represents to City as follows:

A. Consultant has not employed or retained any person or entity, other than a bona fide employee working exclusively for Consultant, to solicit or obtain this Agreement.

B. Consultant has not paid or agreed to pay any person or entity, other than a bona fide employee working exclusively for Consultant, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the execution of this Agreement. Upon any breach or violation of this warranty, City shall have the right, in its sole discretion, to terminate this Agreement without further liability, or, in the alternative, to deduct from any sums payable hereunder the full amount or value of any such fee, commission, percentage or gift.

C. Consultant has no knowledge that any officer or employee of the City has any interest, whether contractual, noncontractual, financial, proprietary, or otherwise, in this transaction or in the business of the Consultant, and that if any such interest comes to the knowledge of Consultant at any

time, a complete written disclosure of such interest will be made to City, even if such interest would not be deemed a prohibited “conflict of interest” under applicable laws.

D. Upon the execution of this Agreement, Consultant has no interest, direct or indirect, in any transaction or business entity which would conflict with or in any manner hinder the performance of services and work required by this Agreement, nor shall any such interest be acquired during the term of this Agreement.

18. **Resolution of Disputes.**

A. Disputes regarding the interpretation or application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

B. If the parties cannot resolve the dispute through good faith negotiations, either party may give Notice of Dispute to the other party. The Notice of Dispute shall state the nature of the dispute and the corrective action necessary to remedy the dispute.

After Notice of Dispute, the parties shall first attempt to resolve any disputes by mediation. The parties shall agree on a single mediator. Mediation shall be conducted in Lancaster, California. Each party shall pay its own attorneys’ fees and the costs of mediation shall be split equally between the parties.

If the dispute has not been resolved by mediation within 45 days after Notice of Dispute, or the parties are unable to agree to a mediator, within 15 days after Notice of Dispute, then, the dispute may, upon agreement of the parties be resolved by binding arbitration.

C. If any action at law or in equity is brought to enforce or interpret any provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney’s fees, cost and necessary disbursements, in addition to such other relief as may be sought and awarded.

19. **Exhibits.**

The following exhibits to which reference is made in this Agreement are deemed incorporated herein in their entirety:

Exhibit “A” Scope of Services and Rates Schedule

20. **Governing Law.**

This Agreement shall be governed by the laws of the State of California.

21. **Effective Date.**

This Agreement shall become effective as of the date set forth below on which the last of the parties, whether City or Consultant, executes said Agreement.

[Signatures begin on next page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their respective officers thereunto duly authorized.

CITY OF LANCASTER
LANCASTER, CALIFORNIA

DocuSigned by:
By: Trolis Niebla
D937F0B5A6D284E7...
Trolis Niebla, City Manager

Dated: September 18, 2024 | 8:09:27 PM PDT

FTI CONSULTING, INC.
NEW YORK, NEW YORK

DocuSigned by:
By: Chris Tucker
864C9D73BC70413...
Chris Tucker, Global Energy Sector Lead

Dated: September 12, 2024 | 7:04:01 AM PDT

ATTEST:

DocuSigned by:
Andrea Alexander September 19, 2024 | 7:57:46 AM PDT
E37A8C8A94E5421...
City Clerk

APPROVED AS TO FORM:

DS
mw DocuSigned by:
[Signature] September 17, 2024 | 8:27:57 PM PDT
7632AD2CC5A748F...
City Attorney

CONTRACT SUBMISSION APPROVAL:

DocuSigned by:
Jason Caudle September 12, 2024 | 6:59:57 AM PDT
D682AFD6E85E4DD...
Department Head

DS
AH

LEVINE ACT DISCLOSURE

California Government Code section 84308 (“Levine Act”) requires a party to a contract other than competitively bid, labor, or personal employment contract, to disclose any contribution of more than \$250 that the party (or their agent) has made to a member of the City Council or any other officer of the City as defined in the Levine Act within the prior 12 months. The Levine Act also prohibits for 12 months following a final decision, a party (or their agent) from making a contribution of more than \$250 to any member of the City Council or any other officer as defined in the Levine Act who may participate in the making of this Agreement.

A. By its signature on this Agreement, **CHRIS TUCKER** represents and warrants [select one]:

^{DS}
CT

Neither **CHRIS TUCKER** nor any agent acting on behalf of **FTI CONSULTING, INC.** TO} has, within the 12 months preceding the commencement of negotiations of this Agreement, made any political contribution of more than \$250 to any member of the City Council or any other officer as defined in the Levine Act who may have participated in the making of this Agreement.

OR

[COMPANY NAME] (or an agent acting on behalf of [COMPANY NAME]) has made a political contribution of more than \$250 to:
Identify the person(s) or agent(s) who made the contribution:

Identify the City officer(s) who received the contribution:

B. By its signature on this Agreement, **CHRIS TUCKER** further represents and warrants [select one]:

^{DS}
CT

Neither **CHRIS TUCKER** nor any agent acting on behalf of **FTI CONSULTING, INC.** intends, within the 12 months following the execution of this Agreement, to make any political contribution of more than \$250 to any member of the City Council or any other officer as defined in the Levine Act who may have participated in the making of this Agreement.

OR

[COMPANY NAME] (or an agent acting on behalf of [COMPANY NAME]) intends to make a political contribution of more than \$250 to:
Identify the person(s) or agent(s) who will make the contribution:

Identify the City officer(s) who will receive the contribution:

**Strategic Communications**555 12th Street NW, #700, Washington, DC 20004
T +1 (202) 312-9100 F +1 (202) 312-9101

To: City of Lancaster, CA
From: FTI Consulting
Date: July 18, 2024
RE: FTI Consulting Extension and Scope of Work

FTI Consulting ("FTI") appreciates the opportunity to continue supporting the City of Lancaster, CA, with its communications and design requirements across several programs and initiatives to help amplify the City of Lancaster as a leading municipality fostering entrepreneurship, innovation, technology and business partnerships. We have provided communications and design support to the City of Lancaster since June 2021 across Hydrogen & Clean Energy, Corporate Reputation, and Digital & Insights workstreams and would be excited to continue this collaboration.

At the request of the City of Lancaster staff, we are proposing an extension of the generalized scope of work to support projects on an as-needed basis. We submit this proposal and budget for the City Council's consideration and approval, which will cover the next 12 months.

Team Structure

FTI has established the following team structure to deliver this project. Scott Frankel and Peter Thompson will continue to serve as the main points of contact and liaisons between city staff and the FTI team, working closely with relevant workstream leads. Jeff Bechdel will provide senior oversight and advice, including on contractual and other key matters.

Account Oversight: Jeff Bechdel, Managing Director

Hydrogen & Clean Energy
Peter Thompson, Director
Cassidy Barnes, Consultant

Corporate Reputation
Scott Frankel, Senior Director
Jessica Delgado, Senior
Consultant

Digital & Insights
Ryan Tippery, Creative
Strategist, Shelly Liu, Director

Scope of Work

Workstream #1: Hydrogen & Clean Energy

Since 2021, FTI has supported the City of Lancaster's Smart Sister Cities initiative with Namie, Japan, the Pacific Hydrogen Alliance, project announcements with Choshu, Heliogen, Element Resources, SGH2, Hitachi Zosen, Hydroplane, and microgrids, and utility initiatives. FTI also supports city leadership to prepare talking points, speeches, and other event engagements in the hydrogen and clean energy space. We will expand our services to support the Lancaster Energy Division of the City.

Program Goals:

- Elevate Lancaster's reputation as a hydrogen and clean energy leader.
- Develop materials to entice new hydrogen and clean energy business to the city.
- Highlight the voice of city leadership as driving the global energy transition at the local level.

Key Messages:

- Lancaster is a business-friendly city.



- Lancaster is a trailblazer on hydrogen.
- Lancaster is a global leader among cities in the fight against climate change.
- In Lancaster, government and business are working in coordination to develop a thriving hydrogen economy.
- Climate change cannot be solved without a coordinated effort from all. Lancaster exemplifies the teamwork required for such an effort.

Key Audiences:

- Like-minded cities around the country and world who might join the Smart Sister Cities Partnership
- Hydrogen business community and neighboring municipalities
- Constituents

Workstream #2: Reputation and Positioning

FTI has supported the City of Lancaster on strategic communication matters for several years. The primary focus has been on due diligence research, project execution, and strategic counsel. Throughout this period, our common strategic goal has been to bolster the City of Lancaster’s reputation and positioning as a great place to live, work, and visit.

The proposed scope of work below proposes a continuation of this work to provide support for the strategic imperatives of the City of Lancaster.

We understand the objectives to be as follows:

- Raise the city’s profile in areas of priority, notably public safety, tech & innovation, and clean energy
- Support its economic development, including programs related to modernization and infrastructure
- Engage current and prospective stakeholders (businesses, constituents, etc.)
- Ensure city leaders are viewed as credible and sought-after thought leaders

Digital and Social

FTI’s Digital & Insights team will continue to provide support across digital and social efforts that include developing organic social content copies, accompanying creatives/assets, website design, campaign strategies, paid amplification, as well as ad hoc requests that involve the City of Lancaster’s digital presence. Digital & Insights work is used in support of the above workstreams.

Budget

FTI will work on a time and materials basis with an agreed cap for the scope of work to ensure sufficient flexibility and ability to pivot based on the City’s priorities. The City of Lancaster will provide the necessary direction on FTI deliverables within the framework laid out above.

The City of Lancaster will provide an initial budget of \$250,000, with a 20% contingency. The contingency fund will be made available through written approval from the City of Lancaster.

Standard Hourly Charge-Out Rates Estimated Fee

Senior Managing Director	\$730 – 780/hr
Managing Director	\$650 – 700/hr
Senior Director	\$570 – 625/hr
Director	\$470 – 520/hr
Senior Consultant	\$365 – 400/hr
Consultant	\$260 – 300/hr
Administration	\$95/hr



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
04/30/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services, Inc. of Washington, D.C. 2001 K Street NW Suite 625 N Washington DC 20006 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105		
	E-MAIL ADDRESS:		
INSURED FTI Consulting, Inc. 555 12th Street, NW Suite 700 Washington DC 20004 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Valley Forge Insurance Co		20508
	INSURER B: The Continental Insurance Company		35289
	INSURER C: Continental Casualty Company		20443
	INSURER D: American Guarantee & Liability Ins Co		26247
	INSURER E:		
INSURER F:			

Holder Identifier :

COVERAGES CERTIFICATE NUMBER: 570105316553 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> StopGap-EL <input checked="" type="checkbox"/> State of WA GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			7018435449	05/01/2024	05/01/2025	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$15,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 Employee Benefit Lia \$1,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> Comp 100 Ded <input checked="" type="checkbox"/> Coll 1000 Ded			7018435452	05/01/2024	05/01/2025	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000			7018435497	05/01/2024	05/01/2025	EACH OCCURRENCE \$25,000,000 AGGREGATE \$25,000,000 Products/Completed O \$25,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N N	7091989972 SIR applies per policy terms & conditions	05/01/2024	05/01/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000

Certificate No : 570105316553

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 City of Lancaster, its elected officials, officers, employees and volunteers are included as Additional Insured when required by written contract under the General Liability and Automobile Liability policies.

CERTIFICATE HOLDER City of Lancaster 44933 Fern Avenue Lancaster CA 93534 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Inc. of Washington D.C.</i>
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CERTIFICATE OF LIABILITY INSURANCE

9/1/2025

DATE (MM/DD/YYYY)

8/26/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies, LLC 1801 K Street NW, Suite 200 Washington DC 20006 (202) 414-2400	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:														
INSURED 1416902 FTI Consulting, Inc. 555 12th Street NW, Suite 700 Washington DC 20004	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : National Fire and Marine Insurance Co</td> <td>20079</td> </tr> <tr> <td>INSURER B :</td> <td></td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : National Fire and Marine Insurance Co	20079	INSURER B :		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER B :															
INSURER C :															
INSURER D :															
INSURER E :															
INSURER F :															

COVERAGES **CERTIFICATE NUMBER: 13674273** **REVISION NUMBER: XXXXXXXX**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX DAMAGE TO RENTED PREMISES (Ea occurrence) \$ XXXXXXXX MED EXP (Any one person) \$ XXXXXXXX PERSONAL & ADV INJURY \$ XXXXXXXX GENERAL AGGREGATE \$ XXXXXXXX PRODUCTS - COMP/OP AGG \$ XXXXXXXX \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		NOT APPLICABLE			COMBINED SINGLE LIMIT (Ea accident) \$ XXXXXXXX BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$		NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A	NOT APPLICABLE			PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ XXXXXXXX E.L. DISEASE - EA EMPLOYEE \$ XXXXXXXX E.L. DISEASE - POLICY LIMIT \$ XXXXXXXX
A	Professional Liability Cyber Liability	N N	42-EPP-305962-07	9/1/2024	9/1/2025	Limit: \$10,000,000 Ret: \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

<p>13674273 Evidence of Insurance</p>	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p>AUTHORIZED REPRESENTATIVE</p>
--	--



000015 - 0003 of 0006 - NNNNNN - 00131 JOBID 3ACAF005985

CNA PARAMOUNT

Endorsement

Effective Date: 08/15/2024

Insured Name:

FTI CONSULTING, INC.

555 12TH ST NW

WASHINGTON, DC 20004

Policy Number: 7018435449

Policy Period: 05/01/2024 – 05/01/2025

Producer's Information:

AON RISK SERVICES NORTHEAST, INC.
 ONE LIBERTY PLAZA
 165 BROADWAY STE 3201
 NEW YORK, NY 10006
 (212)441-2527

Producer Code: 070035

CNA Branch Number: 030

CNA Branch Name and Address:

NEW YORK CITY
 125 BROAD STREET

NEW YORK, NY 10004
 (000)000-0000

Thank you for choosing CNA!

With your CNA Paramount liability policy, you have insurance coverage tailored to meet the needs of your modern business. The international network of insurance professionals and the financial strength of CNA, rated "A" by A.M. Best, provide the resources to help you manage the daily risks of your organization so that you may focus on what's most important to you.

Claim Services — There When You Need Us

Claims are reported through a single point of entry available 24/7, connecting you to the individuals and information to help you resume your business when you need it most.

To report a claim, please call 877-CNA-ASAP, fax (800) 953-7389,
 email lossreport@cnaasap.com, or visit www.cna.com/claim.

Risk Control Services — Help Avoid A Claim Before It Occurs

As a CNA policyholder, you have access to certified risk control professionals, risk mitigation programs and online resources to help identify and manage exposures that may disrupt your operation. We collaborate with business leaders to develop customized programs to assist you in safeguarding your assets and improving the bottom line.

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INSURED

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CNA PARAMOUNT

**Amendment of Forms and Endorsements Schedule
Addition or Deletion of Endorsements**

It is understood and agreed as follows:

I. ADDITION OF FORMS OR ENDORSEMENTS

The **Forms and Endorsements Schedule** is amended to add the following forms or endorsements effective as of the date set forth in such form or endorsement

Endm't Number	Form or Endorsement Name	Form Number	Form Edition
60	Amendment of Forms and Endorsements Schedule Addition or Deletion of Endorsements	CNA62673XX	09-12
61	Additional Insured - Designated Person or Organization Endorsement	CNA74745XX	01-15

II. DELETION OF FORMS OR ENDORSEMENTS

The **Forms and Endorsements Schedule** is amended to delete the following forms or endorsements effective as of the "deletion date" indicated below.

The net premium change, if any, for the above endorsements in Sections I. and II. is: \$0.00

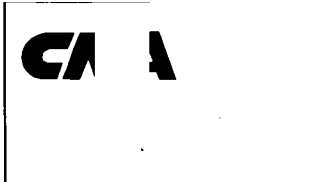
FL Insurance Guaranty Association Emergency Assessment

Total change is : \$0.00

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

000015 - 0004 of 0006 - NNNNNN - 00132 JOBID 3ACAF005985



CNA PARAMOUNT

**Additional Insured - Designated Person
or Organization Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE
Name Of Additional Insured Person Or Organization:
City of Lancaster

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

It is understood and agreed that the section entitled **WHO IS AN INSURED** is amended with the addition of the following:

- A.** The person or organization shown in the Schedule is an **Insured**, but only with respect to such person or organization's liability for **bodily injury, property damage or personal and advertising injury** caused in whole or in part, by: the **Named Insured's** acts or omissions, or the acts or omissions of those acting on the **Named Insured's** behalf:
 - 1. in the performance of the **Named Insured's** ongoing operations; or
 - 2. in connection with premises owned by or rented to the **Named Insured**.
- B.** However, if coverage for the additional **Insured** is required by written contract or written agreement, subject **always** to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional **Insured** with:
 - 1. coverage broader than required by such contract or agreement; or
 - 2. a higher limit of insurance than required by such contract or agreement.
- C.** The coverage granted by this endorsement does not apply to **bodily injury or property damage** included within the **products-completed operations hazard**.

Any coverage granted by this endorsement shall apply solely to the extent permissible by law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

000015 - 0005 of 0006 - NNNNNN - 00133 JOBID 3ACAF005985



**Workers Compensation And Employers Liability Insurance
Policy Endorsement**

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Any Person or Organization on whose behalf you are required to obtain this waiver of our right to recover from under a written contract or agreement.

The premium charge for the endorsement is reflected in the Schedule of Operations.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective Date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy unless another expiration date is shown below.

Form No: WC 00 03 13 (04-1984)

Endorsement Effective Date:

Endorsement No: 21; Page: 1 of 1

Underwriting Company: Valley Forge Insurance Company, 151 N Franklin St, Chicago, IL 60606

Endorsement Expiration Date:

Policy No: WC 7 91989972

Policy Effective Date: 05/01/2024

Policy Page: 151 of 230

STAFF REPORT

City of Lancaster

CC 9
7/23/2024
TN

Date: July 23, 2024

To: Mayor Parris and City Council Members

From: Jennifer Seguin, Manager - Communications

Subject: Professional Services Agreement - FTI Consulting, Inc.

Recommendations:

1. It is recommended that the City Council approve the Professional Services Agreement with FTI Consulting, Inc. (FTI) in an amount not to exceed \$250,000, and authorize the City Manager, or his designee, to sign all documents; and
2. Authorize the City Manager, or his designee, to execute any additional amendments to the Agreement deemed necessary to complete the project in a form approved by the City Attorney; and
3. Find that this item is not a project pursuant to the California Environmental Quality Act.

G.C. Section 84308: No

Fiscal Impact:

Sufficient funds are available in account numbers 50191000.5710 (250,000).

Background:

Since June 2021, FTI Consulting and the City of Lancaster have collaborated to elevate the city as a leading partner and adopter of clean energy solutions, notably hydrogen. Since Lancaster announced the goal to be the "First Hydrogen City" in the U.S. and launched the Smart Sister Cities partnership with Namie, Japan, FTI has supported the City's communication and design across hydrogen, clean energy, and digital & insights workstreams. With its growing, global reputation as a leading clean energy City coupled with its successful amplification of projects and partnerships, the City of Lancaster is now seeking additional strategic communications and design support to accomplish its goals and objectives.

In addition to their ongoing efforts, FTI has been instrumental in supporting the marketing efforts for the newly formed Lancaster Energy division. This includes promoting the City's initiatives and achievements in renewable energy and sustainability.

The City Manager's Office is requesting to approve a Professional Services Amendment with FTI Consulting, Inc. in a not-to-exceed amount of \$250,000 for an overall Communications and Design Support Plan with Hydrogen initiatives. The tactics in this plan are designed to position Lancaster as a City in which government and businesses are working together to develop a thriving hydrogen economy.

FTI has a proven track record of helping clients manage complex business challenges and delivering results by leveraging an integrated campaign approach to communications. FTI has a deep knowledge of the City through ongoing strategic communications work, extensive media relationships, and multidisciplinary skill sets across corporate reputation, financial communications, public affairs, and crisis management to support evolving needs.

Attachments:

Professional Services Agreement
Sole Source Memo



STAFF REPORT

3/5/25
JC

Date: March 5, 2025
To: Chair Parris and Authority Members
From: Jason Caudle, Chief Executive Officer

Item 3: Consider Authorization of Execution of a Partnership Agreement Between First Public Hydrogen and the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) for the Hydrogen Market Activation Partnership

Recommendation:

Authorize the Chief Executive Officer to execute a partnership agreement between First Public Hydrogen (FPH2) and the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) to establish the Hydrogen Market Activation Partnership, substantially in the form presented, and authorize the Chief Executive Officer to execute all related documents, subject to General Counsel approval.

Fiscal Impact:

No immediate fiscal impact.

Background:

First Public Hydrogen (FPH2) is pursuing a strategic partnership with ARCHES to facilitate the deployment and activation of California's hydrogen market through a collaboration agreement. This initiative, known as the "ARCHES-FPH2 H2Match Partnership", is intended to accelerate the commercialization of hydrogen by coordinating market participants, securing offtake agreements, and working to develop a framework for pricing, procurement, and distribution.

This agreement represents the first phase of a broader partnership between FPH2 and ARCHES, positioning FPH2 as a key platform for ARCHES' hydrogen matchmaking model. The agreement provides a foundation for collaboration on marketing efforts, stakeholder engagement, and regional hydrogen ecosystem development, with the goal of expanding hydrogen adoption across California.

By formalizing this collaboration, FPH2 and ARCHES will work together to drive investment, streamline market transactions, and support the growth of a competitive, scalable hydrogen economy in the state.

Attachments:

- Draft Partnership Agreement between First Public Hydrogen Authority and ARCHES

PARTNERSHIP AGREEMENT

THIS PARTNERSHIP AGREEMENT (this “Agreement”) is entered into this **[Date]**, by and between the **FIRST PUBLIC HYDROGEN AUTHORITY**, a joint exercise of powers authority established under the laws of the State of California (“FPH2”), and **ARCHES H2 LLC**, a California limited liability company (“ARCHES”) (FPH2 and ARCHES are sometimes singularly referred to as “Party” and collectively referred to as the “Parties”)

R E C I T A L S

A. FPH2 is a joint exercise of powers authority created under the Joint Exercise of Powers Act (California Government Code Section 6500, et seq.), with a mission to bridge renewable hydrogen producers with end-users, streamline transactions, and accelerate the adoption of hydrogen technologies.

B. ARCHES is a statewide public-private partnership built on the State of California’s long-standing H2 and renewable energy leadership to serve as the applicant and organizer for a statewide H2 hub. The State of California—led by GO-Biz alongside other state agencies, the legislature, local governments, and the state’s institutions of higher education, including the University of California and one of its affiliated national laboratories, Lawrence Berkeley National Laboratory—provides vision, leadership, oversight, accountability, and matching funds. Industry partners bring deep technical expertise, the capability for building a H2 network in California, and significant in-kind matching capacity. Local governments, environmental justice advocates, nonprofits, and organized labor bring a strong focus on community engagement, public health, environmental protection, workforce development, and other issues of critical importance to ARCHES.

C. ARCHES is anticipated to include major deployment clusters in the Los Angeles Basin and Bay Area and extend into the Central Valley, Inland Empire, and other regions (including possibly neighboring states) with high renewable resources, hydrogen storage possibilities, key transportation corridors, and need for clean energy and reduced pollution.

D. The United States Department of Energy (“DOE”) Office of Clean Energy Demonstrations (“OCED”) has awarded ARCHES up to \$1,200,000,000 of federal funding under a cooperative agreement, effective July 17, 2024 (“Award”). DOE OCED has obligated the first \$30,000,000 tranche of this funding (Award No. DE-CD0000041) to support delivery of the H2 Hub planning phase (“Phase 1”). Pursuant and subject to the terms and conditions of the Award, ARCHES will generally receive funding distributions on a cost-reimbursement basis.

E. The Parties desire to enter into this Agreement for the purpose of accelerating the commercialization of hydrogen by developing and promoting the ARCHES-FPH2 H2-MarketStarter Project (collectively, the “ARCHES-FPH2 H2-MarketStarter Project”).

NOW, THEREFORE, in consideration of the mutual understandings and agreements set forth herein, the parties hereby agree as follows:

1. **Mutual Collaboration.** The Parties agree to work collaboratively to advance their common mission to promote renewable hydrogen technologies and infrastructure.
2. **Deliverables.** Deliverables under this Agreement may include, but are not limited to:
 - a. Jointly developing, promoting and implementing the ARCHES-FPH2 H2-MarketStarter Project.
 - b. Jointly marketing and promoting renewable hydrogen initiatives, including announcements of their collaboration to showcase their collective efforts.
 - c. Encouraging hydrogen producers to sell through the ARCHES-FPH2 H2-MarketStarter Project.
 - d. Supporting FPH2's efforts to expand its membership and network of stakeholders through outreach and strategic cooperation agreements.
 - e. Collaborating on public awareness campaigns to highlight the benefits of renewable hydrogen technologies and the Parties' roles in advancing these initiatives.
 - f. Strategy Meetings. Staff designated by each Party shall meet on a biweekly basis, as necessary, to discuss the status of the ARCHES-FPH2 H2-MarketStarter Match Project.
3. **Confidentiality.** To the extent permitted by law (including, but not limited to, the Ralph M. Brown Act and the California Public Records Act), each Party shall make its best efforts not to disclose any other Party's confidential information without such Party's prior written consent.
4. **Indemnification.**
 - a. ARCHES' Obligation to Indemnify. ARCHES shall indemnify, defend and hold harmless FPH2, its elected and appointed officials, officers, agents, and employees, contractors and/or consultants from and against any and all liability, loss, expense (including reasonable attorney's fees), and/or claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorney's fees, or claims for injury or damages are caused by or result from the sole active negligence or willful misconduct of ARCHES, its trustees, officers, agents, employees, contractors, and/or consultants. Nothing in this Agreement shall be construed to waive, limit, or supersede any of the ARCHES' rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to Section 3864 of the California Labor Code.
 - b. FPH2's Obligation to Indemnify. FPH2 shall indemnify, defend and hold harmless ARCHES, its officers, agents, and employees from and against any and all liability, loss, expense (including reasonable attorney's fees), and/or claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorney's fees, or claims for injury or

damages are caused by or result from the sole active negligence or willful misconduct of FPH2, its trustees, officers, agents, employees, contractors, and/or consultants. Nothing in this Agreement shall be construed to waive, limit, or supersede any of FPH2's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to Section 3864 of the California Labor Code

- c. The indemnification provisions of this section shall survive the expiration or termination of this Agreement.
5. **Termination.** This Agreement may be terminated by either Party for the convenience of the terminating Party with thirty (30) days' advance notice. This Agreement may also be terminated by either Party as a result of the default by the other Party of its obligations under this Agreement. Notice of termination shall be given in writing and shall be considered complete five (5) business days after deposit in the United States mail in a sealed envelope with postage paid and addressed to the other Party at the address provided in Section 8 of this Agreement.
6. **Designated Representatives.**
- a. FPH2's Designated Representative. FPH2 designates Jason Caudle, CEO, as its sole representative with respect to the matters set forth in this Agreement, who, until further notice to ARCHES, shall have the full authority and responsibility to act on behalf of FPH2 as required in this Agreement and whose address, for purposes of any notices to be given regarding matters pertaining to this Agreement, is as set forth below.
 - b. ARCHES' Designated Representative. ARCHES designates Angelina Galiteva, CEO, as its sole representative with respect to the matters set forth in this Agreement, who, until further notice to FPH2, shall have the full authority and responsibility to act on behalf of ARCHES as required in this Agreement and whose address, for purposes of any notices to be given regarding matters pertaining to this Agreement, is as set forth below.
7. **No Predetermination of Discretion.** By its execution of this Agreement, neither Party is committing itself to nor agreeing to undertake any act or activities requiring the subsequent independent exercise of discretion by any legislative body, board, commission, agency, or department thereof.
8. **Communication.** Any communication or notice which any Party may desire to give to the other Party under this Agreement shall be in writing and addressed to the Party at the address set forth below, or at any other address as that Party may later designate by notice:

To FPH2: First Public Hydrogen Authority
44933 Fern Avenue
Lancaster, CA 93534
Attn: Jason Caudle
Email: jcaudle@fph2.org

To ARCHES: 5270 California Ave, Suite 350
Irvine, CA 92617

Attn: Angelina Galiteva
Email: angelina.galiteva@arches.org

Such addresses may be changed by notice to the other Party(ies) given in the same manner as provided above.

9. **Entire Agreement.** This Agreement constitutes the entire understanding and agreement of the Parties, integrates all the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties or their predecessors in interest with respect to all or any part of the subject matter hereof.
10. **Time of Essence.** Time is of the essence of every portion of this Agreement in which time is a material part.
11. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of California.
12. **Waiver.** Any waiver by either Party or any breach of any one or more of the covenants, terms, and conditions contained herein shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, term, or condition, nor shall failure on the part of either Party to require exact, full, and complete compliance with any of the covenants, terms, or condition be construed as in any manner changing the terms of this Agreement or stopping either party from enforcing the full provisions hereof. No option, right, power, remedy, or privilege of either party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options, and remedies given either Party by this Agreement shall be cumulative.
13. **Interpretation.** Unless the context of this Agreement clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neutral genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.
14. **Construction Of Terms.** This Agreement is jointly prepared by the Parties. Therefore, this Agreement shall not be construed against any Party on the basis that such Party drafted this Agreement or any provision within it.
15. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, then upon written agreement of the parties' representatives, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.
16. **Force Majeure.** The respective duties and obligations of the Parties pursuant to this Agreement shall be suspended while and so long as performance is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government action, war acts, acts of God, or any other cause similar or dissimilar to the foregoing that are beyond the control of the Party from which the affected performance was due.

17. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be original, but altogether shall constitute one and the same agreement, and it is also understood and agreed that separate counterparts of this Agreement may be separately executed by the Parties, all with the same full force and effect as though the same counterpart has been executed simultaneously by both Parties.
18. **Incorporation of Recitals.** The recitals set forth on the first page of this Agreement are incorporated in and constitute a substantive part of this Agreement.
19. **Legal Relationship.** The legal relationship of the Parties hereunder shall be contractual in nature and shall be governed by the terms of this Agreement. Nothing herein shall be construed to create a partnership or joint venture or impose the duties, obligations, or liabilities associated with a partnership or joint venture on or with regard to either Party, or to create a principal/agent relationship between the Parties. Notwithstanding anything herein to the contrary, neither Party shall have the authority to bind the other Party to any contract or other obligation absent the agreement of that Party.
20. **Warranty of Authority.** Each individual executing this Agreement hereby personally covenants, guarantees, and warrants that he/she has the power and authority to obligate his/her respective Party to the terms and conditions of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative as of the date first written above.

FPH2:
FIRST PUBLIC HYDROGEN
AUTHORITY

By:

Name: Jason Caudle
Title: CEO

ARCHES:

ARCHES H2 LLC,
a California limited liability
company

By:

Name: **[Authorized Signer]**
Title: **[Title]**