Board of Directors Regular Meeting Agenda

Wharfinger Building, Bay Room (downstairs)
1 Marina Way, Eureka, CA 95501

Thursday, September 24 2026
3:30 PM

Meeting Information

Meeting Reports and Comments

Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Board, including those received less than 72 hours prior to the Board's meeting, will be made available to the public at redwoodenergy.org.

Speakers wishing to distribute materials to the Board at the meeting must provide 13 copies to the Board Clerk.

How to Participate

This is a hybrid in-person and virtual meeting. When technical difficulties arise that prevent members of the public from offering comments, or if broadcasting is disrupted due to matters out of RCEA's control, this meeting will be discontinued unless otherwise allowed by law.

To participate in the meeting online, go to https://us02web.zoom.us/j/81972368051.

To participate by phone, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 819 7236 8051.

To speak during the public comment periods, raise your hand in the online Zoom webinar, or press star (*) 9 on your phone to raise your hand. Staff will ask you to unmute your phone or computer when it is your turn. You will have 3 minutes to speak.

Email written comments to PublicComment@redwoodenergy.org. Identify the agenda item number in the subject line. Comments will be included in the meeting record but not read aloud during the meeting.

Accessibility

Need help with accessibility? Any member of the public needing special accommodation to participate in this meeting or access the meeting materials should email LTaketa@redwoodenergy.org or call (707) 269-1700 at least 3 business days before the meeting. Assistive listening devices are available.

Open Session (Call to Order)

1. Roll Call | Remote Director Participation

1.1. Brown Act Teleconference Participation Rules

2. Reports from Member Entities

3. Oral & Written Communications

This time is provided for people to address the Board or submit written communications on matters not on the agenda. At the conclusion of all oral communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

4. Staff Reports

4.1. Executive Director's Report

5. Consent Calendar

All matters in the Consent Calendar section are considered routine by the Board and are enacted in one motion. There is no separate discussion of any of these items; if discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, Board members or members of the public can request that an item be removed for separate discussion.

5.1. Approve Minutes of August 27, 2026, Board Meeting.

5.2. Accept Disbursement Report for July 2026, and Financial Reports for This Fiscal Year Through July 2026.

6. Items Removed from Consent Calendar

Items removed from the Consent Calendar section will be heard under this section.

Community Choice Energy (CCE) Business

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighted voting as established in the RCEA joint powers agreement.

7. CCE Business Consent Calendar

All matters in the Community Choice Energy Business Consent Calendar section are considered routine by the CCE-participating jurisdiction Board members and are enacted in one motion. There is no separate discussion of any of these items. If discussion is required, that item is removed from the Consent Calendar section and considered separately. At the end of the reading of the CCE Business Consent Calendar, any Board member or members of the public can request that an item be removed for separate discussion.

7.1. Adopt Resolution 2026-10 Approving and Attesting to the Veracity of RCEA's 2025 Power Source Disclosure Report.

8. Items Removed from CCE Business Calendar

Items removed from the Consent Calendar section will be heard under this section.

9. Old CCE Business – None.

10. New CCE Business – None.

End of CCE Business | Resume RCEA Board Business

11. Old Business

11.1. Annual Humboldt Sawmill Company Alternative Biomass Use Report (Information only)

11.2. Grid Resilience Innovation Partnership (GRIP) Program Funds for Tribal Energy Resilience and Sovereignty Project Final Award Execution and Staffing

Authorize RCEA Executive Director to execute the Department of Energy Grid Resilience Innovation Partnership Program Funds for Tribal Energy Resilience and Sovereignty Project GD-0000967 Final Award and Unfreeze the Contracts and Grants Manager Upon Execution of Final Award.

12. New Business

12.1. Regional Climate Action Plan: Establishing RCEA as Host Agency

Approve the Memorandum of Understanding establishing RCEA as the host agency for the Regional Climate Committee and Climate Program Manager Position to coordinate the implementation of the Regional Climate Action Plan.

12.2. Approval of Fifth Lease Amendment Between GHD, Tenant, and RCEA, Landlord, for 718 3rd Street, Eureka, CA

Approve Fifth Amendment to Commercial Lease Agreement between Redwood Coast Energy Authority, Landlord, and GHD Inc., Tenant, for 718 3rd Street and Authorize the Executive Director to execute all applicable documents pending review by RCEA Legal Counsel.

12.3. Recommended Design-Build Procurement for 718 3rd Street Office Remodel

Authorize RCEA's Executive Director to utilize the design-build process to procure design and construction of the commercial remodel and improvements to 718 3rd St. Eureka; and initiate the first step by developing and issuing a Request for Qualifications.

Create an Ad Hoc Building Remodel Solicitation Committee comprised of five or fewer RCEA Board members.

Delegate authority to the Building Remodel Solicitation Ad Hoc Committee to: 1) approve the short list of qualified design build contractors, and 2) authorize the Executive Director to issue a Request for Proposals for construction of the commercial remodel/improvements at 718 and 720 3rd St. Eureka.

12.4. Overview of Distributed Energy Resources and Virtual Power Plants (Information only)

13. Future Agenda Items

Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

14. Adjournment

Next Regular Meeting

Thursday, October 22, 2026 | 3:30 PM

Wharfinger Building Bay Room (downstairs), 1 Marina Way, Eureka, CA 95501
Online and phone participation is available via Zoom.

REDWOOD COAST EnergyAuthority

Staff Report

Agenda Item # 1.1

Information

Agenda Date	August 27, 2026
To	Board of Directors
Prepared by	Eileen Verbeck, Deputy Executive Director
Subject	Revised Member Teleconference Participation Rules

Background

When emergency Brown Act meeting law changes went into effect in 2020 due to the COVID-19 public health emergency, the RCEA Board of Directors, Community Advisory Committee (CAC) and the subcommittees of those bodies met online via teleconference using the Zoom platform with no physical, public meeting location. Since the pandemic, the Brown Act has been amended to codify modern teleconference meeting practices both during and outside of declared states of emergency. SB 707 (Durazo, 2025) sets out the latest Brown Act revisions which were signed into law on October 3, 3025.

Summary

RCEA Board Directors may attend up to two meetings per year from a remote location <u>without</u> making the location accessible to the public for the following, revised, "just cause" reasons:

1. Childcare or caregiving to child, parent, grandparent, grandchild, sibling, spouse, domestic partner;
2. Contagious illness that prevents in person attendance;
3. Mental or physical need not subject to reasonable accommodation provisions;
4. Travel while on official business of RCEA or another state or local agency;
5. Immunocompromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires remote participation;
6. Physical or family medical emergency; or
7. Military service obligations.

A vote is not necessary to request remote attendance for just cause, including for medical emergency remote attendance per SB 707 revisions. A brief description, protecting the Director's (or family member's) medical privacy, must be provided and the Director must publicly disclose whether anyone 18 years of age or older is present in the room at the remote location, and the general nature of the individual's relationship with the Director.

At a future meeting, staff will recommend Board adoption of a revised Teleconferencing Policy capturing the latest Brown Act revisions and provide the Board an opportunity to pass a resolution enabling remote meeting participation for members who must travel at least 20 miles to the Wharfinger Building.

Staff Recommendation

None. Information only.

Required Distribution Information

The **Revised** Ralph M. Brown Act

Link to California Government Code Sections 54950 - 54963[1], revised October 3, 2025, by SB 707 (Durazo, 2025).

Redwood Coast Energy Authority List of Physical Meeting Locations

Body	Date	Time	Location
Board of Directors	4th Thursday of each month	3:30 p.m.	Wharfinger Building, 1 Marina Way, Eureka, CA 95501
Community Advisory Committee	2nd Tuesday of odd-numbered months	6 p.m.	Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA 95501
Finance Committee	As needed, dates TBD	TBD	RCEA Offices, 633 Third Street, Eureka, CA 95501

[1] The Revised Ralph M. Brown Act, California Code, GOV 54950.5 - 54963: https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=2.&title=5.&part=1.&chapter=9.&article=

REDWOOD COAST
EnergyAuthority

Staff Report

Agenda Item # 4.1

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Elizabeth Burks, Executive Director
Subject	Executive Directors' Report

Summary

Executive Director Elizabeth Burks will provide updates on topics as needed.

RCEA Updates

August Customer Contact Log Summary

In August 2026, there were 135 total customer-initiated interactions (107 phone calls, 11 lobby walk-ins, 17 emails).

The top categories for inquiries were:

- Rebate/Customer Programs – 43
- Billing – 25
- Net Energy Metering (NEM) – 23

Rebate & Customer Program Inquiries
Of the month's program inquiries, 40% were related to e-bike vouchers, 26% about EV incentives, and 9% about heat pump rebates. Billing inquiries primarily involved questions about electric bills, energy usage, and overall costs, while Net Energy Metering (NEM) inquiries focused on imports and exports, solar system performance, and understanding NEM and Solar Billing Plan statements following completion of the annual cash-out process.

Note: There were a total of six opt outs for the month of August.

NREN Update

In August, the RCEA Northern Rural Energy Network team completed nine home energy assessments, gave out 26 efficiency kits, and paid out $7,780 in rebates to Humboldt County customers.

NREN Partner	Rebates		Efficiency Kits		Energy Assessments	
	August	YTD	August	YTD	August	YTD
RCEA	**$7,780**	**$86,230**	**26**	**263**	**9**	**59**
LAPC	$1,742	$6,565	10	407	5	37
MCOG	$100	$6,503	42	193	5	33
SBC	$15,794	$68,405	40	453	5	56
Total	**$25,416**	**$167,703**	**118**	**1316**	**24**	**185**

Staff Recommendation

None. Information only.

Attachments

1. Community Outreach Events Summary
2. LEAN/Community Choice Energy Alliance Federal Activity Report - August 2026

Redwood Coast Energy Authority – **Community Outreach & Events Summary**

Each month, RCEA connects with community members across Humboldt County through events, presentations, and outreach efforts that build awareness of our programs and services. This summary provides a snapshot of our outreach reach, engagement highlights, and upcoming opportunities to connect with the community.

September 2026

AT A GLANCE

Events

We participated in a variety of community events, including hosting NREN's Energy Incentives Pre-Launch Open House, and staffing tables at the Loleta Community Resource Center, Bridgeville Community Resource Center and two days at the North Country Fair.

Next Month

In October, we'll staff education tables at Friends of the Lost Coast's Natural Science Day in Garberville, Fortuna Apple Harvest Festival and Walk to End Alzheimer's event.

Federal Affairs Updates

Monthly Policy Report

Community Choice Energy Alliance

The National Voice for Affordable, Clean, & Reliable Power

August 2026

By Community Choice Energy Alliance

Download PDF Version

Executive Summary

Congress spent most of August in their districts, however, they did make progress on several priorities. Prior to adjourning for recess, the Senate introduced and passed a stopgap spending bill that would fund the federal government through Dec. 11, which the House also passed upon returning to session. The Senate also introduced a Budget Resolution for “Reconciliation 3.0,” but failed to vote on the measure before adjourning.

Other legislative work also hit roadblocks before recess, as Senate negotiators continued struggling to reach a permitting reform deal, pushing the timeline for a deal back to September. Congress will return in September with numerous priorities to address and limited time left on the legislative calendar.

While Congress was in recess, the administration remained active. President Trump signed an Executive order prohibiting some foreign bulk-power system electrical equipment and software. Interior Secretary Doug Burgum issued a Secretarial order to speed up the department’s historical preservation reviews for projects on federal land. The administration also began circulating draft legislation addressing its spent nuclear fuel plans and released the first details on the Energy Star Program’s transition to the Department of Energy.

In judicial news, a District Court judge granted a preliminary injunction intended to prevent the Environmental Protection Agency from submitting more clean air waivers to Congress for nullification.

CCEA FEDERAL ADVOCACY

CCEA submitted **comments** to the Department of Energy (DOE) Notice of Proposed Rulemaking on the Energy Conservation Program: Procedures, Interpretations, and Policies for

Consideration of New or Revised Energy Conservation Standards and Test Procedures for Consumer Products and Certain Commercial/Industrial Equipment ("Process Rule").

CONGRESSIONAL ACTIONS

1. Congress Approves Stopgap Bill Extending Government Funding Through Dec. 11

The House returned from its August recess on Aug. 31 for the September work period, with a top priority of extending government funding beyond the Sept. 30 deadline. In July, the House and Senate each passed differing Continuing Resolutions (CRs) to fund the government. On Sept. 1, the House passed the Senate-approved stopgap funding bill by a vote of 370-48. T**he CR extends government funding through Dec. 11 and temporarily reauthorizes surface transportation programs. The CR also delays implementation of proposed rulemaking by the Office of Management and Budget to change the administration of federal grants and awards, for which CCEA advocated.** President Trump signed the CR into law on Sept. 2. When Congress returns in November, it will again need to address FY27 spending, requiring a significant effort given that the Senate has not passed any of its 12 appropriations bills and the House has passed only three bills.

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2. Senate Releases Budget Resolution for Reconciliation 3.0

Prior to adjourning for August recess on Aug. 7, Senate Budget Committee Chair Ron Johnson (R-WI) released a Budget Resolution for "Reconciliation 3.0" that includes instructions for new energy spending. The Resolution, which is broader than the version the House passed in July and was not acted on by the Senate before recess, includes spending instructions for eleven committees. **The Senate Energy and Natural Resources Committee would be allowed to increase the deficit by up to $1 billion over the next ten years, while neither the Environment and Public Works Committee nor the Finance Committee were included in the budget framework**. The resolution also includes several of the same funding priorities from the House resolution, including farm assistance, defense spending, and election-related funding. Shortly after the budget resolution was introduced, the Senate entered its month-long August recess without voting on the resolution.

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3. Senate Permitting Reform Deal Elusive

On Aug. 4, Senate permitting reform negotiators held a closed-door meeting to discuss the state of talks and announced that a deal is now expected in September. The negotiators, consisting of Environment and Public Works Committee (EPW) Chair Shelley Moore Capito (R-WV) and Ranking Member Sheldon Whitehouse (D-RI), and Energy and Natural Resources (ENR) Chair Mike Lee (R-UT) and Ranking Member Martin Heinrich (D-NM), met after weeks of staff-level talks to discuss the timeline of a deal and the remaining issues to be solved. **The new September timeline is a change from previous statements, where negotiators had stated their goal to release a permitting reform deal before leaving for August recess**. Sens. Capito and Whitehouse both stated their continued optimism about reaching a deal. According to an aide that was in attendance, many of the unresolved issues are within the jurisdiction of ENR, although the aide also stated that the two committees are still planning to release a single reform package. While there is limited time for reaching a permitting reform deal and passing legislation this congress, Senate Majority Leader John Thune (R-SD) has stated that he would prioritize floor time for permitting reform following August recess.

4. President Trump Signs Executive Order Prohibiting Some Foreign Bulk-Power Electrical Equipment

On Aug. 26, President Trump signed an Executive order titled "Declaring a National Emergency to Secure the United States Bulk-Power System." **The order prohibits the acquisition, importation, transfer, or installation of any foreign-produced electric equipment, critical component, or software if it is found to have been developed or supplied by a Covered Foreign Entity or otherwise poses a national security risk**. The Secretary of Energy, in coordination with the Secretaries of War, Commerce, Homeland Security, and the Director of National Intelligence, is given responsibility for determining what products pose such national security risks, as well as imposing conditions for the continued use of products already acquired or installed in the bulk-power system. The order cites increased activity from foreign actors exploiting vulnerabilities in the bulk-power system, and the limited restrictions on importation and use of foreign-produced bulk-power equipment, as reasons for declaring the national emergency and implementing new restrictions. Following President Trump's signing, the Department of Energy has 120 days to publish rules and regulations for implementing the order. CCEA is closely monitoring the rulemaking process and coordinating with national trade groups to assess potential implications for CCAs and keep members informed as implementation develops.

5. Administration Circulates Draft Nuclear Waste Legislation

The Trump administration is circulating draft legislation to support its proposed Nuclear Lifecycle Innovation Campuses (NLIC). The "Nuclear Reindustrialization Act of 2026" would **require the Department of Energy (DOE) to prioritize NLICs for carrying out the federal government's responsibility to dispose of spent nuclear fuel, and repeal sections of the Nuclear Waste Policy Act that designated Yucca Mountain as the sole repository DOE site**. These campuses would provide for the storage, disposal, and reprocessing of spent nuclear fuel. In July, DOE had announced Oklahoma, Louisiana, Idaho, Tennessee, and Utah as finalists to host these NLICs. The bill also proposes allowing DOE to use the Nuclear Waste Fund for any activities undertaken at the NLICs, as well as restarting the collection of fees for the Nuclear Waste Fund. Finally, the draft bill would formally disband the Nuclear Waste Technical Review Board, which advises DOE's spent nuclear fuel program, and saw all but one of its members fired by President Trump in July 2025. While Members of Congress broadly support the administration's plan to address nuclear waste, several have raised concerns about provisions such as use of the Nuclear Waste Fund and lack of oversight, underscoring that the draft legislation still needs buy-in from Capitol Hill.

6. Sec. Burgum Issues Order to Speed Historic Preservation Reviews

Interior Secretary Doug Burgum issued a Secretarial order to speed up historical preservation reviews for projects on federal land. **The order instructs agency officials to process Section 106 reviews in a timely and efficient manner, identify project categories that have no potential to cause effects on historic properties for exemption from review, and implement program alternatives for a more flexible approach to conducting reviews**. Additionally, the order requires officials to implement existing efficiencies, such as 30-day deadlines and coordination with the National Environmental Policy Act review process, and to strive for a 180-day resolution timeline when projects are found to have an adverse effect on historic properties. The Interior Department argues that the changes within this order will allow the Department to consider effects on historic properties more meaningfully, as well as efficiently, while requiring states and tribes to do so as well. **The order comes as the Trump administration is considering significant changes to historic reviews, which were**

proposed by the Advisory Council on Historic Preservation and seeks to speed approvals for energy projects.

7. Federal Agencies Publish Energy Star Transition Plan

On Aug. 28, the Environmental Protection Agency (EPA) and Department of Energy (DOE) published its long-awaited plan to transition the Energy Star program from EPA to DOE. In March, the two federal agencies signed a Memorandum of Agreement (MOA) for the formal transition. The Transition Plan reaffirms both agencies' commitment to a smooth transition and to minimizing any disruptions to the 1,500 manufacturers, 1,200 retailers, 840 utilities, and $100 billion in private markets that use the Energy Star program. The plan outlines three major workstreams for the transition, including knowledge transfer and consolidation of leadership, transfer of legal and trademark agreements, and transfer of IT systems and data. **The workstreams will be phased, with the full transition targeted for completion by July 2027**. The plan states that the transition will be funded through FY26 appropriations and that the long-term success of the program depends on adequate funding by Congress.

JUDICIAL ACTIONS

8. Judge Blocks EPA from Submitting Clean Air Waivers for Congressional Review Act

On Sept. 2, U.S. District Court Senior Judge Beryl Howell blocked the Environmental Protection Agency (EPA) from sending California Clean Air Act Waivers to Congress for nullification under the Congressional Review Act (CRA). In June, EPA sent four California waivers, which dated as far back as 2009 and covered clean car rules and the electrification of small engines such as those found in lawn equipment, to Congress for review and nullification under the CRA. California then sued the EPA, arguing that the agency had unlawfully reclassified the waivers as rules prior to sending them to Congress. Judge Howell granted a preliminary injunction to California stating that the waivers were not rules when issued, therefore EPA either took formal action under the Administrative Procedure Act to reclassify the waivers as rules or misled Congress by sending reports that called the waivers rules. Howell's strongly worded decision condemned EPA's use of CRA to nullify waivers, arguing that it undermines "honest compliance with the law." **The preliminary injunction prevents EPA from reclassifying additional waivers as rules subject to CRA but cannot stop Congress from voting to nullify the waivers already submitted, as legislation has already been introduced**. Howell does, however, order EPA to attempt to restore the status quo from before it sent the waivers to Congress and to withdraw or correct other waiver reclassifications. While no announcements have yet been made, the Trump administration is expected to appeal the order.

Additional Resources

Log in to **CCEA's Members-Only Portal** to access:

- A detailed Members Directory
- Federal Policy Committee documents and materials *(log in to read all weekly and monthly reports, policy briefs, and additional resources)*
- CCEA's curated national CCA database (*for Terawatt members only*)

Community Choice Energy Alliance partners with Meguire Whitney to advance federal policy and advocacy for CCAs.

Visit our Website

Board of Directors Draft Meeting Minutes

Wharfinger Building, Bay Room (downstairs)
1 Marina Way, Eureka, CA 95501

Thursday, August 27 2026
3:30 PM

Attendance

Present

Scott Bauer	Sarah Schaefer, Vice Chair
Carlos Diaz	Jack Tuttle
Michael Gerace, Chair	Frank Wilson
Skip Jorgensen	Mike Wilson
Elise Scafani	

Absent

Jason Ramos	

Staff and Others Present

Name	Title
Ken Beals	Information Technology Technician
Elizabeth Burks	Executive Director
Faith Carlson	Regulatory & Legislative Manager
Nancy Diamond	RCEA Legal Counsel
Richard Engel	Power Resources Director
Stephen Kullmann	Customer Programs Director
Lori Taketa	Board Clerk
Eileen Verbeck	Deputy Executive Director

Open Session (Call to Order)

Chair Gerace called a meeting of the Board of Directors of the Redwood Coast Energy Authority to order at the above location and date at 3:33 p.m. Notice of this meeting was posted on August 21, 2026.

4. Staff Reports

4.1. Executive Director's Report

Executive Director Burks reported on staff's successful application for $2.9 million in investment tax credits for the Redwood Coast Airport microgrid. The RCEA electricity rate will change on September 1. Nine customers opted out so far due to the rate change, roughly the same number as in other months. Staff are discussing the rate change at member jurisdiction meetings. Recruitment continues for the Director of Engagement and Regional Climate Planning and staff General Counsel positions.

Regulatory and Legislative Manager Carlson reported on Power Charge Indifference Adjustment (PCIA) legislation and regulatory proceedings. The California Public Utilities Commission decided that Community Choice Aggregators' (CCAs') customers will not benefit from pre-2019 banked Renewable Energy Credits despite having paid for them prior to becoming CCA customers. In the Legislature, the PCIA Data Transparency Bill passed both houses and awaits the Governor's signature. There were no public comments.

5. Consent Calendar

5.1. Approve Minutes of July 23, 2026, Board Meeting.

5.2. Approve Disbursement Reports for June 2026, and Financial Reports for this Fiscal Year through June 2026.

5.3. Enter into an Agreement for Professional Services Between the Redwood Coast Energy Authority and Owsley Electric Inc. for Electrical Services at the Redwood Coast Airport Microgrid for a Term up to Five (5) Years and a Total Not to Exceed of $325,000 and Authorize the Executive Director to Execute All Applicable Documents Pending Review by RCEA Legal Counsel.

5.4. Approve Waiver of Potential Conflict of Interest and Provide Informed Consent Regarding Counsel Representation by the Law Offices of Nancy Diamond on Redwood Coast Energy Authority's Interests in the Regional Climate Action Plan.

There were no requests to remove items from the consent calendar, nor public comments.

M/S: M. Wilson, Tuttle: Approve Consent Calendar items.

The motion passed with a unanimous voice vote. Ayes: Bauer, Diaz, Gerace, Jorgensen, Scafani, Schaefer, Tuttle, F. Wilson, M. Wilson. Noes: None. Absent: Ramos. Abstain: None.

9. Presentations

9.1. Presentation on RCEA's Customer Programs Featuring the Heat Pump Rebate Program

Customer Programs Director Kullmann presented an overview of RCEA's customer programs, detailing services across residential, commercial, public agency, and workforce education sectors. These programs are funded mostly through external sources such as California's Regional Resilience Planning and Implementation Grant program and the Public Purpose Program (PPP), which is funded by a charge on all electricity bills. The Northern Rural Energy Network program and the Local Government Partnership are funded through the PPP. Historically, Humboldt County residents paid into the PPP but received little customer program service in return. RCEA staff bring these funds back to Humboldt County and rural Northern California in the form of energy efficiency customer programs. Residents do not need to be RCEA Community Choice Aggregation customers to participate in most of these programs.

Natural gas heating causes most of the greenhouse gas emissions from buildings in Humboldt County. Director Kullmann explained the benefits of using electric heat pumps. Since 2025, RCEA issued 56 heat pump space heater rebates and 46 hot water heat pump rebates. RCEA will launch a new heat pump program that offers rebates as high as 100% for commercial customers and up to $7,000 for residential customers who work directly with contractors. RCEA will host an open house on September 15 to recruit local contractors.

The group discussed the costs and benefits of switching from natural gas to heat pumps. There might not be immediate cost savings due to high electric rates, but heat pumps offer long-term benefits including decarbonization and use as air conditioners during summer months. There were no public comments on this agenda item.

9.2 Introductory Study Session on Electricity Service Municipalization

In response to Director requests for information on ways to reduce RCEA exposure to investor-owned utilities' actions and to give RCEA more price control, Power Resources Director Engel and Regulatory and Legislative Manager Carlson presented an overview of public power options. Following two waves of municipal utility formation in the late 1800s as cities grew and electrification spread, and the early 2000's after the Enron scandal, Community Choice Aggregators, municipal utilities, and rural electric co-operatives face challenges to formation and operation including investor-owned utility opposition, high asset transfer negotiation and infrastructure costs, and legal barriers that can take years to overcome. In the last 25 years, less than 10% of municipalization attempts in the U.S. succeeded.

Staff highlighted the success of CCAs in California, which currently meet nearly a quarter of the state's total electric load. Two other promising public power opportunities are greenfield development (electrification of areas formerly unserved by an investor-owned utility) and rural electric coops, which can borrow funds at low interest rates through the U.S. Department of Agriculture Rural Utilities Service. Barriers to publicly-owned power infrastructure in Humboldt County include the region's vast and difficult terrain, risk of assuming costs associated with wildfires, and lack of significant new industrial development as a potential electric revenue source.

The group discussed a local hybrid approach: municipal electricity for areas around Humboldt Bay and rural electric co-ops for more remote areas. Staff stressed the importance of legislative efforts to end the Power Charge Indifference Adjustment to gain more control over costs under the existing CCA framework. In the future, the Board will discuss revising RCEA's Policy Platform to more strongly support publicly-owned power, continue work to sunset the PCIA, explore a regional approach to public power, and learn more about how rural electric cooperatives work. Staff asked the Board to prioritize issues to be addressed (cost savings, independence from investor-owned utility actions, or energy resilience) as different goals require different strategies.

Community Advisory Committee member Carol Schmitt, speaking as a member of the public, highlighted the importance of considering energy resilience in future planning. Chair Gerace closed the public comment period.

10. Future Agenda Items

The Directors asked for updates on PCIA sunsetting efforts and a discussion on strategies to increase the regional electricity load.

Chair Gerace adjourned the meeting at 5:20 p.m.

Lori Taketa
Clerk of the Board

The author used Zoom AI to generate a draft of these minutes. After using this tool, the author reviewed, edited and takes full responsibility for the content of these minutes.

REDWOOD COAST EnergyAuthority

Staff Report

Agenda Item # 5.2

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Lori Biondini, Business Planning and Finance Director
Subject	Profit & Loss, Balance Sheet and Monthly Disbursements Reports

Summary

The attached Disbursements Report lists RCEA's checks, debits, and electronic payments made during the period identified on the report. The Business Planning and Finance Director certifies that the disbursements were drawn in payment of demands conforming to RCEA's adopted Financial Policy and budget.

The Financial Reports (Profit & Loss Budget vs. Actual and Balance Sheet) are presented to keep the Board apprised of current agency receipts and spending relative to budget line items.

Alignment with RCEA's Strategic Plan

Agency financial tracking and reporting are necessary administrative functions supporting RCEA strategic plan goal implementation.

Financial Impact

The disbursements presented were drawn in payment of demands included within the adopted budget.

Staff Recommendation

Approve Disbursement Reports for July 2026, and Financial Reports for This Fiscal Year Through July 2026.

Attachments

1. Disbursements Report for July 1 through July 31, 2026
2. Profit & Loss Budget vs. Actual Report, July 2026
3. Balance Sheet as of July 31, 2026

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Accrual Basis

Redwood Coast Energy Authority
Disbursements Report
As of July 31, 2026

Type	Date	Num	Name	Memo	Amount
Liability Check	07/02/2026	ACH	Ascensus	7/2/26 Payroll	-14,574.55
Liability Check	07/02/2026	ACH	EDD	7/2/26 Payroll	-8,874.75
Liability Check	07/02/2026	ACH	Internal Revenue Service	7/2/26 Payroll	-38,292.90
Liability Check	07/02/2026	ACH	Ascensus	7/2/26 Payroll	-14,033.41
Liability Check	07/02/2026	ACH	Colonial Life	July 2026 Premiums	-3,598.89
Bill Pmt -Check	07/02/2026	ACH	CalCCA	Operational Member Dues Qrtly FY 26/27 Q1	-33,948.00
Bill Pmt -Check	07/02/2026	ACH	Choice Digital Corp	NREN Program Residential Rebate- Client Fees May 2026	-63.60
Bill Pmt -Check	07/02/2026	ACH	EDPR CA Solar Park LLC II	May 2026-Contract Energy	-1,089,266.14
Bill Pmt -Check	07/02/2026	ACH	Sandrini BESS Storage LLC	May 2026 Contract Energy Storage	-1,183,824.15
Bill Pmt -Check	07/02/2026	ACH	Viridity Energy Solutions, Inc.	Tierra Buena RA-June 2026	-16,900.00
Bill Pmt -Check	07/02/2026	ACH	Humboldt Made	Emerald Level Community Impact Sponsorship Payment 2/2	-2,500.00
Bill Pmt -Check	07/02/2026	ACH	County of Humboldt- Building Dept.	Building permit for Orleans VFD	-1,304.00
Bill Pmt -Check	07/02/2026	ACH	County of Humboldt- Building Dept.	Building permit for Orick CSD Addl Fees	-212.00
Bill Pmt -Check	07/02/2026	WIRE	Siteimprove, Inc.	Implementation Plan & Software Fees	-11,950.00
Check	07/02/2026	22567	NEM Customer	Reissued: 2026 NEM Term Acct Closeout	-277.27
Bill Pmt -Check	07/02/2026	22568	Advanced Security Systems	Qrtly monitoring and service call	-405.00
Bill Pmt -Check	07/02/2026	22569	Adventures Edge	June e-bike vouchers	-2,200.00
Bill Pmt -Check	07/02/2026	22570	Alber's Tractor and Ag Work	June RCAM mowing service	-2,150.00
Bill Pmt -Check	07/02/2026	22571	AM Conservation Group, Inc.	NREN Res Kits-RCEA Qty 116	-12,599.71
Bill Pmt -Check	07/02/2026	22572	Amazon.com	Monthly billing - May 2026	-4,484.04
Bill Pmt -Check	07/02/2026	22573	AT&T	RCAM charges: 06/07-07/06/26	-333.95
Bill Pmt -Check	07/02/2026	22574	Busick, B.	May 2026 Mileage Reimbursement	-48.21
Bill Pmt -Check	07/02/2026	22575	Central Office	Staff business cards x 3	-92.61
Bill Pmt -Check	07/02/2026	22576	Fortuna Chamber of Commerce	7/2026-7/2027 Membership Dues	-400.00
Bill Pmt -Check	07/02/2026	22577	Humboldt Bay Coffee Co.	Office coffee	-108.50
Bill Pmt -Check	07/02/2026	22578	Humboldt HyCycle	June e-bike vouchers	-3,600.00
Bill Pmt -Check	07/02/2026	22579	Humboldt Transit Authority	Staff bus passes Jan-Mar 2026	-256.00
Bill Pmt -Check	07/02/2026	22580	iPROMOTEu.com, Inc	Community Strat event items	-2,494.66
Bill Pmt -Check	07/02/2026	22581	McKinleyville Chamber of Commerce	Event fees	-2,500.00
Bill Pmt -Check	07/02/2026	22582	Mission Linen & Uniform Service	Janitorial supplies and services	-88.80
Bill Pmt -Check	07/02/2026	22583	NYLEX.net, Inc.	Onsite network support services - July 2026	-4,909.00
Bill Pmt -Check	07/02/2026	22584	Pacific Paper Company	Office supplies	-37.64
Bill Pmt -Check	07/02/2026	22585	PG&E- EV	2931 Russell St EV station: 5/6/26-6/4/26	-372.02
Bill Pmt -Check	07/02/2026	22586	PG&E-Office Utility	5/14-6/11/26 utilities for 633 3rd Street	-991.38
Bill Pmt -Check	07/02/2026	22587	PG&E - ACV	RCAM site utilities 5/02/26- 6/01/26	-217.81
Bill Pmt -Check	07/02/2026	22588	PG&E CCA	May 2026 CCE Charges	-21,956.55
Bill Pmt -Check	07/02/2026	22589	Reider, S	Mileage Reimbursement- June 2026	-71.27
Bill Pmt -Check	07/02/2026	22590	Revolution Bicycles, Inc.	June e-bike vouchers	-1,200.00
Bill Pmt -Check	07/02/2026	22591	Scrapper's Edge	Banner for events	-79.38
Bill Pmt -Check	07/02/2026	22592	Shred Aware	Shredding services - June 2026	-68.95
Bill Pmt -Check	07/02/2026	22594	Taketa, L.	May 2026 Purchase Reimbursement	-23.47
Bill Pmt -Check	07/02/2026	22595	Times Printing Company	Monthly move-in and late notices	-1,766.74
Bill Pmt -Check	07/02/2026	22596	Times Printing Company	Joint Rate Mailer Postcard w/Postage-qty 58,548	-30,840.90
Bill Pmt -Check	07/02/2026	22597	Verbeck, E.	Travel Reimb- Diablo Canyon Tour	-91.92
Bill Pmt -Check	07/02/2026	22598	Westside Community Improvement Assn.	Venue Rental: 1/13/26 CAC mtg	-187.50
Paycheck	07/02/2026	ACH	Employees	Payroll	-94,820.02
Bill Pmt -Check	07/13/2026	ACH	The Energy Authority	Weekly CRR #CISO070826-JUN2026	-116,145.92
Bill Pmt -Check	07/14/2026	ACH	Choice Digital Corp	RCEA NEM Solar Cash Outs Commercial, Qty 60	-52,514.12
Bill Pmt -Check	07/15/2026	ACH	The Energy Authority	Monthly Services June 2026	-789,179.99
Liability Check	07/17/2026	ACH	EDD	7/17/26 Paydate	-8,885.46
Liability Check	07/17/2026	ACH	Internal Revenue Service	7/17/26 Paydate	-38,018.30

Redwood Coast Energy Authority
Disbursements Report
As of July 31, 2026

Type	Date	Num	Name	Memo	Amount
Liability Check	07/17/2026	ACH	Ascensus	7/17/26 Paydate	-14,602.61
Liability Check	07/17/2026	ACH	Ascensus	7/17/26 Paydate	-14,045.44
Bill Pmt -Check	07/17/2026	ACH	CalPine Corporation	June 2026 Services	-70,565.20
Bill Pmt -Check	07/17/2026	ACH	Humboldt Sawmill Co.	June 2026 Electricity Charge	-625,857.70
Bill Pmt -Check	07/17/2026	ACH	Leapfrog Power, Inc	June 2026 RA Invoice	-37,180.00
Bill Pmt -Check	07/17/2026	ACH	Mendocino Council of Governments	NREN Implemetation Task Orders Q3 2026	-188,399.83
Bill Pmt -Check	07/17/2026	ACH	Sonoma Clean Power Authority	June 2026 - Flex RA	-261,000.00
Bill Pmt -Check	07/17/2026	ACH	SMUD	NREN Res Sector needs assesment- May 2026	-68,265.00
Bill Pmt -Check	07/17/2026	WIRE	Foster Clean Power A, LLC	June 2026 Contract Energy	-39,153.61
Bill Pmt -Check	07/17/2026	WIRE	Foster Clean Power B, LLC	June 2026 Contract Energy	-44,754.49
Check	07/17/2026	22599	NEM Customer	2026 NEM Term Account Closeout-Reissued	-593.19
Check	07/17/2026	22600	NEM Customer	2026 NEM Closeout-Reissued	-80.38
Check	07/17/2026	22601-22	NEM Customers	2026 NEM Closeout	-754.86
Bill Pmt -Check	07/17/2026	22623	Adventures Edge	July 2026: 1 E-Bike Voucher	-600.00
Bill Pmt -Check	07/17/2026	22624	Arcata Technology Center	Site Host Reimbursement 04/01/26-06/30/26	-315.92
Bill Pmt -Check	07/17/2026	22625	AT&T	RCAM Router charges 05/19-06/18/26	-163.00
Bill Pmt -Check	07/17/2026	22626	AT&T	RCAM data charges 6/29/26-7/28/26	-665.37
Bill Pmt -Check	07/17/2026	22627	Atkins Drafting	718 & 720 3rd: 3D Scan and DWG as-builts	-4,364.25
Bill Pmt -Check	07/17/2026	22628	Bishop, M.	June 2026 Reimbursements	-257.45
Bill Pmt -Check	07/17/2026	22629	Black Humboldt	Juneteenth 2026 Event Sponsorship	-500.00
Bill Pmt -Check	07/17/2026	22630	Blue Lake Rancheria	Site Host Reimbursement 04/01/26-06/30/26	-1,248.10
Bill Pmt -Check	07/17/2026	22631	Busick, B.	July 2026 Mileage Reimbursement	-70.18
Bill Pmt -Check	07/17/2026	22632	Chargepoint	Qty 8, Com. cloud plans for Arcata Com center	-2,960.00
Bill Pmt -Check	07/17/2026	22633	City of Arcata	May 2026 Utility User Tax	-5,576.17
Bill Pmt -Check	07/17/2026	22634	City of Arcata	May 2026 Excessive Electricity Use Tax	-383.62
Bill Pmt -Check	07/17/2026	22635	City of Arcata	Site Host Reimbursement 04/01/26-06/30/26	-1,352.08
Bill Pmt -Check	07/17/2026	22636	City of Blue Lake	Site Host Reimbursement 04/01/26-06/30/26	-376.32
Bill Pmt -Check	07/17/2026	22637	City of Blue Lake	Building permit for Blue Lake VFD	-1,030.00
Bill Pmt -Check	07/17/2026	22638	City of Eureka-Water	917 & 633 3rd. St. 05/25/26-06/25/26	-389.64
Bill Pmt -Check	07/17/2026	22639	City of Eureka - REVNet	Site Host Reimbursement 04/01/26-06/30/26	-628.21
Bill Pmt -Check	07/17/2026	22640	City of Trinidad	Site Host Reimbursement 04/01/26-06/30/26	-483.62
Bill Pmt -Check	07/17/2026	22641	County of Ventura	Civicwell 3C-REN/NREN 2026	-133,938.57
Bill Pmt -Check	07/17/2026	22642	CPH Sponsored Programs Foundation	Apr-May 2026 RCAM services	-13,388.00
Bill Pmt -Check	07/17/2026	22643	Donald Dame	CCE Consulting services- June 2026	-218.75
Bill Pmt -Check	07/17/2026	22644	Engel, R.	June 2026 Mileage Reimb.	-39.88
Bill Pmt -Check	07/17/2026	22645	Frontier Energy, Inc.	May 2026 NREN services	-54,658.50
Bill Pmt -Check	07/17/2026	22646	Humboldt Bay Coffee Co.	Office Coffee- 633 3rd St.	-64.10
Bill Pmt -Check	07/17/2026	22647	Humboldt Transit Authority	Staff bus passes Apr-June 2026	-230.00
Bill Pmt -Check	07/17/2026	22648	HWMA	June 2026 Dump Fees-633 3rd Attic Cleanout	-227.25
Bill Pmt -Check	07/17/2026	22649	Kilowatt Engineering, Inc.	May & June 2026 services	-22,257.50
Bill Pmt -Check	07/17/2026	22650	KnowBe4	Training Subscription 07/22/2026-07/21/2029	-3,661.32
Bill Pmt -Check	07/17/2026	22651	Law Offices of Nancy Diamond	June 2026 services	-4,928.00
Bill Pmt -Check	07/17/2026	22652	Law Offices of Susie Berlin	May & June 2026 services	-7,862.50
Bill Pmt -Check	07/17/2026	22653	Marc Malfatti Electric	EV Charging Station electrical work: DMV site	-25,650.00
Bill Pmt -Check	07/17/2026	22654	Martin, Kelsey	CCEC Conference Reimb 6/23-6/26/26	-344.39
Bill Pmt -Check	07/17/2026	22655	Mission Linen & Uniform Service	June 2026 services and supplies	-140.77
Bill Pmt -Check	07/17/2026	22656	North Coast Unified Air Quality	Site Host Reimbursement 04/01/26-06/30/26	-629.04
Bill Pmt -Check	07/17/2026	22657	Open Door Community Health Center	Site Host Reimbursement 04/01/26-06/30/26	-325.27
Bill Pmt -Check	07/17/2026	22658	Pacific Paper Company	Office supplies	-55.11
Bill Pmt -Check	07/17/2026	22659	PG&E- EV	Utilities for 3 EV accounts	-1,960.78
Bill Pmt -Check	07/17/2026	22660	PG&E-Office Utility	Utilities for 2 accounts	-388.40

Redwood Coast Energy Authority
Disbursements Report
As of July 31, 2026

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	07/17/2026	22661	Rodriguez, Louis	Mileage reimbursement - June 2026	-99.76
Bill Pmt -Check	07/17/2026	22662	Scrapper's Edge	July 2026 purchases	-65.66
Bill Pmt -Check	07/17/2026	22663	Shred Aware	Shredding services - 633 Attic Clean-out boxes	-1,037.78
Bill Pmt -Check	07/17/2026	22664	St. Joseph Hospital, Eureka	Site Host Reimbursement 04/01/26-06/30/26	-2,265.93
Bill Pmt -Check	07/17/2026	22665	Taketa, L.	June 2026 reimbursements	-390.00
Bill Pmt -Check	07/17/2026	22666	Special District Risk Managment P&L	VOID: Not received by vendor as of 8/31/26, reissued as ACH	0.00
Paycheck	07/17/2026	ACH	Employees	Payroll	-93,051.62
Check	07/20/2026	ACH	VISA- Commercial Card	Payment for Statement Date 6/30/26	-20,342.27
Check	07/21/2026	Debit	Columbia Bank	Service Charge	-357.99
Check	07/21/2026	Debit	Columbia Bank	Service Charge	-274.65
Bill Pmt -Check	07/21/2026	ACH	Choice Digital Corp	NREN Program Residential Rebate Prefunding	-40,000.00
Bill Pmt -Check	07/21/2026	ACH	Snow Mountain Hydro, LLC	June 2026 Electricity	-2,263.08
Bill Pmt -Check	07/30/2026	ACH	EDPR CA Solar Park LLC II	June 2026-Contract Energy	-1,004,340.66
Liability Check	07/31/2026	ACH	Ascensus	7/31/26 Paydate	-16,772.81
Liability Check	07/31/2026	ACH	CICCS Coalition for Controlling Insurance	July 2026 Premiums	-68.68
Liability Check	07/31/2026	ACH	Colonial Life	August 2026 Premiums	-3,628.57
Liability Check	07/31/2026	ACH	EDD	7/31/26 Paydate	-9,148.10
Liability Check	07/31/2026	ACH	Internal Revenue Service	7/31/26 Paydate	-38,951.88
Liability Check	07/31/2026	ACH	Keenan	August 2026 Premiums	-52,977.48
Liability Check	07/31/2026	ACH	Principal Life Insurance Company	August 2026 Premiums	-133.74
Liability Check	07/31/2026	ACH	Ascensus	7/31/26 Paydate	-14,315.46
Bill Pmt -Check	07/31/2026	ACH	CA Dept. of Tax & Fee Administration	Electrical Energy Surcharge Return Q2 2026	-36,556.00
Bill Pmt -Check	07/31/2026	ACH	John Winzler	Office Lease - 633 3rd St. Aug 2026	-8,144.97
Bill Pmt -Check	07/31/2026	ACH	Sandrini BESS Storage LLC	June 2026 Contract Energy Storage	-1,217,014.50
Bill Pmt -Check	07/31/2026	ACH	SMUD	NREN Res Sector needs assesment- June 2026	-56,365.00
Bill Pmt -Check	07/31/2026	ACH	Viridity Energy Solutions, Inc.	Tierra Buena RA-July 2026	-16,900.00
Bill Pmt -Check	07/31/2026	WIRE	PG&E Voluntary Allocation	Mar 2026 Forecast Price- VA	-83,558.10
Liability Check	07/31/2026	22667	Ameritas Life Insurance Corp.- Vision	August 2026 Premiums	-524.04
Liability Check	07/31/2026	22668	Ameritas Life Insurance Corp. - Dental	August 2026 Premiums	-3,160.64
Bill Pmt -Check	07/31/2026	22669	Adventures Edge	July 2026 e-bike vochers	-1,600.00
Bill Pmt -Check	07/31/2026	22670	AM Conservation Group, Inc.	July 2026 kits	-27,494.49
Bill Pmt -Check	07/31/2026	22671	Ascensus	03/01-05/31/26 Recordkeeping Fee	-1,105.25
Bill Pmt -Check	07/31/2026	22672	AT&T	RCAM charges: 07/07-08/06/26	-333.95
Bill Pmt -Check	07/31/2026	22673	Atkins Drafting	718 & 720 3rd: Prelim Floor Plan Design & Consult	-2,080.00
Bill Pmt -Check	07/31/2026	22674	Baker, Henry	CCEC Conference: Reimb 6/23-6/26/26	-307.99
Bill Pmt -Check	07/31/2026	22675	Bishop, M.	Purchase reimbursement - Recology E-waste disposal	-20.00
Bill Pmt -Check	07/31/2026	22676	Bohn, Juliette	Reimb in-person NREN Mtg 6/29-6/30-26	-64.93
Bill Pmt -Check	07/31/2026	22677	Braun Blaising & Wynne, P.C.	Regulatory & Procurement legal services May 2026	-2,815.99
Bill Pmt -Check	07/31/2026	22678	Burks, E.	CCEC Conference: Per Diem & Reimb 6/23-6/26/26	-365.24
Bill Pmt -Check	07/31/2026	22679	Carter Properties	917 3rd Street Office Lease - Aug 2026 rent	-2,450.00
Bill Pmt -Check	07/31/2026	22680	CPH Sponsored Programs Foundation	June 2026 RCAM services	-3,020.00
Bill Pmt -Check	07/31/2026	22681	Department of Justice	Customer 165251, Fingerprinting Fee	-49.00
Bill Pmt -Check	07/31/2026	22682	Developed Employment Services, LLC.	633 3rd St. Yard work	-106.45
Bill Pmt -Check	07/31/2026	22683	Donnelly, S.	CCEC Conference: Reimb 6/23-6/26/26	-86.92
Bill Pmt -Check	07/31/2026	22684	EAN Services, LLC	Staff travel vehicle rentals June 2026	-153.66
Bill Pmt -Check	07/31/2026	22685	Eureka Humboldt Fire Extinguisher Co. Inc	July 2026 office inspection	-239.90
Bill Pmt -Check	07/31/2026	22686	Ferndale Chamber of Commerce	FY 26/27 Annual Membership	-50.00
Bill Pmt -Check	07/31/2026	22687	Friends of the Lost Coast	2026 Natural Science Day Event Sponsorship	-500.00
Bill Pmt -Check	07/31/2026	22688	Frontier Energy, Inc.	June 2026 NREN services	-55,300.73
Bill Pmt -Check	07/31/2026	22689	Heidi Moore-Guynup	CCEC Conference: Board Member travel reimb	-866.90
Bill Pmt -Check	07/31/2026	22690	Hooven & Reese, Inc.	Redway & Garberville EV project	-6,509.90

Redwood Coast Energy Authority
Disbursements Report
As of July 31, 2026

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	07/31/2026	22691	Humboldt County DHHS	26/27 Annual HazMat Fees Record: EH22-00046	-629.39
Bill Pmt -Check	07/31/2026	22692	Intellistack	Annual Software Charge 4/25/26-4/24/27	-7,451.51
Bill Pmt -Check	07/31/2026	22693	John Winzler	VOID: Ck 22693 and set up as ACH payment	0.00
Bill Pmt -Check	07/31/2026	22694	Kullmann, S.	CCEC Conference Reimb. 6/22-6/26/26	-560.62
Bill Pmt -Check	07/31/2026	22695	Mattio, B.	CCEC Conference Reimb. 6/22-6/26/26	-789.15
Bill Pmt -Check	07/31/2026	22696	Means, M.	June & July travel reimbursements	-293.43
Bill Pmt -Check	07/31/2026	22697	Mission Linen & Uniform Service	July 2026 services	-140.77
Bill Pmt -Check	07/31/2026	22698	Mobley Construction Inc.	Install of EV charger- Orleans - rem. 25%	-24,288.25
Bill Pmt -Check	07/31/2026	22699	Newport Group	Participant Fees for Retirement Plan -7/1-9/30/26	-1,044.59
Bill Pmt -Check	07/31/2026	22700	North Coast Cleaning Services, Inc.	June 2026 services	-1,090.00
Bill Pmt -Check	07/31/2026	22701	Optimum Business-633	633 3rd St: Phone & Internet- 07/01-07/31/26	-1,103.78
Bill Pmt -Check	07/31/2026	22702	PG&E- EV	Payment for 4 accounts	-914.90
Bill Pmt -Check	07/31/2026	22703	PG&E-Office Utility	6/12-7/13/26 utilities for 633 3rd Street	-1,084.51
Bill Pmt -Check	07/31/2026	22704	PG&E - ACV	RCAM site utilities 6/02/26- 7/01/26	-269.91
Bill Pmt -Check	07/31/2026	22705	PG&E CCA	June 2026 CCE Charges	-21,959.77
Bill Pmt -Check	07/31/2026	22706	Reider, S	Mileage Reimbursement- July 2026	-20.45
Bill Pmt -Check	07/31/2026	22707	Revolution Bicycles, Inc.	July 2026: 1 E-Bike Voucher	-400.00
Bill Pmt -Check	07/31/2026	22708	Rodriguez, Louis	Mileage reimbursement - July 2026	-58.80
Bill Pmt -Check	07/31/2026	22709	Shred Aware	Shredding services - e-waste	-410.00
Bill Pmt -Check	07/31/2026	22710	Terry, P.	CCEC Conference Reimb. 6/22-6/26/26	-846.00
Bill Pmt -Check	07/31/2026	22711	Times Printing Company	Late notice envelopes	-296.24
Bill Pmt -Check	07/31/2026	22712	Ubeo Business Services	633+ 917 3rd St Printer Charges: 6/6-7/5/26	-263.14
Bill Pmt -Check	07/31/2026	22713	WREGIS	Qty 60,000 Transferred & 53 Retired RECS	-240.21
Bill Pmt -Check	07/31/2026	22714	Amazon.com	Monthly billing - June 2026	-1,112.21
Paycheck	07/31/2026	ACH	Employees	Payroll	-96,205.91
TOTAL					**-8,261,048.06**

Redwood Coast Energy Authority
Profit & Loss Budget vs. Actual
July 2026

	Jul 26	Budget	% of Budget
Ordinary Income/Expense			
Income			
Total 4 GRANTS AND DONATIONS	20,865.17		
5 REVENUE EARNED			
Total 5000 · Revenue - government agencies	2,518,068.25	17,548,342.00	14.35%
Total 5100 · Revenue - program related	8,884.93	152,404.00	5.83%
Total 5300 · Revenue - Interest Earned	104,479.26	600,000.00	17.41%
Total 5400 · Revenue-nongovernment agencies	38,646.25	515,532.00	7.5%
Total 5500 · Revenue - Electricity Sales	3,705,347.61	51,359,098.00	7.22%
Total 5 REVENUE EARNED	6,375,426.30	70,175,376.00	9.09%
Total Income	6,396,291.47	70,175,376.00	9.12%
Gross Profit	6,396,291.47	70,175,376.00	9.12%
Expense			
Total 6 WHOLESALE POWER SUPPLY	4,289,412.22	53,053,147.00	8.09%
Total 7 PERSONNEL EXPENSES	419,895.41	6,848,843.00	6.13%
Total 8.1 FACILITIES AND OPERATIONS	331,694.99	1,412,926.00	23.48%
Total 8.2 COMMUNICATIONS AND OUTREACH	6,740.16	383,463.00	1.76%
8.4 PROFESSIONAL & PROGRAM SRVS			
8400 · Regulatory	34,755.50	400,101.00	8.69%
Total 8410 · Contracts - Program Related Ser	484,017.17	9,067,655.00	5.34%
8419 · Organization Dues & Memberships	0.00	468,839.00	0.0%
8420 · Accounting	3,150.00	123,000.00	2.56%
8430 · Legal	12,225.22	211,500.00	5.78%
8450 · Wholesale Services - TEA	102,274.73	1,146,894.00	8.92%
8470 · Data Management - Calpine	77,455.30	774,452.00	10.0%
8480 · Customer Billing - PG&E	21,932.54	254,994.00	8.6%
Total 8.4 PROFESSIONAL & PROGRAM SRVS	735,810.46	12,447,435.00	5.91%
Total 8.6 INCENTIVES & REBATES	82,350.69	4,454,047.00	1.85%
Total 9 NON OPERATING COSTS	632.64	129,300.00	0.49%
Total Expense	5,866,536.57	78,729,161.00	7.45%
Net Ordinary Income	529,754.90	-8,553,785.00	-6.19%
Net Income	**529,754.90**	**-8,553,785.00**	**-6.19%**

Redwood Coast Energy Authority
Balance Sheet
As of July 31, 2026

	Jul 31, 26
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty Cash	300.00
1060 · Umpqua Checking Acct 0560	172,395.43
1071 · Umpqua Deposit Cntrol Acct 8215	522,210.15
1075 · Umpqua Reserve Account 2300	22,286,639.53
1077 · JP Morgan Chase Act 74999	386,207.84
1078 · CA CLASS Reserve Fund 0001	13,526,032.70
Total Checking/Savings	36,893,785.65
Total Accounts Receivable	2,641,414.48
Other Current Assets	
1101 · Allowance for Doubtful Accounts	-6,974,626.06
1103 · Electricity Receivable	13,872,142.07
1120 · Inventory Asset	19,835.15
1205 · Prepaid Insurance	21,993.56
1210 · Retentions Receivable	113,433.87
Total Other Current Assets	7,052,778.59
Total Current Assets	46,587,978.72
Total Fixed Assets	13,897,630.29
Other Assets	
1700 · Security Deposits	795,663.42
1800 · Deferred Outflow of Resources	196,000.00
Total Other Assets	991,663.42
TOTAL ASSETS	**61,477,272.43**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Total Accounts Payable	4,693,470.40
Total Credit Cards	13,535.79
Other Current Liabilities	
2002 · Deposits Refundable	1,573,470.01
2011 · NEM Escrow Liability	271,124.38
2013 · Unearned Revenue	7,075,981.22
Total 2100 · Payroll Liabilities	257,538.94
Total 2200 · Accrued Expenses	13,162.61
Total Other Current Liabilities	9,191,277.16
Total Current Liabilities	13,898,283.35
Total Long Term Liabilities	5,585,364.54
Total Liabilities	19,483,647.89
Equity	
3900 · Fund Balance	41,463,869.64
Net Income	529,754.90
Total Equity	41,993,624.54
TOTAL LIABILITIES & EQUITY	**61,477,272.43**

REDWOOD COAST EnergyAuthority

Staff Report

Agenda Item # 7.1

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Forrest Novotny, Power Resources Compliance Technician
Subject	2025 Power Source Disclosure Attestation

Summary

Staff ask that the Board adopt a resolution formally approving and attesting to the information in the 2025 Power Source Disclosure Report as part of the documentation required by the California Energy Commission (CEC) for compliance with the Disclosure Program.

RCEA's 2025 REpower power mix was 50% renewable, and 50% carbon-free. Large hydro made up 42% of the portfolio, and the Diablo Canyon nuclear allocation served 8% of RCEA's load. In comparison, RCEA's 2024 REpower power mix was 46% renewable, 13% carbon-free large hydro, and 41% unspecified sources. Both the renewable and carbon free percentages were greater in 2025 than in 2024 and included no unspecified sources. RCEA was able to increase the renewable attribute because 2025 was Sandrini Solar's first full year of generation, and because the Foster Avenue A and B projects came online later in the year. RCEA sold off excess renewable energy from its portfolio for 2025 to address short-term financial challenges but still was able to increase overall renewable procurement relative to prior years. Some short-term carbon free large hydro was procured to meet RCEA's overall target of 100% renewable or carbon free resources for 2025.

Because Sandrini Solar, Foster A and B and North Coast Highway Solar 1 and 2 are now fully online, combined with the PG&E carbon-free nuclear allocation and the remainder of RCEA's existing contracts, staff project that RCEA will meet the Board-adopted goal of 62% renewable and 38% carbon free with no unspecified power for 2026. This means that in 2026 RCEA will continue meeting its RePower Strategic Plan goal: 100% of RCEA's power mix comprised of state-designated renewable energy sources and state-designated net-zero-carbon-emissions sources.

RCEA's 2025 REpower+ 100% renewable power mix consisted of 40% solar, 20% wind, and 40% small hydro power.

The state's power mix included 45% renewables in 2024. The state's 2025 power mix is still being calculated.

Background

Each year, staff present RCEA's power mix from the previous year to the Board. This power mix is submitted to the CEC as part of the Power Source Disclosure Program. Staff submitted the 2025 Power Source Disclosure Report (Exhibit A to the accompanying Board Resolution 2026-10) to the CEC by the due date. The report shows RCEA's annual energy purchases from each generating facility from last year, and percentages of each resource type in the REpower and REpower+ products. Additionally, the Power Source Disclosure includes the greenhouse gas emissions intensity of each product.

Later this year, staff will mail out the 2025 Power Content Label to all current RCEA customers. The Power Content Label includes information from the Power Source Disclosure Report and compares RCEA's power content and greenhouse gas emissions to the state's overall mix and emissions. The CEC is delayed in issuing the Power Content Label template this year and will be creating the Label on behalf of each load-serving entity instead. RCEA expects to receive the Power Content Label in mid-September and send the mailers out in the fourth quarter of 2026.

Equity Impacts

Not Applicable, this is a compliance requirement.

Alignment with RCEA's Strategic Plan

Not Applicable, this is a compliance requirement.

Financial Impact

The RePower Strategic Plan procurement goal will be achieved within budgets set by this Board despite temporary reductions in renewable energy procurement in the previous two years due to financial constraints.

In June 2024, the Board voted to reduce the RePower renewable energy procurement goal to the State's renewable energy procurement targets for the 2024 and 2025 calendar years. At that time, depleted reserves were projected if RCEA continued to pursue the RePower Strategic Plan's more aggressive renewable purchasing goals amid rising resource adequacy and renewable energy prices. By February 2025, agency revenue exceeded prior projections. The Board adjusted the agency budget accordingly and decided not to sell renewable energy products in excess of the state standards. The decision was projected to be cost neutral and resulted in renewable energy procurement that exceeded the State's standard renewable procurement goal. For fiscal year 2026-2027, the board elected to stand firm on renewable and carbon-free goals, therefore RCEA expects to meet the portfolio requirement of 62% renewable and 38% carbon-free for reporting year 2026.

Staff Recommendation

Adopt Resolution 2026-10 Approving and Attesting to the Veracity of RCEA's 2025 Power Source Disclosure Report.

Attachments

- Resolution No. 2026-10 Approving and Attesting to the Veracity of RCEA's 2025 Power Source Disclosure Report.
- Exhibit A: RCEA 2025 Power Source Disclosure Report

RESOLUTION NO. 2026-10

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE REDWOOD COAST ENERGY AUTHORITY
APPROVING AND ATTESTING TO THE VERACITY
OF THE 2025 POWER SOURCE DISCLOSURE REPORT**

WHEREAS, Senate Bill 1305 was adopted in 1997, establishing an Electricity Generation Source Disclosure (also known as Power Source Disclosure or "PSD") Program, which requires retail suppliers of electricity to annually submit a PSD Report to the California Energy Commission ("CEC") and to annually mail a Power Content Label ("PCL") to their electricity customers; and

WHEREAS, Redwood Coast Energy Authority ("RCEA") is a retail supplier of electricity as defined by the PSD Program (Ca. Code of Regs., Title 20, Section 1391(r)); and

WHEREAS, the PSD Regulation requiring an annual audit by an outside certified public accountant of the information in the annual PSD Report, was updated effective May 4, 2020, with an exemption from this requirement for retail suppliers that are public agencies providing electric services, provided that the governing body of the public agency approves at a public meeting the submission to the CEC of an attestation of the veracity of the annual report for each electricity product; and

WHEREAS, RCEA is a public agency providing electric services; and

WHEREAS, the CEC exemption therefore allows the RCEA Board of Directors to approve an attestation of the veracity of RCEA's 202**5** PSD Annual Report provided hereto as Exhibit A.

NOW, THEREFORE, the Board of Directors of the Redwood Coast Energy Authority resolves as follows:

1. The 2025 Power Source Disclosure Report provided as Exhibit A is hereby approved; and
2. The Board of Directors hereby attests to the veracity of the information presented in the 2025 Power Source Disclosure Report.

Adopted this 24th day of September 2026.

ATTEST:

__________________________________ __________________________________

Michael Gerace, RCEA Board Chair — Lori Taketa, Clerk of the Board

Date: _________________________ Date: _________________________

CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2026 - 10 passed and adopted at a regular meeting of the Redwood Coast Energy Authority, County of Humboldt, State of California, held on the 24th day of September 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

____

Clerk of the Board, Redwood Coast Energy Authority

Exhibit A: RCEA 2025 Power Source Disclosure Report

Instructions

1. Enter electricity portfolio names in cells Q27-V27, as needed.
2. Enter the megawatt hours (MWh) of retail sales associated with electricity portfolios in cells Q25-V25, as needed, and the MWh associated with other end uses in cell W25.
3. In the table beginning with cell A28, enter information about all specified purchases. All fields in white should be filled out. Fields in grey auto-populate as needed and should not be filled out.
4. Default loss factors will auto-populate based on resource location. Enter a custom loss factor if applicable. All custom loss factors require additional documentation.
5. If a resource's losses are covered by the generation seller under contract, select "Yes" in the relevant cell in column M: "Specified Losses Covered by Seller?"
6. For firmed-&-shaped procurements specifically, enter all fields from step 3. Additionally, enter the EIA ID of the substitute power in the "EIA ID of Delivered Energy" field.
7. For firmed-&-shaped procurements eligible for grandfathered GHG emissions, select "Yes" in the relevant field in column L: "Eligible for Firmed & Shaped Grandfathering?"
8. Proxy EIA IDs for unspecified power and specified system mixes from asset-controlling suppliers have been provided. Enter "Unspecified Power", "BPA", or "Tacoma Power" as applicable.
9. Proxy EIA IDs for aggregated reporting of WAPA CVP or PCIA resources have been provided. Enter "CVP", "PCIA Solar", "PCIA Wind", "PCIA Eligible Hydro", or "PCIA Large Hydro" as applicable.
10. Only unspecified imports purchased directly from a seller under contract or ACS unspecified power procurements must be entered as line items; any additional unspecified power is calculated automatically in individual electricity portfolio tables after all specified resources are allocated.
11. Allocate net MWhs procured to each electricity portfolio until the loads are balanced across each portfolio. If the total Net MWhs Procured exceeds the total retail sales of all portfolios, allocate only enough MWh to meet the retail sales of each portfolio.
12. If electricity portfolio loads are balanced and net MWhs remain, allocate net MWhs to cover losses in the column starting with cell X28. This will add new losses, resulting in a new net short of unmet load in Cell X26. For retail suppliers that want to cover 100% of their adjusted load with specified procurements, continue allocating specified procurement in Column X until Cell X26 shows no unmet load.

Resource and GHG Allocations

*indicates GHG figures are preliminary until the calculation of the annual unspecified power emissions factor

Power Sources and Emissions	REpower	REpower+	Electricity Portfolio Name 3	Electricity Portfolio Name 4	Electricity Portfolio Name 5	Electricity Portfolio Name 6	Other End Uses	Losses
Retail Sales, Other End Uses, Losses (MWh)	500,734	14,705	-	-	-	-	-	25,457
Total Net Specified (MWh)	500,734	14,705	-	-	-	-	-	25,457
Biomass & Biogas	31,280	-	-	-	-	-	-	-
Geothermal	206	-	-	-	-	-	-	-
Eligible Hydroelectric	12,066	5,818	-	-	-	-	-	-
Solar	209,062	5,819	-	-	-	-	-	870
Wind	-	3,068	-	-	-	-	-	-
Large Hydroelectric	210,375	-	-	-	-	-	-	24,587
Nuclear	37,745	-	-	-	-	-	-	-
Emerging Technologies	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Natural Gas	-	-	-	-	-	-	-	-
Coal & Petroleum	-	-	-	-	-	-	-	-
Unspecified Power - ACS	-	-	-	-	-	-	-	-
Unspecified Power - Direct Import	-	-	-	-	-	-	-	-
Unspecified Power - Spot Market	-	-	-	-	-	-	-	-
Unspecified Power - Total	-	-	-	-	-	-	-	-
Unspecified GHGs (MT CO_2e)*	-	-	-	-	-	-	-	-
Specified GHGs (MT CO_2e)	1,738	-	-	-	-	-	-	-
Total GHGs (MT CO_2e)*	1,738	-	-	-	-	-	-	-
GHG Emissions Intensity (MT CO_2e/MWh)*	0.003	-	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-	-
PCL Emissions Intensity (lbs CO_2e/MWh)*	8	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-	-
Retail Sales, Other End Uses, Specified Losses	500,734	14,705						25,457
Unmet Load (MWh)	-	-	-	-	-	-	-	-

Checks	Status
Portfolio and other end use allocations	COMPLETE
Specified resources allocated	COMPLETE
Coal allocated	COMPLETE
Oversupply not negative	COMPLETE

Facility Name	Fuel Type	State or Province	WREGIS ID of REC Source	RPS ID of REC Source	EIA ID of Delivered Energy	Loss Factor	Gross MWhs Procured	Specified Resales MWhs	Net MWhs Procured	Firmed & Shaped Resource?	Eligible for Firmed & Shaped Grandfathering?	Specified Losses Covered by Seller?	Total EF (MT CO_2e/MWh)	Total GHGs	PCL EF (MT CO_2e/MWh)	REpower	REpower+	Electricity Portfolio Name 3	Electricity Portfolio Name 4	Electricity Portfolio Name 5	Electricity Portfolio Name 6	Other End Uses	Specified Procurement Covering Losses	Total Specified Losses	Remainder/Oversupply
A. G. Wishon Powerhouse - A. G. Wishon Powerhouse	Eligible Hydroelectric	CA	W344	60032	293	0.044	10		10				0.0000	-	0.0000	10								-	-
Agua Caliente Solar - Block 1	Solar	AZ	W2427	60894	57373	0.066	53		53				0.0000	-	0.0000	53								3	-
Agua Caliente Solar - Block 10	Solar	AZ	W3621	60894	57373	0.066	49		49				0.0000	-	0.0000	49								3	-
Agua Caliente Solar - Block 11	Solar	AZ	W3829	60894	57373	0.066	49		49				0.0000	-	0.0000	49								3	-
Agua Caliente Solar - Block 12	Solar	AZ	W3953	60894	57373	0.066	22		22				0.0000	-	0.0000	22								1	-
Agua Caliente Solar - Block 2	Solar	AZ	W2576	60894	57373	0.066	53		53				0.0000	-	0.0000	53								3	-
Agua Caliente Solar - Block 3	Solar	AZ	W2668	60894	57373	0.066	53		53				0.0000	-	0.0000	53								3	-
Agua Caliente Solar - Block 4	Solar	AZ	W2782	60894	57373	0.066	38		38				0.0000	-	0.0000	38								3	-
Agua Caliente Solar - Block 5	Solar	AZ	W2838	60894	57373	0.066	54		54				0.0000	-	0.0000	54								4	-
Agua Caliente Solar - Block 6	Solar	AZ	W2844	60894	57373	0.066	54		54				0.0000	-	0.0000	54								4	-
Agua Caliente Solar - Block 7	Solar	AZ	W2925	60894	57373	0.066	54		54				0.0000	-	0.0000	54								4	-
Agua Caliente Solar - Block 8	Solar	AZ	W3240	60894	57373	0.066	49		49				0.0000	-	0.0000	49								3	-
[illegible]																									

PCL GHG Allocations (MT CO_2e)

Facility Name	REpower	REpower+	Electricity Portfolio Name 3	Electricity Portfolio Name 4	Electricity Portfolio Name 5	Electricity Portfolio Name 6	Other End Uses PCL GHGs	Specified Procurement Covering Losses PCL GHGs
A. G. Wishon Powerhouse - A. G. Wishon Powerhouse	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 1	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 10	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 11	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 12	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 2	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 3	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 4	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 5	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 6	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 7	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 8	-	-	-	-	-	-	-	-
Agua Caliente Solar - Block 9	-	-	-	-	-	-	-	-
Alamo Solar - Alamo Solar	-	-	-	-	-	-	-	-
Alta Powerhouse - Alta Powerhouse	-	-	-	-	-	-	-	-
Antelope West Solar - Antelope West Solar	-	-	-	-	-	-	-	-
Atwell Island - Atwell Island PV Solar Generating Facility	-	-	-	-	-	-	-	-
AV Solar Ranch 1, LLC - Antelope Solar Ranch - Block 7	-	-	-	-	-	-	-	-
[illegible]								

Oversupply

Facility Name	Fuel Type	Net Procurement	Oversupply Losses	Annual PCL GHGs (MT CO_2e)
-	-	-	-	-
[illegible]				

Instructions

1. In the table starting in cell A13, select the appropriate retail portfolio from the drop-down list in column A and enter the Facility Name, Fuel Type, State or Province, RPS ID, and Total Retired Unbundled RECs (in MWh) for each facility

TOTAL ALLOCATIONS	
Retail Portfolio	**Total Retired (in MWh)**
REpower	0
REpower+	0
Electricity Portfolio Name 3	0
Electricity Portfolio Name 4	0
Electricity Portfolio Name 5	0
Electricity Portfolio Name 6	0

RETIRED UNBUNDLED RECS

Retail Portfolio	Facility Name	Fuel Type	State or Province	RPS ID	Total Retired (in MWh)

2025 PCL Data*							
Emissions, Power Sources, Unbundled RECs	REpower	REpower+	Electricity Portfolio Name 3	Electricity Portfolio Name 4	Electricity Portfolio Name 5	Electricity Portfolio Name 6	Total Loss-Adjusted Load
Retail Sales and Loss-Adjusted Load	500,734	14,705	0	0	0	0	540,896
GHG Emissions Intensity (lbs CO_2e/MWh)	8	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	7
■ Renewables and Zero-Carbon Resources	100%	100%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	100%
■ Fossil Fuels	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0%
Biomass & Biogas	6%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	6%
Geothermal	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0%
Eligible Hydroelectric	2%	40%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	3%
Solar	42%	40%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	40%
Wind	0%	21%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	1%
RPS Eligible Renewables - Subtotal	50%	100%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	50%
Large Hydroelectric	42%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	43%
Nuclear	8%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	7%
Emerging Technologies	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0%
Other	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0%
Natural Gas	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0%
Coal & Petroleum	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0%
Unspecified Power - Total	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0%
Retail Sales Covered by Retired Unbundled RECs	0%	0%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-

*NOTE: The figures above are preliminary.

Staff will calculate the GHG emissions factor and fuel mix breakdown (percentage derived from renewables and zero-carbon resources or fossil fuels) of unspecified power after data from all reporting entities is submitted.

2025 POWER SOURCE DISCLOSURE ANNUAL REPORT
ATTESTATION FORM
For the Year Ending December 31, 2025
Redwood Coast Energy Authority

I, [print name] Forrest Novotny**,**
[title] Compliance Technician**, declare under penalty of perjury, that the information provided in this report is true and correct and that I, as an authorized agent of [retail supplier],** Redwood Coast Energy Authority**, have authority to submit this report on the retail supplier's behalf. I further declare that all of the electricity claimed as specified purchases as shown in this report was sold once and only once to retail customers.**

Name: Forrest Novotny
Representing (Retail Supplier): Redwood Coast Energy Authority
Signature: Forrest Novotny
Dated: 7/27/2026
Executed at: 633 3rd St. Eureka, CA 95501

Staff Report

Agenda Item # 11.1

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Richard Engel, Director of Power Resources
Subject	Annual Report on Humboldt Sawmill Company Memorandum of Understanding

Background

When authorizing extension of RCEA's power purchase agreement (PPA) for biomass energy with Humboldt Sawmill Company (HSC) in April 2021, RCEA's Board directed staff to "periodically review the contract…assessing current alternate biomass uses and other environmental considerations." To create a framework for the requested periodic review, staff negotiated a memorandum of understanding (MOU) between RCEA and HSC, which the RCEA Board adopted in September 2021. One provision of the MOU is as follows:

> Annually on or around May 1 and continuing until the termination of the PPA, representatives of the Parties will meet to review the terms of the PPA and to discuss the continued viability of biomass power production by the HSC facility relative to other potential or actual uses of the biomass feedstock by HSC or other entities.

The MOU also calls for HSC to provide data on plant performance on request; types, quantities, and sources of biomass feedstock; and plant emissions. HSC has generally been responsive to specific data requested by RCEA staff under the MOU.

As a reminder, the MOU's purpose is not to terminate or otherwise override the terms of the PPA. As the MOU states: "This MOU does not and is not intended to supersede, replace, or subordinate any provisions, representations, covenants, rights, or obligations in the PPA." While the MOU does not allow for early termination of the biomass PPA, it could help form a pathway for alternative use of the biomass plant's feedstock material once the current PPA's term expires.

Summary

Data provided for the past reporting year included:

- An updated table providing data requested by RCEA, including:
    - Monthly amounts of biomass feedstock, broken down by geographic origin (inside or outside Humboldt County) and supplier (sourced internally from Humboldt Redwood Company or Mendocino Redwood Company or externally)
    - Monthly use of biomass and auxiliary diesel fuel, electric output to RCEA and for onsite use, and thermal energy recovered for industrial use

  - Annual total emissions of greenhouse gases (biogenic and non-biogenic) and a number of criteria pollutants
- A set of “Co-Gen Monthly Monitoring Reports” filed with the North Coast Unified Air Quality Management District (Air District) by HSC that disclose startup and shutdown events, equipment breakdowns and malfunctions, and emergency events. The reports include extensive tables of emissions data for the plant at hourly or more frequent intervals.
- Quarterly opacity reports providing data from opacity sensors in the boiler stacks to confirm the sensors are working properly.
- Quarterly cylinder gas audits on the plant’s continuous emission monitoring systems in each boiler’s stack to confirm the monitoring systems are working properly.
- A throughput report showing monthly total amounts of steam produced and amounts of biomass and diesel fuel combusted for each of the plant’s boilers.

In addition to the data provided by HSC, there are three items of special note this year.

- HSC reported that they received no new notices of violation from the Air District in the past reporting year. This was the first reporting year since the MOU reporting cycle began in 2021 that HSC has had no notices of violation.
- RCEA requested and received from the Air District a draft Health Risk Assessment (HRA) Report prepared for HSC at the Air District’s direction by Landau Associates. The assessment, which was conducted per the Air Toxics “Hot Spots” Information and Assessment Act of 1987 (Assembly Bill 2588) and delivered to the Air District on June 15, 2026, modeled and quantified impacts of HSC plant emissions on health of populations near the plant. The draft report found that cancer risks fall below the Air District’s notification or remediation thresholds. The draft report is subject to review and revision by the Air District and the State-level Office of Environmental Health Hazard Assessment before receiving final approval.
- The US Environmental Protection Agency issued an order denying petition dated May 5, 2026, in response to the January 1, 2025, petition from the Environmental Protection Information Center and the Humboldt Coalition for Clean Energy that staff reported to the Board last year. That petition asked the EPA to object to the Title V operating permit issued to HSC by the Air District.

The fifth annual meeting between RCEA and HSC staff per the MOU took place at HSC’s Scotia headquarters on June 16, 2026. The materials listed above were reviewed, and HSC management described improvements they have recently made at the plant to improve efficiency and reduce emissions. For example, they noted that capping off a steam line that is no longer needed reduced cold startup time following extended shutdowns from 10 hours to five hours, reducing the amount of diesel needed as auxiliary fuel during these startups.

RCEA staff reviewed the materials provided by HSC and then shared them with members of the Biomass Technical Advisory Group (BTAG). RCEA staff attempted to convene a meeting of BTAG to discuss the HSC materials but were unable to identify a date and time this summer when more than a very small number of members were available to attend. Staff instead asked the BTAG members to provide written comments on the materials and provided a follow-up reminder. The only comments received prior to publication of this report were from HSC leadership indicating they had no responses to the prompts provided, and one BTAG member noting that other sources of PM 2.5 in the vicinity of the plant such as airborne dust from the log yard and river bar during the dry season should be studied.

The materials provided by HSC, the draft HRA provided by NCUAQMD, and the US EPA's order denying petition are available for review on the Energy Sources page of RCEA's website at https://redwoodenergy.org/about/energy-sources/ under the "Local Biomass Energy" subheading.

Staff asked at the annual meeting what progress HSC has made on their ongoing investigation of alternative uses for their biomass plant feedstock. HSC leadership reported that they have continued to investigate alternative biomass uses at their Mendocino County facility, but to date they have not committed to move forward with development of a new project, given the currently poor economics of the alternatives they have evaluated.

On September 8, staff presented the materials described above to RCEA's Community Advisory Committee for review and discussion. Committee members asked about the high level of carbon dioxide emissions per unit of electric generation from the facility compared with other biomass facilities, which is likely connected with the relatively high moisture content of biomass fuels in the North Coast area. Notwithstanding the findings of the draft health risk assessment, committee members expressed concern about exposure to particulate matter from the plant, especially given the close proximity of the Scotia school. The committee noted the low participation from the Biomass Technical Advisory Group in reviewing this year's materials and discussed the need to explore alternative clean energy sources, including potential presentations from companies developing wave and tide energy technologies. One committee member commented that the committee's comments and requests for information over the past few years have helped to make HSC more transparent regarding its operations and emissions.

Alignment with RCEA's Strategic Plan

RCEA's consultations with HSC in implementing the terms of the MOU are in keeping with the following strategies in the RePower Humboldt plan:

- 4.1.11.3 Investigate the Impacts of Biomass Emissions
- 4.1.11.6 Plan for a Long-Term Transition Away from Direct Combustion of Forest Derived Biomass and Toward Lower-Impact Uses of this Material

Review of HSC's reporting by BTAG is in keeping with the RePower Humboldt plan's direction:

- 4.1.11.4 Establish a Biomass Technical Advisory Committee.

However, as noted no discussion with or review by BTAG took place this year.

Equity Impacts

This is an information only item and has no associated equity impacts.

Financial Impact

This is an information only item and has no associated financial impacts.

REDWOOD COAST EnergyAuthority

Staff Recommendation

Information item only.

Attachments

1. Draft Health Risk Assessment Report (Executive Summary, full text available via link below)

   See https://redwoodenergy.org/about/energy-sources/ under the "Local Biomass Energy" subheading for a link to the materials mentioned in this report that were provided by Humboldt Sawmill Company, the North Coast Unified Air Quality Management District, and the US Environmental Protection Agency.

North Coast Unified
Air Quality Management District
707 L Street, Eureka, CA 95501
(707) 443-3093
www.ncuaqmd.org

June 15, 2026

RE: Health Risk Assessment (HRA) Report for the Humboldt Saw Mill Company (HSC) dated June 15, 2026 is still considered a "DRAFT" document

On June 15, 2026, the Humboldt Saw Mill Company (HSC) submitted the attached Health Risk Assessment (HRA) Report to the North Coast Unified Air Quality Management District (District). **The District considers the attached document a "DRAFT" document until final review and approval by the District per the California Health & Safety Code (H&SC).**

Once a completeness review of the emission impact and modeling data is performed, the District will submit the draft HRA to the Office of Environmental Health Hazard Assessment (OEHHA) which then has up to 180 days to review per H&SC §44361. After receiving OEHHA's comments and findings related to health effects, the District will continue to consult with appropriate agencies to evaluate the emissions impact and modeling data contained within the HRA. Under H&SC §44362(a), the District has up to one year from the date of receipt to approve, or return for revision and resubmission and then approve the "final" HRA.

Upon final approval of the HRA, the District will then evaluate whether HSC may be required to provide notice to all affected parties per H&SC §44362(b).

AIR TOXICS HOT SPOTS (AB 2588) HEALTH RISK ASSESSMENT REPORT

Humboldt Sawmill
Scotia, California

June 15, 2026

Prepared for

Humboldt Sawmill Co., LLC
169 Main Street
Scotia, California

Note:

This draft report is subject to review and revision by the North Coast Unified Air Quality Management District and the California Office of Environmental Health Hazard Assessment.

See https://redwoodenergy.org/about/energy-sources/ under the "Local Biomass Energy" heading for a link to the full draft report.

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EXECUTIVE SUMMARY

As requested by the North Coast Unified Air Quality Management District (NCUAQMD; the District), this Air Toxics Health Risk Assessment (HRA) report has been prepared by Landau Associates, Inc. (Landau) for Humboldt Sawmill Company (HSC), which owns and operates a lumber manufacturing facility located in Scotia, California ("the Facility"), pursuant to the Air Toxics "Hot Spots" Information and Assessment Act of 1987 (Assembly Bill [AB]2588).

Under AB2588, the Facility (Facility Identification Number 60) is required to quantify emissions of listed substances (i.e., AB2588 substances, which are commonly referred to as toxic air contaminants or TACs) attributable to Facility equipment and operations, and the potential health impacts of those emissions on adjacent populations. To meet the statutory requirements under AB2588, HSC has retained Landau to quantify the potential health impacts of those emissions on adjacent populations using approved information and methodologies.

Air Toxics "Hot Spots" AB2588

The primary goals of AB2588 are to require the collection of emission data, identify facilities having localized impacts, quantify health risks, notify nearby exposed populations, and/or implement emission or risk reduction programs if the estimated health risks exceed certain threshold levels. The threshold levels that are considered significant for notification or risk reduction purposes are not defined in AB2588, and are left to the discretion of the District.

On the subject of notification, AB2588 states:

> "Upon approval of the health risk assessment, the operator of the facility shall provide notice to all exposed persons regarding the results of the health risk assessment prepared pursuant to Section 44361 if, in the judgment of the district, the health risk assessment indicates there is a significant health risk associated with emissions from the facility. If notice is required under this subdivision, the notice shall include all information concerning significant health risks attributed to the specific facility for which notice is required. Any notice shall be made in accordance with procedures specified by the district (California Health and Safety Code, Section 44362 [b])."

Based on information provided by the California Air Resources Board (CARB), the District has established the following Notification Levels (CARB 2021):

- An incremental cancer risk increase greater than or equal to ten in one million (i.e., 1×10^{-5});
- A chronic or acute, non-cancer hazard index (HI) greater than or equal to 1.

The methods developed by the State of California to meet the goals of AB2588 have been adopted by the District to expedite review of HRAs, allow comparisons between facilities using a consistent methodology, and to ensure implementation of the Office of Environmental Health Hazard Assessment (OEHHA) *Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessments* ("OEHHA Hot Spots Guidance," California Environmental Protection Agency [Cal/EPA] 2015). The risks calculated using the OEHHA Hot Spots Guidance (Cal/EPA 2015) methods are reflective of upper-bound estimates of risk and are likely not representations of the actual risk incurred by exposures attributable to the Facility. Rather, risk estimates predicted within the AB2588 framework are intended to provide a consistent point of comparison for significance or Notification Levels established by each District within the State.

An HRA prepared under the AB2588 framework is comprised of three main components:

1) An inventory of TACs emitted from the Facility,
2) Air dispersion modeling that incorporates the emission inventory, and
3) A health risk analysis of the modeling results.

The District's Guidelines for Preparation and Submission of Health Risk Assessments (NCUAQMD 2025) was also used to prepare this HRA. The methods used to complete the HRA that Landau prepared for HSC are briefly outlined below and are discussed in detail throughout this report.

Facility Emissions

The Facility is a lumber manufacturing facility that produces lumber products and generates electricity. Lumber is produced from received logs in the sawmill, which are then dried in the lumber dry kilns. A planer is used to surface the dried lumber and a trimmer is used to cut the lumber to marketable lengths. Collected wood residues from the sawing and planing processes fuel the three biomass-fired boilers at the Facility to produce steam which heats the kilns and powers turbines and generators to produce electricity. Particulate matter in the boiler exhaust is reduced by cyclones and electrostatic precipitators. Wet cooling towers are used to dissipate excess heat from equipment and process streams, and are supplied with recirculating water that is treated with appropriate chemical additives. An on-site diesel-fired emergency generator provides emergency power as needed. Detailed information about TAC emission units and emitted TACs including calculated maximum 1-hour (hr) emission rates and annual average emission rates are included in Appendix A.

Air Dispersion Modeling

Air dispersion modeling was conducted using the American Meteorological Society/Environmental Protection Agency (EPA) Regulatory Model (AERMOD version 24142), which is the EPA recommended air dispersion model. Modeling was prepared using a network of receptors located in alignment with OEHHA Hot Spots Guidance and meteorological data collected at the Arcata Airport during years 2017 through 2021 which was pre-processed by CARB.

Health Risk Assessment

The purpose of the HRA is to estimate the potential off-site human health impacts attributable to emissions from Facility operations and compare them with the District Notification Levels.

HSC submitted an Emission Inventory Report (EIR) of actual 2022 Facility emissions to the District in October of 2025. The District performed a prioritization following the California Air Pollution Control Officers Association (CAPCOA) Facility Prioritization guidelines. The result of the prioritization indicated that the Facility was designated as a high priority facility. The actual 2022 Facility emissions submitted to the District with the EIR were used for the dispersion modeling, the results of which were used to calculate HIs and cancer risk increases for the HRA.

The methods and results of the 2022 HRA are presented in this document. Cancer risk increases and noncancer HI were calculated using the Cal/EPA Hotspots Analysis and Reporting Program Version 2 (HARP2) Air Dispersion Modeling and Risk Tool (ADMRT) (version 22118, CARB 2022). HARP2 is a software program designed to assist with the implementation of health risk assessment guideline recommendations by joining air dispersion modeling with the risk assessment techniques identified in the OEHHA Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessment (Cal/EPA 2015).

Results Summary

Potentially exposed populations evaluated in the HRA include residents, off-site workers, and sensitive receptors. Five sensitive receptors were identified within the modeling domain, including schools, a childcare facility, a hospital, and a licensed care facility. The maximum sensitive receptor was identified as Stanwood Murphy Elementary School, located approximately 230 meters northeast of the Facility boundary. The point of maximum impact (PMI) was located west of the Facility in timberland where people do not currently live or work; therefore, risks at that location are conservative screening estimates rather than actual exposure estimates for an occupied receptor.

Estimated cancer risk increases were 4.3 in one million at the maximum exposed individual resident (MEIR), 0.17 in one million at the maximum exposed individual worker (MEIW), and 1.4 in one million at the maximum sensitive receptor, all of which are less than the District notification threshold, which is 10 in one million. The estimated cancer risk increase at the PMI was 29 in one million; however, because this location is in unoccupied timberland owned by HSC and was evaluated using conservative residential exposure assumptions, it represents an upper-bound screening result rather than an actual community exposure point. As discussed in Section 5, the modeled cancer risk increases are intentionally health-protective and are likely overestimates of actual risk increases.

Noncancer HIs were also less than the District notification thresholds for all occupied receptor types, except for the Acute HI at the MEIR. Acute HIs were 1.7 at the MEIR, 0.24 at the MEIW, and 0.23 at the sensitive receptor. The Acute HI at the MEIR is greater than the District notification threshold, which is 1.0. The MEIR is located in an area of Rio Dell that is zoned rural residential; however, review of aerial photographs that include the parcel where the MEIR is located indicates that there may not be a residence on that parcel. Chronic HIs were 0.15 at the MEIR, 0.072 at the MEIW, and 0.045 at the maximum sensitive receptor. The 8-hour chronic HIs were 0.0088 at the MEIR, 0.0062 at the MEIW, 0.0030 at the sensitive receptor. At the PMI, the chronic HI was 1.1, the 8-hour chronic HI was 0.070 and the acute HI was 3.8; however, as with the cancer risk increase result outlined above, the PMI does not represent an occupied receptor and is based on conservative residential assumptions. The maximally affected target organ for annual chronic impacts, 8-hour chronic impacts, and acute impacts were respiratory, central nervous system, and eye irritation, respectively. Consistent with the uncertainty discussion in Section 5, these hazard estimates should be interpreted as upper-bound values that are expected to be greater than actual exposures and risks.

The TACs that contribute most to potential health impacts vary somewhat by receptor, but the principal drivers are consistent across the assessment. Cancer risk increase is driven primarily by arsenic, benzene, acetaldehyde, chromium(VI), and cobalt. Chronic noncancer hazard is dominated largely by chlorine, with smaller contributions from nickel, acrolein, and arsenic. Acute hazard is driven primarily by acrolein, followed by formaldehyde and acetaldehyde. The sensitive subpopulations of greatest concern include schoolchildren, childcare attendees, hospital occupants, and residents of licensed care facilities, although modeled risks at these receptors remained less than applicable notification thresholds. Table 1 provides a brief description of the impacts of the predominant emitted TACs as noted in the OEHHA Technical Support Document for the Derivation of Noncancer Reference Exposure Levels and 6 RELs, Appendix B, Table B.1.1 (OEHHA 2008).

Table 1. Predominant Pollutant Impacts

Substance	Chronic Impacts	8-hour Chronic Impacts	Acute Impacts
Acetaldehyde	Respiratory system	Respiratory system	Eyes; Respiratory system (sensory irritation)
Acrolein	Respiratory system	Respiratory system	Eyes; Respiratory system (sensory irritation)
Arsenic	*Inhalation and Oral*: Development; cardiovascular system; nervous system; respiratory system; skin	Development; cardiovascular system; nervous system; respiratory system; skin	Development; cardiovascular system; nervous system
Benzene	Hematologic and nervous systems; development	--	Reproductive/ development; immune system; hematologic system
Chlorine	Respiratory system	--	Respiratory system; eyes
Chromium(VI)	*Inhalation*: Respiratory system *Oral*: Hematologic system	--	--
Cobalt[a]	Respiratory system, hematological system, endocrine system	Respiratory system, Cardiovascular system	Respiratory System
Formaldehyde	Respiratory system	Respiratory system	Eyes (sensory irritation)
Manganese	Nervous system	Nervous system	--
Nickel	*Inhalation*: Respiratory system; hematologic system *Oral*: Development	Respiratory system, immune system	Immune system

Note:

a. Appendix B of the OEHHA Technical Support Document does not include pathway impacts from cobalt exposure. Pathway impacts for cobalt were obtained from the Agency for Toxic Substances and Disease Registry (ATSDR 2024).

The estimated population cancer burden was calculated by multiplying the cancer risk in a census tract by the number of people who live in the census tract. Using a conservative screening assumption that the census tract population experiences exposures equivalent to the excess cancer risk attributable to the Facility at the PMI, the calculated cancer burden was 0.13, which is less than the District Notification Level of one. This estimate is intentionally health-protective and likely overstates actual community exposure because it assumes uniform exposure at the greatest modeled off-site impact location.

Overall, the HRA indicates that TAC emissions attributable to the Facility, as represented by the 2022 emission inventory, do not pose significant health risks at locations where people live, work, attend school, or receive care. As described in Section 5, uncertainty in this assessment is associated with emission estimation, air dispersion modeling, exposure assumptions, toxicity values, and risk calculations; however, the analyses intentionally apply conservative assumptions throughout so that modeled results represent estimated upper-bound impacts rather than likely actual impacts. Accordingly, actual risk increases are expected to be less than those presented here. Based on the modeled results, cancer risk increases and noncancer HIs at the MEIR, MEIW, and sensitive receptor locations do not exceed District notification thresholds; therefore, the modeled occupied receptor impacts attributable to the Facility do not trigger District notification requirements. The Acute HI at the MEIR is greater than the District notification threshold, which is 1.0. This receptor is located in an area of Rio Dell that is zoned rural residential; however, review of aerial photographs that include the parcel where the MEIR is located indicates that there may not be a residence on that parcel, and therefore would not require notification.

Note:

This draft report is subject to review and revision by the North Coast Unified Air Quality Management District and the California Office of Environmental Health Hazard Assessment.

See https://redwoodenergy.org/about/energy-sources/ under the "Local Biomass Energy" heading for a link to the full draft report.

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Review of Annual Reporting Materials from Humboldt Sawmill Company

Presentation to Board of Directors
September 24, 2026

Topics

- Refresher on RCEA’s power purchase agreement and memorandum of understanding with Humboldt Sawmill Company
- Materials provided by HSC this year per MOU
- Review by Biomass Technical Advisory Group
- Review by Community Advisory Committee
- Visualizations of the data provided by HSC

Power Purchase Agreement with Humboldt Sawmill Company

RCEA's power purchase agreement with HSC lists events of default, including "Seller's failure to operate the Project in compliance with all applicable Laws as determined by the Governmental Authority charged with implementation and/or enforcement of the specific Law at issue."

RCEA has consulted repeatedly in recent years with the North Coast Unified Air Quality Management District, who have at times issued notices of violation to HSC. The Air District notes the corrective actions HSC has taken to remediate these violations.

RCEA's general counsel has determined, and recently reiterated, that such intermittent violations do not rise to the level of an event of default on the PPA as described above.

Memorandum of Agreement (2021)

The MOU was developed in response to RCEA Board's desire to be kept informed on the HSC plant's performance, and on the owners' exploration of alternative uses for their biomass fuel.

The MOU's purpose is not to terminate or otherwise override the terms of the PPA. As the MOU states: "This MOU does not and is not intended to supersede, replace, or subordinate any provisions, representations, covenants, rights, or obligations in the PPA."

While the MOU does not allow for early termination of the biomass PPA, it could help form a pathway for alternative use of the biomass plant's feedstock material once the current PPA's term expires.

Materials Provided by Humboldt Sawmill Company

- Completed RCEA-supplied reporting template including data on fuel use and sources, electric production, and emissions
- Monthly cogen reports to NCUAQMD for Jan-Dec 2025, including emissions and opacity data
- Quarterly cylinder gas and opacity audits
- Throughput report showing monthly totals of steam produced, biomass and diesel fuel use, and days of operation for each of the plants three boilers

Additional Information and Materials for Board Review

- HSC reported that they received no new notices of violation from the Air District in the past reporting year. This was the first reporting year since the MOU reporting cycle began in 2021 that HSC has had no notices of violation.
- RCEA requested and received from the Air District a draft Health Risk Assessment (HRA) Report prepared for HSC at the Air District's direction by Landau Associates. The assessment, which was conducted per the Air Toxics "Hot Spots" Information and Assessment Act of 1987 (Assembly Bill 2588) and delivered to the Air District on June 15, 2026, modeled and quantified impacts of HSC plant emissions on health of populations near the plant. The draft report found that cancer risks fall below the Air District's notification or remediation thresholds. The draft report is subject to review and revision by the Air District and the State-level Office of Environmental Health Hazard Assessment before receiving final approval.
- The US EPA issued an order denying petition dated May 5, 2026 in response to the January 1, 2025 petition from the Environmental Protection Information Center and the Humboldt Coalition for Clean Energy that staff reported to the CAC last year. That petition had asked the EPA to object to the Title V operating permit issued to HSC by the Air District.

Public Access to HSC Reporting Materials

Local Biomass Energy

The term biomass refers to materials of biological origin, such as forest and agricultural waste, that can be used as fuel for generating electric power. In 2020, RCEA commissioned a consultant report on biomass power in Humboldt County.

Local biomass power from Humboldt Sawmill Company in Scotia makes up approximately 20% of RCEA's current electricity portfolio. The facility uses waste material from local sawmills to fuel its two operating generating units, which power their lumber mill in addition to supplying power to the grid.

2026 Reporting Materials Provided by Humboldt Sawmill Company per their memorandum of understanding with RCEA. View the complete reports as well as a draft Health Risk Assessment ordered by the North Coast Unified Air Quality Management District and EPA Administrator's Order denying the January 1, 2025, Petition filed by the Environmental Protection Information Center and the Humboldt Coalition for Clean Energy on the title V permit issued to Humboldt Redwood Company, LLC sawmill here.

RCEA has made the reporting materials described on the preceding slides available at https://redwoodenergy.org/about/energy-sources/ under the "Local Biomass Energy" subheading

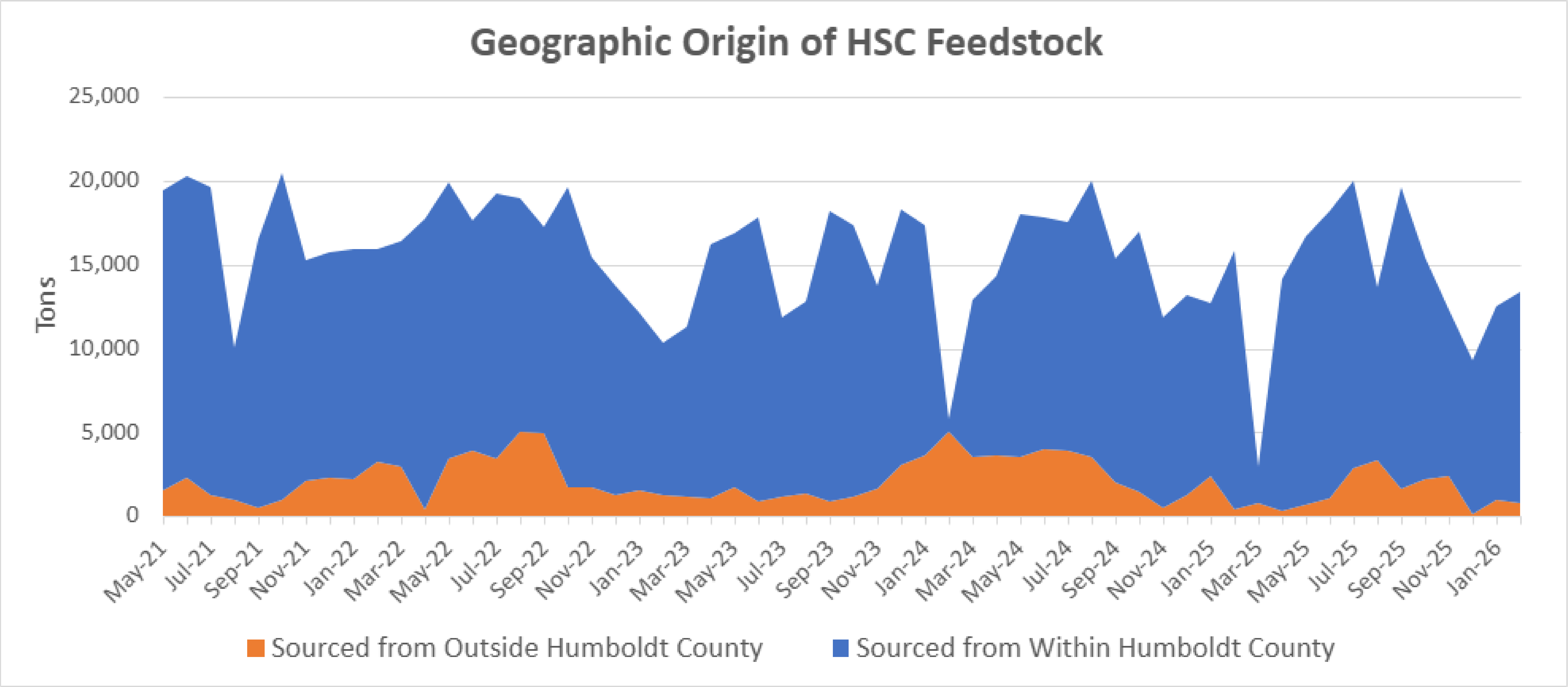
Annual Meeting of HSC and RCEA, and BTAG follow-up

- HSC and RCEA staff met on June 16, 2026 to review HSC's reporting materials
- Staff were unable to convene a meeting of the Biomass Technical Advisory Group (BTAG) this year to review the HSC materials, due to very limited availability of BTAG members during the summer season following release of the materials.
- Staff instead sought written feedback from BTAG members on the HSC materials but received minimal response.
- Alternative biomass uses: HSC reported that they continue to evaluate potential for using biomass in alternative power generation or hydrogen production facilities. They reported that project economics continue to be a challenge and did not have any new progress on project development to report.

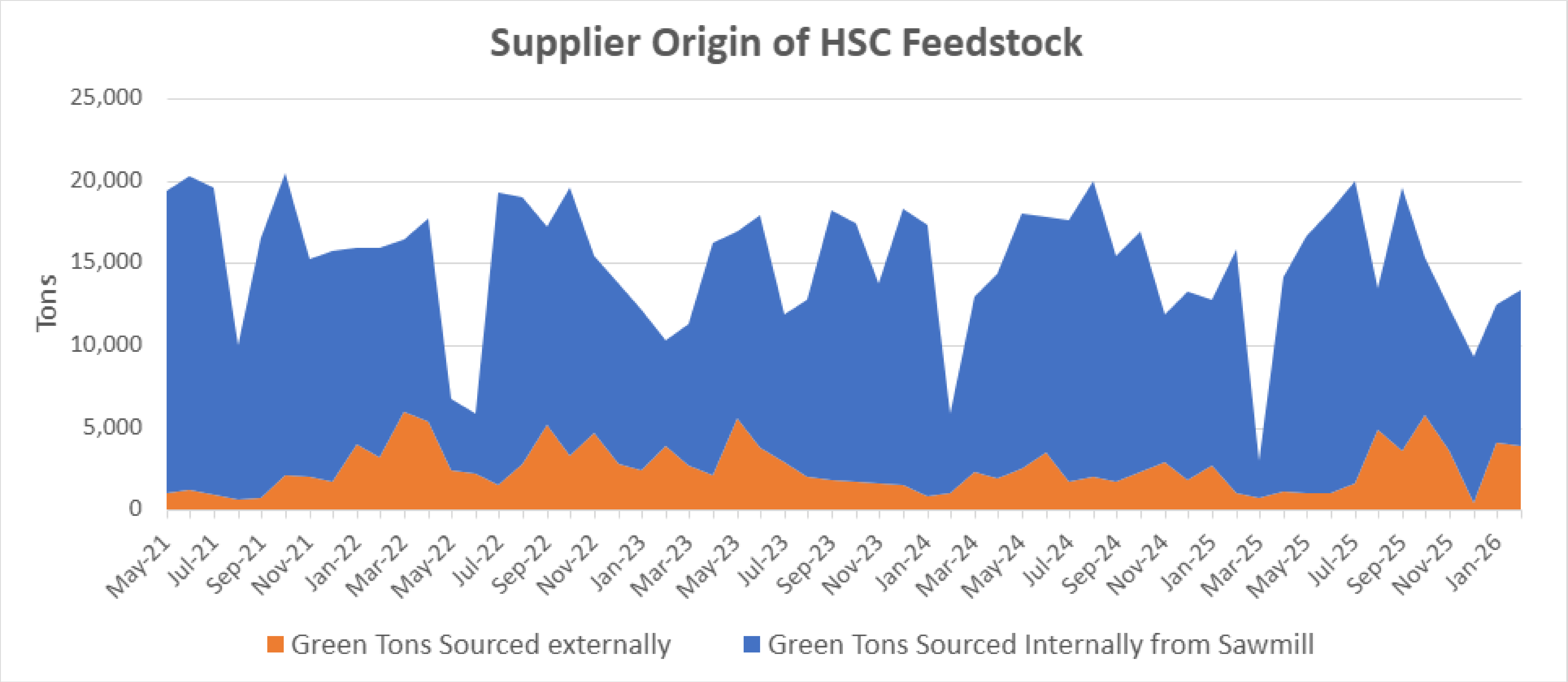
Discussion by Community Advisory Committee

- Staff presented the materials provided by or regarding HSC to the CAC at their Sept. 8 meeting
- Committee members asked about the relatively high level of emissions per unit of energy produced at the facility
- CAC members expressed concern about particulate matter from the facility, given close proximity to school
- Members also expressed concern about the minimal response from the Biomass Technical Advisory Committee
- A member noted that CAC comments and requests for information over the last several years in the framework of the MOU have improved HSC's public transparency

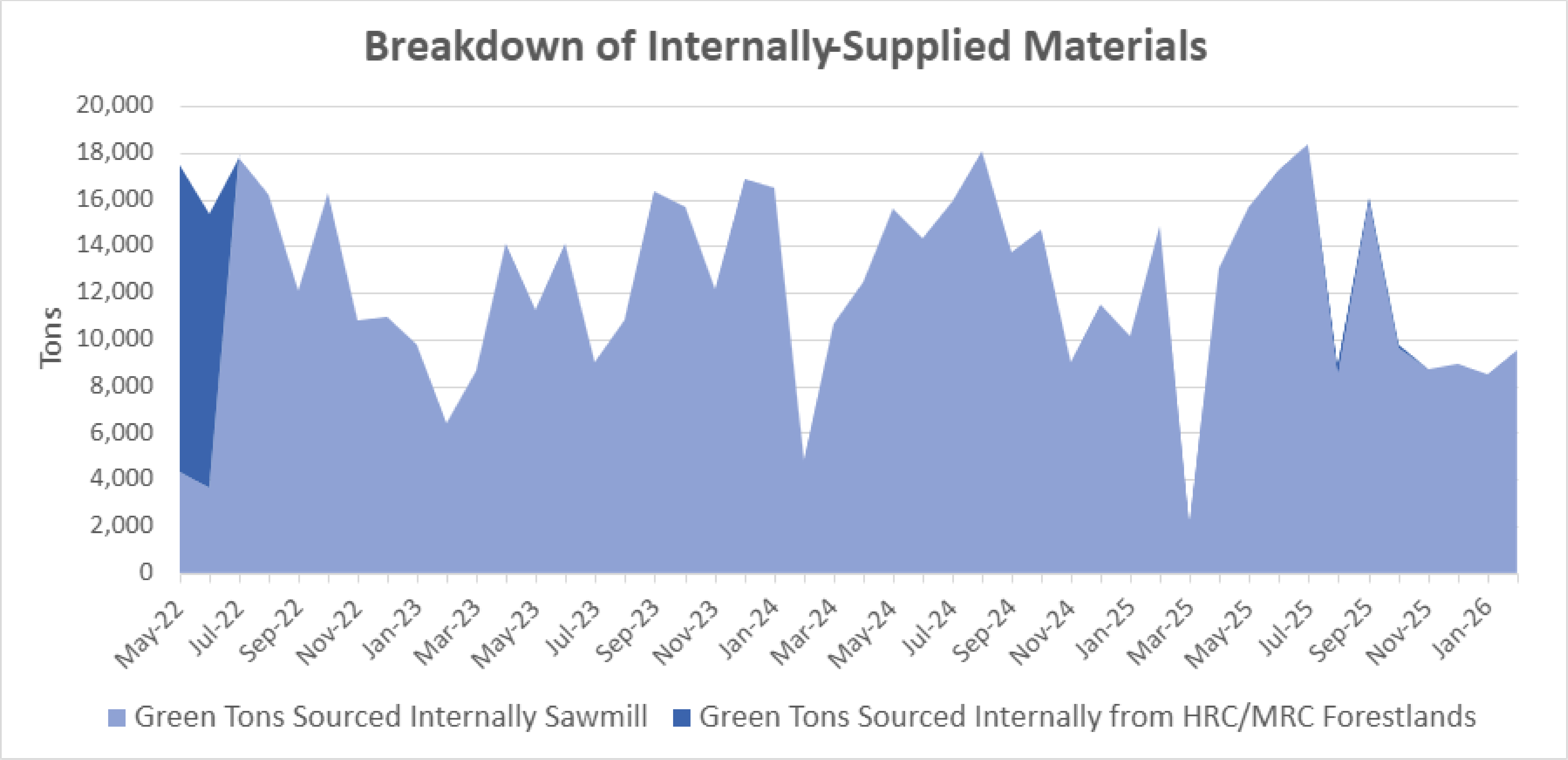
Visualizations of Data Provided by Humboldt Sawmill Company



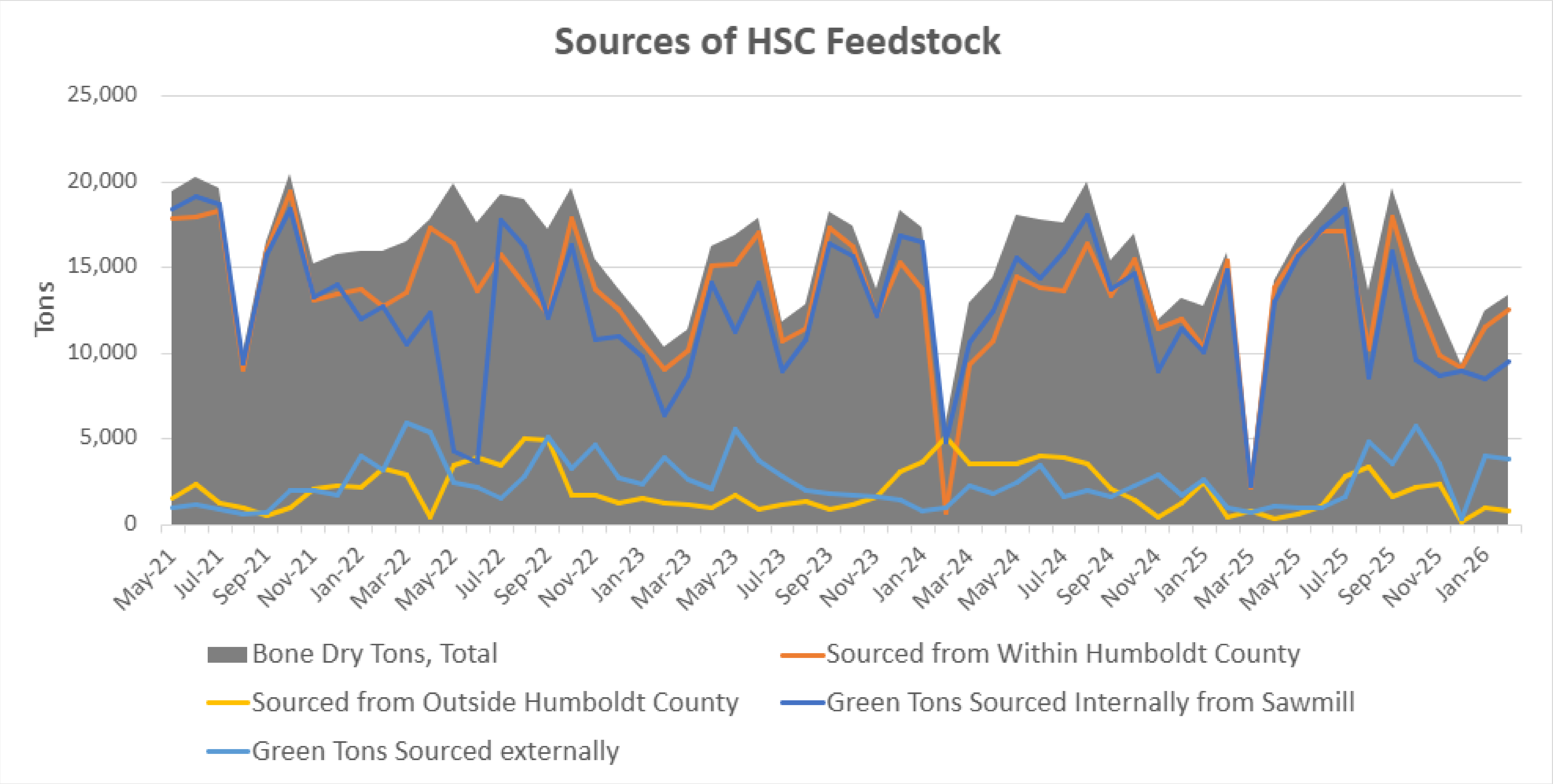
Geographic Origin of HSC Feedstock
25,000
20,000
15,000
10,000
5,000
0
Tons
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Sourced from Outside Humboldt County
Sourced from Within Humboldt County



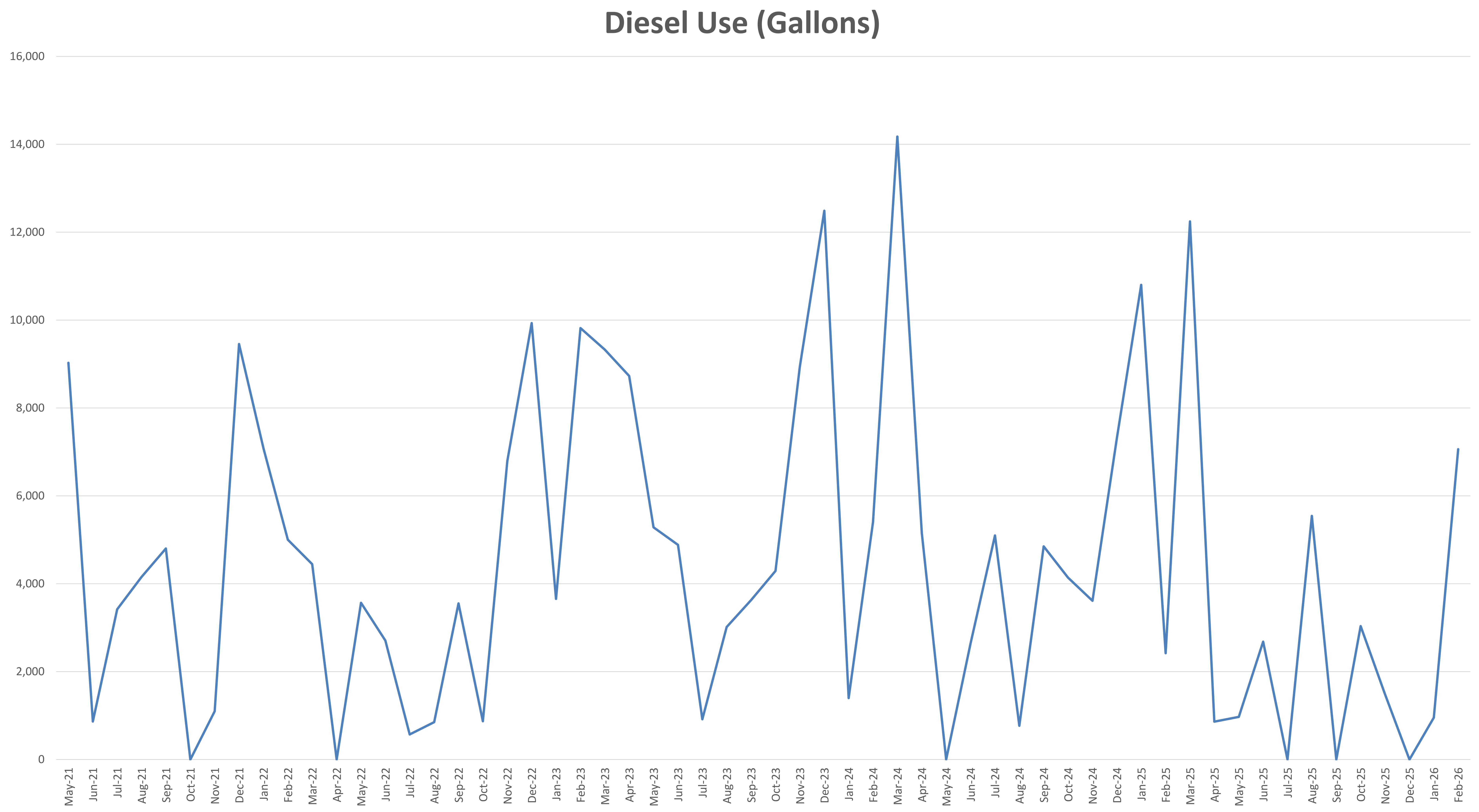
Supplier Origin of HSC Feedstock
Tons
25,000
20,000
15,000
10,000
5,000
0
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Green Tons Sourced externally
Green Tons Sourced Internally from Sawmill



Breakdown of Internally-Supplied Materials
Tons
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Green Tons Sourced Internally Sawmill
Green Tons Sourced Internally from HRC/MRC Forestlands



Sources of HSC Feedstock
25,000
20,000
15,000
10,000
5,000
0
Tons
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Bone Dry Tons, Total
Sourced from Within Humboldt County
Sourced from Outside Humboldt County
Green Tons Sourced Internally from Sawmill
Green Tons Sourced externally



Diesel Use (Gallons)
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
May-21
Jun-21
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Dec-21
Jan-22
Feb-22
Mar-22
Apr-22
May-22
Jun-22
Jul-22
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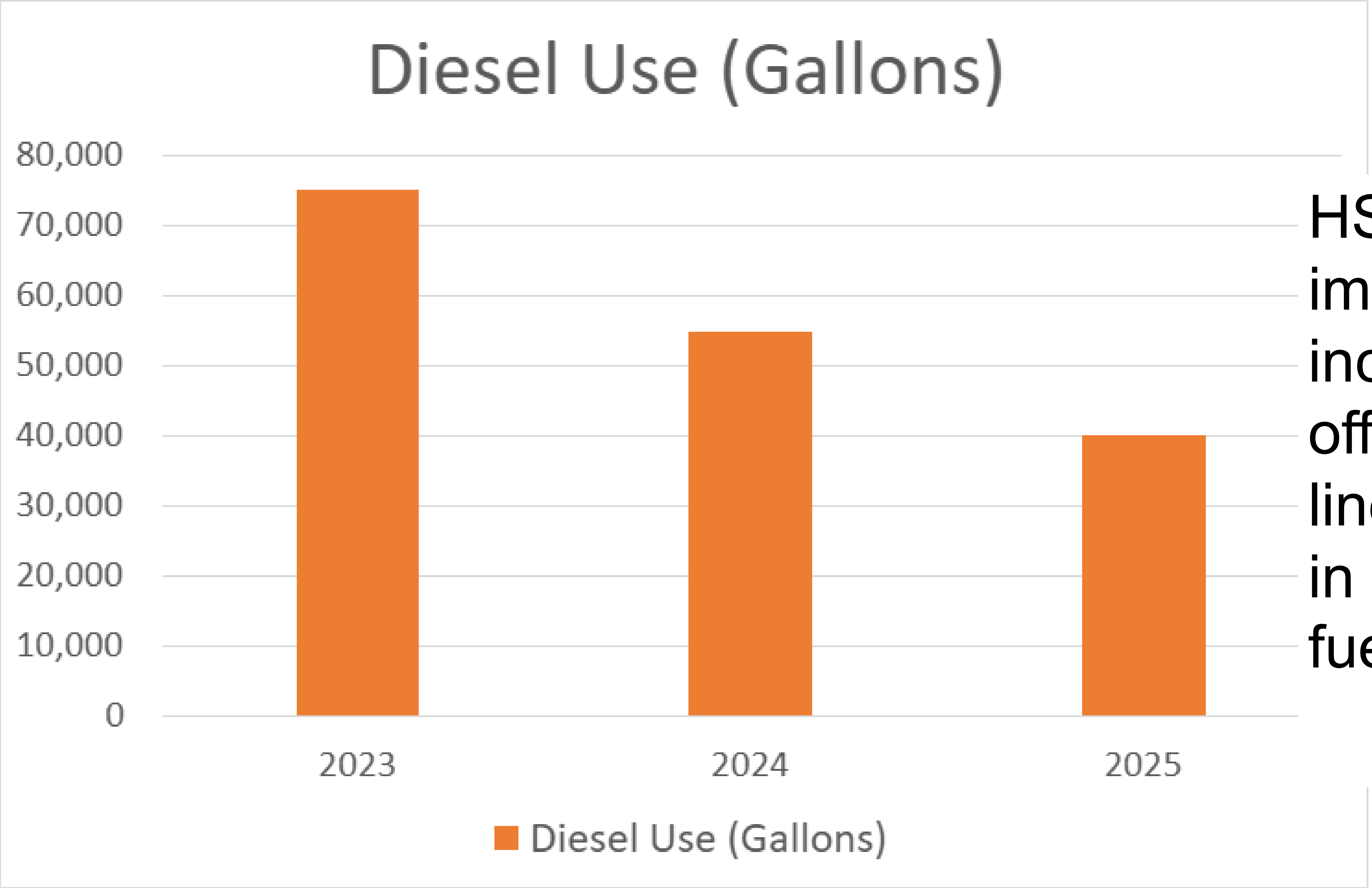
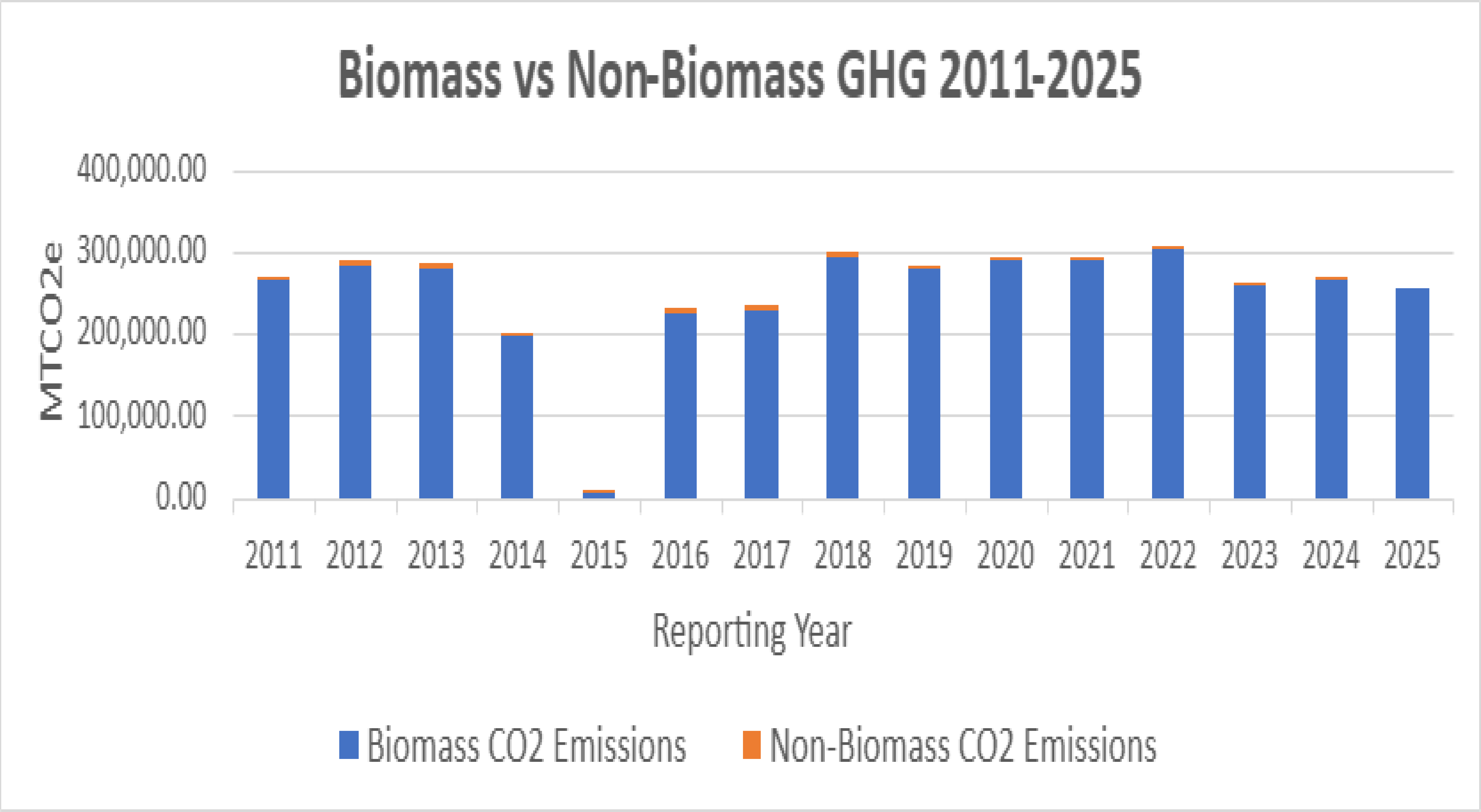
Dec-25
Jan-26
Feb-26



HSC reports plant improvements including capping off unused steam line have resulted in reduced diesel fuel use



Biomass vs Non-Biomass GHG 2011-2025
400,000.00
300,000.00
200,000.00
100,000.00
0.00
MTCO2e
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Reporting Year
Biomass CO2 Emissions
Non-Biomass CO2 Emissions

THANK YOU

REDWOOD COAST
EnergyAuthority

Staff Report

Agenda Item # 11.2

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Eileen Verbeck, Deputy Executive Director
Subject	Grid Resilience Innovation Partnership (GRIP) Program Funds for Tribal Energy Resilience and Sovereignty Project Final Award Execution and Staffing

Background

In December 2024, the RCEA Board authorized RCEA to execute a conditional award with the Department of Energy (DOE) for the Grid Resilience Innovation Partnership (GRIP) Program Funds for Tribal Energy Resilience and Sovereignty Project. The conditional award funds the Tribal Energy Resilience and Sovereignty Project (TERAS), which proposes to develop tribally owned and operated microgrids.

Originally, four Tribes were involved in the TERAS project including the Hoopa Valley Tribe, Yurok Tribe, Karuk Tribe, and Blue Lake Rancheria Tribe (BLR). Since the submission of the original application, the Karuk Tribe has withdrawn from the project.

As a step on the path towards a transformed regional energy system, the Parties are embarking on a project to support resilience within the Hoopa Valley Reservation and the Upriver portion of the Yurok Reservation. These areas face significant barriers to decarbonization and clean energy deployment and suffer from very low electricity reliability. These areas are all served by the Pacific Gas and Electric (PG&E) on the Hoopa 1101 distribution circuit ("Hoopa 1101 Circuit”).

BLR is not served by the Hoopa 1101 Circuit but rather has an existing microgrid and seeks additions to its microgrid capabilities. BLR's existing behind-the-meter community microgrid will be expanded to interconnect three existing facility-scale microgrids that are geographically distributed across the reservation inside their main campus microgrid in a nested configuration. The new nested microgrid configuration at BLR will act as a proving ground. It will allow the team to test and demonstrate the nested microgrid configuration, controls, and protection schemes that will also be implemented on the Hoopa 1101 Circuit. In addition, the upgrades at BLR will create a highly effective hands-on learning environment to support TERAS Tribal partners and others in understanding microgrids, advanced distribution management systems, cybersecurity, and real-time operational roles and responsibilities.

The microgrids on the Hoopa 1101 Circuit will also allow for energy market participation during “blue sky” conditions, and stand-alone Tribal resilience during disasters or planned power shut-off events. These systems, built and operated by Tribes in collaboration with local partners, will deliver technology innovations, direct and sustained community benefits, and valuable business model advances.

The Schatz Energy Research Center will provide technical assistance to support the TERAS Project. RCEA was asked to step in as the lead applicant for the TERAS Project to assist with the administration of the grant funds. RCEA will also contribute to the required 50% GRIP Project cost share requirement with an awarded $6,000,000 California Energy Commission (CEC) match grant.

Summary

The Department of Energy has notified RCEA staff that they anticipate executing the GRIP program final award no later than September 30, 2026. Staff request Board authorization to execute the final award and associated terms and conditions.

In July 2024, the Department of Energy notified RCEA that the TERAS project GD-0000967 was selected to begin award negotiations and was proposed to be fully funded for a total of $87,629,455. RCEA executed a conditional award in January 2025 in anticipation of finalizing the award within 120 days. However, due to federal administration changes, the finalization of the award was paused.

In February 2026, the Department of Energy reestablished negotiations with RCEA to finalize the award. At that time RCEA was notified that the solar and community benefits plan portions of the project were not in alignment with the current Administrations priorities, and the partners were given the opportunity to re-scope the project to remove those components. Additionally, one of the Tribal partners, the Karuk Tribe, had withdrawn from the TERAS project. The TERAS team made the decision to de-scope the project to remove the Karuk portion of the project and remove expenditures associated with solar and the community benefit plan. The updated federal award amount proposed to be fully funded is $65,541,555 with a 1:1 cost share requirement for a total project cost of $132,092,000.

The federalized portion of the project will include the following technologies:

- Battery Energy Storage Systems
- Small Hydroelectric Generation Facility
- Long Duration Energy Storage Battery Systems
- Emergency Generators (back-up systems)

The Tribes may continue to use solar technology for generation, but the associated costs will not be included in the Department of Energy federalized award.

RCEA TERAS Staffing

The TERAS project budget includes funding for RCEA staff to administer the award for the duration of the project. When the Board of Directors approved RCEA's current fiscal year budget, all vacant positions were frozen, so existing staff have been completing all the necessary pre-award negotiation work. Once the award is finalized, TERAS project funding will be available and allow the unfreezing of up to 1.5 full-time equivalent positions to provide additional capacity necessary to move into project implementation. At this time, staff recommends the Board authorize unfreezing the vacant Contracts and Grants Manager position to help with TERAS Project implementation.

Equity Impacts

RCEA's engagement in the TERAS Project furthers the following RCEA Racial Justice Plan initiatives:

External Partnerships and Programs

1. Tribal Engagement:

b) RCEA staff will continue and expand efforts to identify opportunities to collaborate with local Tribes as partners on sustainable energy initiatives.

3. Energy justice in power procurement and energy resource development:

a) RCEA staff will incorporate energy justice best practices and affordability into renewable development and power purchase solicitations and resource planning.
b) RCEA will continue to include project location and community benefit in its evaluation criteria for power solicitations, to contract for projects that benefit racially diverse communities and to avoid projects that are detrimental to those communities.

Alignment with RCEA's Strategic Plan

The TERAS Project supports the following RePower Goals:

- 1.1.3 Support Energy-sector Workforce Development.
- 2.1.7 Support and Deploy Microgrids.
- 4.1.4 Maximize Renewable Energy Content of RCEA's CCE Program.
- 4.1.7.3 Provide Feed-In-Tariff Power Procurement Program for Small Generators.
- 4.1.8.2 Procure Local Solar Energy.
- 4.3.4 Provide Match Funding for State, Federal, and Foundation Energy Grants.

Financial Impact

The TERAS project budget includes funding for RCEA to implement its role as the prime award recipient and procure federal award compliance oversight services, including staff positions for the duration of the project (6 years). RCEA's portion of the required cost-share (match) will be funded through the above-referenced CEC grant.

The project budget also includes labor costs associated with the pre-award negotiation process from January 2025 through September 2026, which will be reimbursed shortly after the award is finalized and was included as anticipated revenue in the current RCEA adopted budget. Staff may propose adjustments to the current RCEA budget related to the TERAS funding after the award is finalized.

Staff Recommendation

Authorize RCEA Executive Director to execute the Department of Energy Grid Resilience Innovation Partnership (GRIP) Program Funds for Tribal Energy Resilience and Sovereignty Project GD-0000967 Final Award and Unfreeze the Contracts and Grants Manager Upon Execution of Final Award.

Attachments

None.

Staff Report

Agenda Item # 12.1

Information

Agenda Date	September 24, 2024
To	Board of Directors
Prepared by	Elizabeth Burks, Executive Director
Subject	Approval of Memorandum of Understanding Establishing RCEA as the Host Agency for the Regional Climate Committee and Climate Program Manager Position to Coordinate the Implementation of the Regional Climate Action Plan

Summary

The Regional Climate Action Plan (RCAP) was first adopted by the County of Humboldt in December 2025, with several other jurisdictions adopting it in the following months. A Regional Climate Committee and Regional Climate Program Manager position are cornerstone strategies of the RCAP and essential to successful implementation.

Since early 2026 RCEA has been coordinating with the Regional Climate Action Plan working group consisting of staff from the County, the seven incorporated cities, and Humboldt County Association of Governments (HCAOG), Humboldt Transit Authority (HTA), and Humboldt Waste Management Authority (HWMA), to develop a Memorandum of Understanding (MOU) that would allow RCEA to host the Regional Climate Committee and the Regional Climate Manager position.

The purposes of this MOU are to collaborate in establishing an operational framework for the Regional Climate Committee and developing a sustainable funding mechanism for the Regional Climate Committee and the Climate Program Manager. After RCEA adoption, the MOU would become effective after adoption by a sufficient number of Municipal Jurisdictions whose respective populations together represent at least 85% of the overall population of Humboldt County. This MOU shall terminate on December 31, 2030, unless extended by mutual written agreement of the Parties.

Regional Climate Committee

The MOU specifies that the RCEA Board along with an elected representative from the boards of HTA, HCAOG, and HWMA would act as the Regional Climate Committee. Each official appointed to the Regional Climate Committee is charged with addressing climate change at a coordinated regional level to implement the RCAP.

Logistically, Regional Climate Committee meetings are intended to occur during regularly scheduled RCEA Board meetings. When there are RCAP-specific items to address, the meeting would proceed as follows:

1. The RCEA Board would adjourn its regular meeting.

2. The Regional Climate Committee would convene, including representatives from HTA, HCAOG, and HWMA.
3. The Regional Climate Committee would conduct its business and then adjourn.
4. The RCEA Board would reconvene and continue its regular meeting.

For decisions involving grants, contracts, or other agreements where RCEA is the prime applicant or party, the RCEA Board would serve as the final decision maker.

This meeting structure is similar to that of the County's Airport Land Use Commission and HCAOG's Policy Advisory Committee.

Regional Climate Program Manager and Funding Contributions

The RCAP calls for the creation of a Climate Program Manager ("Manager" or "Program Manager") to lead the coordination efforts of the Committee, and to coordinate with staff of the participating jurisdictions and agencies to undertake the work of the Committee. The coordination will take many forms including convening a staff level Technical Advisory Committee that will advise the Regional Climate Committee.

Under the RCAP, the Program Manager is intended to represent a larger staff need to fulfill the mission of the Committee to obtain funding to support several staff in implementing and tracking the RCAP. Additionally, the RCAP charges the Manager with developing annual progress reports on RCAP implementation for City Councils and County Supervisors to measure progress and establish accountability in achieving RCAP emissions reduction goals.

This position is funded with contributions from participating jurisdictions for the term of the MOU. Contributions from jurisdictions will also be sufficient to cover the costs of RCAP implementation measure tracking software. Contributions consistent with Exhibit A to the MOU will be collected from each participating jurisdiction and used only for Climate Action Plan purposes such as the Climate Program Manager position, software, consultant services, or grant program match. The Regional Climate Committee will approve the use of these expenses.

RCEA Commitments

This MOU commits RCEA to hosting the Regional Climate Committee and the Climate Program Manager Position for the term of the MOU. It also commits RCEA to providing staff resources and incidental costs totaling approximately $145,000 annually for the term of the MOU. These costs have been included in the current fiscal year budget and would need to be continued in future fiscal years during the term of the MOU.

Staff resources will include participation in RCAP activities by the Executive Director, Director of Engagement and Regional Climate Planning, Community Strategies Team, and Board Clerk.

Memorandum of Understanding (MOU) Process

After adoption by RCEA the MOU will be considered by each party to the MOU. Once the Municipal Jurisdictions whose respective populations together represent at least 85% of the overall population of Humboldt County sign on, the MOU would become effective.

RCEA has already received confirmation from the County of Humboldt, City of Eureka and City of Arcata, that they intend to take the MOU to their decision makers in October. Others are likely to follow in future months. The Regional Climate Committee could possibly convene as early as November.

Background

The RCAP is designed to reduce countywide GHG emissions to 40% below 1990 levels by 2030, consistent with Senate Bill (SB) 32, and to make substantial progress toward carbon neutrality by 2045, consistent with Assembly Bill (AB) 1279. The RCAP is meant to function as a "playbook" that local agencies can use to prioritize actions, coordinate projects, and track progress over time, recognizing that implementation will be phased and dependent on available capacity and funding.

The initial drafting of a Climate Action Plan (CAP) began in 2019 through collaboration with the County, all incorporated cities (Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad), and RCEA. These entities entered into a Memorandum of Understanding committing to develop a shared regional climate action plan to reduce GHG emissions on a coordinated, countywide basis. The group worked in coordination with regional agencies including the Humboldt County Association of Governments, Humboldt Transit Authority, and Humboldt Waste Management Authority.

The Final RCAP was adopted by the Humboldt County Board of Supervisors in December 2025, with adoption by the Cities of Arcata, Eureka, Ferndale, Fortuna, Rio Dell occurring in 2026.

Development of the RCAP strategy showed that the region had greater chances to accomplish goals and achieve GHG reductions when working as a region rather than a collection of individual jurisdictions. This approach allows for a consolidation of resources and avoids jurisdictions competing for the same resources, which is a change from prior drafts of the CAP. The RCAP is designed with the understanding that meaningful climate action will take sustained effort, long-term coordination, and adequate resources. Given the region's limited staffing and funding capacity, many higher-cost or complex strategies will rely on extended collaboration and, in many cases, outside funding and partnerships.

In 2025, members of the working group asked RCEA leadership to consider hosting the Regional Climate Committee and the Climate Program Manager position. The RCEA Board reviewed this potential role beginning in January 2026 and continuing through adoption of the Fiscal Year 2026-2027 budget. During that process, the Board supported RCEA serving as the host agency for both the Regional Climate Committee and the Climate Program Manager.

Equity Impacts

Any RCAP implementation activities will be done in the context of RCEA's Racial Justice Plan initiatives.

Alignment with RCEA's Strategic Plan

Approval of this MOU supports RCEA's work to further these RePower Humboldt Regional Energy Planning & Coordination strategies, among others, listed in the agency's strategic plan:

- **1.4.3 Assist with Climate Action Planning**
  Work with local jurisdictions to regularly complete greenhouse gas inventories, set greenhouse gas reduction targets, and develop climate action plans

- **1.4.4 Support Countywide Strategic Energy Planning**
  Coordinate an effective energy strategy based on self-sufficiency, development of renewable energy resources, energy conservation, and electrification that is actively implemented countywide through Climate Action Plans, General Plans and the Redwood Coast Energy Authority's RePower Humboldt plan.

Financial Impact

The cost of entering this MOU consists of staff resources and incidental costs totaling approximately $145,000 annually for the term of the MOU. This is consistent with budgeted amounts in the current adopted budget. These costs will also need to be budgeted in future fiscal years during the term of the MOU. The cost of the Climate Program Manager position is covered through the contributions from the Municipal Jurisdictions

Staff Recommendation

Approve the Memorandum of Understanding Establishing RCEA as the host agency for the Regional Climate Committee and Climate Program Manager Position to coordinate the implementation of the Regional Climate Action Plan.

Attachments

1. Regional Climate Action Plan Memorandum of Understanding
2. Exhibit A Funding Commitments

MEMORANDUM OF UNDERSTANDING BETWEEN RCAP LOCAL AGENCIES AND PARTNER JPA'S REGARDING ESTABLISHMENT OF THE REGIONAL CLIMATE COMMITTEE AND CLIMATE PROGRAM MANAGER

This Memorandum of Understanding ("MOU") is entered into and made effective as of _________, 2026 ("Effective Date") by and among some or all of the local agencies identified below. Each of the agencies referenced below is referred to herein individually as an "Agency" and collectively as the "Agencies." Each of the signatories to this Agreement is referred to herein as a "Party" and collectively as the "Parties".

<u>Municipal Jurisdictions</u>:
City of Arcata ("Arcata")
City of Blue Lake ("Blue Lake")
City of Eureka ("Eureka")
City of Ferndale ("Ferndale")
City of Fortuna ("Fortuna")
City of Rio Dell ("Rio Dell")
City of Trinidad ("Trinidad")
County of Humboldt ("County")

<u>Joint Powers Authorities (JPAs)</u>:
Humboldt County Association of Governments ("HCAOG")
Humboldt County Transit Authority ("HTA")
Humboldt Waste Management Authority ("HWMA")
Redwood Coast Energy Authority ("RCEA")

BACKGROUND RECITALS AND SHARED GOALS

A. The Agencies have collaborated in development of a comprehensive Regional Climate Action Plan ("RCAP") to address greenhouse gas ("GHG") emissions generated within the Humboldt County region. The RCAP and final environmental impact report were completed by the County and adopted by its Board of Supervisors on December 16th, 2025, and adopted by the other Municipal Jurisdictions on the following dates:

Arcata: May 6, 2026
Blue Lake:
Eureka: February 3, 2026
Ferndale: September 16, 2026
Fortuna: May 18, 2026
Rio Dell: March 17, 2026
Trinidad:

B. The RCAP establishes a regional goal to reduce GHG emissions 40 percent by 2030 in line with Statewide targets of Senate Bill 32 and provides measures and actions to achieve this goal. In addition, the RCAP establishes a longer-term regional goal of achieving carbon neutrality by 2045, consistent with the Statewide goals of Assembly Bill 1279; and quantitative efficiency thresholds for use in evaluating whether the GHG emissions of an individual plan or project would result in a potentially significant environmental impact under the California Environmental Quality Act ("CEQA") for plans or projects with pre-2030 buildout or initial operation years ("GHG Emissions

Thresholds"). The overall purpose of the RCAP and CEQA GHG Emissions Thresholds is to prepare, adopt, and implement a qualified GHG reduction plan that may be utilized for mitigating and tracking Countywide GHG emissions as well as for streamlining CEQA GHG analyses for future projects within the Humboldt County region that are required to undergo CEQA review.

C. A cornerstone strategy of the RCAP is the establishment of a coalition between jurisdictions and key organizations to guide a regional approach to climate-related challenges through coordinated efforts. Based on this, creation of a Regional Climate Committee ("Committee") comprised of elected officials from each of the Municipal Jurisdictions and JPA's to be responsible for implementing RCAP measures and actions is the first RCAP strategy to be implemented. The purpose of the Committee is to foster collaboration and coordination among the region to address climate-related challenges and implement effective climate action strategies by leveraging collective expertise, resources, and efficiencies to tackle climate change at a regional level. The Committee will support RCAP implementation through information sharing, coordination of RCAP efforts, development of joint initiatives to reduce GHG emissions, support and pursue funding, and promote sustainable development practices. Additionally, the Committee will develop and provide models, pilot programs, and template policies or ordinances that enable each jurisdiction in the region to implement uniform changes and facilitate local communities in making the necessary structural adjustments to reduce GHG emissions.

D. The RCAP also calls for the creation of a Climate Program Manager ("Manager" or "Program Manager") to lead the coordination efforts of the Committee, and to coordinate with staff of the participating jurisdictions and agencies to undertake the work of the Committee. Under the RCAP, the Program Manager is intended to represent a larger staff need to fulfill the mission of the Committee to obtain funding to support several staff in implementing and tracking the RCAP. Additionally, the RCAP charges the Manager with developing annual progress reports on RCAP implementation for City Councils and County Supervisors to measure progress and establish accountability in achieving RCAP emissions reduction goals.

E. RCEA has agreed to host the Committee and the Program Manager and to commit staff resources and incidental costs totaling approximately $145,000 per year.

F. This MOU seeks to establish the framework for establishing the Committee and funding the Regional Climate Program Manager. **NOW THEREFORE**, based on these Background Recitals and Shared Goals, the Parties enter into the following Memorandum of Understanding:

1. **Purpose.** The purposes of this MOU are to collaborate in the following endeavors:

    i. Establishing an operational framework for the Regional Climate Committee;
    ii. Developing a sustainable funding mechanism for the Regional Climate Committee and the Climate Program Manager.

2. **Host Agency**. To facilitate the successful outcome of the RCAP, RCEA agrees to host the Climate Program Manager ("Manager"), and provide administrative support to the Regional Climate Committee ("Committee") and advisory committees created by the Committee. The Manager shall be solely an employee or independent contractor of RCEA and no other Party to this MOU when acting in the capacity of Regional Climate Manager and shall not be entitled to any employment benefits from any other agency. The RCEA Board shall serve as the final decision maker for any RCAP grants, contracts, or other agreements where RCEA is the prime applicant or party to the contract or agreement.

3. **<u>Regional Climate Committee</u>**. The Committee will be responsible for implementing RCAP measures and actions. The Committee structure shall be as follows:

   a. <u>Committee Membership</u>. The RCEA Board of Directors, which includes representation from the County and each City as well Tribal nations, together with an elected official appointed from and by each of the Boards of Directors of Humboldt Waste Management Authority, Humboldt Transit Authority and Humboldt County Association of Governments shall be the acting Regional Climate Committee. Each official appointed to the Regional Climate Committee (a "Member", or "Committee Member") is charged with addressing climate change at a coordinated regional level to implement the RCAP.

   b. <u>Quorum</u>. A majority of the total number of Committee Members shall constitute a quorum for conducting business.

   c. <u>Voting</u>. Each Committee Member shall have one equal vote. Alternate representatives may only vote in the absence of the primary representative from that Agency. Completion of any action of the Committee shall require the affirmative vote of the Members present.

4. **<u>Committee Operational Rules, Bylaws</u>**. The Committee may establish by unanimous vote any additional, non-conflicting operational protocols, guidelines, or procedures as necessary to facilitate its operations (the "Bylaws"). The Committee shall function in accordance with this MOU, any Bylaws, and applicable law. Bylaws shall be amended only upon approval by a unanimous vote of the Committee.

5. **<u>Regional Climate Program Manager</u>**.

   a. <u>Sustainable Funding of Position</u>. The Manager is a cornerstone strategy of the RCAP. Establishing sustainable funding for the Manager shall be a priority of the Committee. Funding will occur as direct annual financial contributions from the Municipal Jurisdictions for the term of this MOU. During the term of this MOU, the Regional Climate Committee will develop a long-term funding strategy for RCAP implementation and sustainable funding for the Manager position that may include direct annual contributions, grants, or other available sources.

   b. <u>Primary Duties</u>. Using the RCAP as a strategic planning document the Manager will generally:

      i. Plan, organize, oversee, coordinate, and manage the RCAP programs, projects, and activities including facilitating RCAP Committee activities;
      ii. Identify and pursue external funding opportunities;
      iii. Serve as administrative manager of multi-agency programs;
      iv. Serve as a liaison and foster cooperative working relationships with a variety of internal and external stakeholders, partners, and contracted service providers;
      v. Coordinate with staff of the participating jurisdictions and agencies to undertake the work directed by the Committee.
      vi. Deliver annual progress reports to City Councils and the County Board of Supervisors to measure progress and establish accountability in achieving RCAP emissions reduction goals

c. Interaction with Committee. The Manager will provide staff support to the Committee including ensuring compliance with the California Ralph M. Brown Act and other applicable laws.

6. **Regional Climate Technical Advisory Committee**. Each Agency may choose to designate staff to participate in a Regional Climate Technical Advisory Committee ("TAC"). The purpose of the TAC is to provide input to the Manager and Committee.

7. **Shared Funding Commitments to Support RCAP Implementation and the Climate Program Manager**.

   a. Principles of Shared Commitment to Sustainably Fund the Regional Climate Program Manager:

      i. The Regional Climate Action Plan calls for the creation of a regional Climate Program Manager position to lead and coordinate the implementation of the Regional Climate Action Plan;

      ii. A Regional Climate Program Manager position would provide for regional efficiencies and cost-savings in completing the work outlined in the Regional Climate Action Plan;

      iii. The successful region-wide implementation of the RCAP is a shared responsibility;

      iv. Shared financial responsibility is most equitably determined using the total population of the County and the percentage residing within each Municipal Jurisdiction.

      v. RCEA created a Regional Climate Program Manager position within RCEA with the understanding that Municipal Jurisdiction contributions would be required to sustainably fund the position.

   b. Municipal Jurisdiction Commitments. Municipal Jurisdictions agree to contribute funds to support RCAP implementation and the Program Manager in the amounts set out in Exhibit A, Funding Commitments.

   c. Funding Commitments. Proportional funding contributions by each Municipal Jurisdiction prorated by population are set out in Exhibit A, Funding Commitments.

8. **Annual Budget**. RCEA will separately account for direct funding contributions, and will develop an annual RCAP implementation budget based on direct funding contributions for annual review and approval by the Committee. The budget shall be applied to Program Manager salary costs and direct RCAP implementation expenses, such as vendors, consultants, climate tracking software, and similar expenses. Any budgeted funds unspent at the end of a fiscal year will be carried over to following years. The Regional Climate Committee may revise the annual budget as needed.

9. **MOU Term**. This MOU shall terminate on December 31, 2030, unless extended by mutual written agreement of the Parties.

10. **<u>MOU Modifications</u>**. This MOU may only be modified by a written amendment executed by the Parties. Notwithstanding the foregoing, Exhibit A, Funding Commitments may be amended by simple majority of the Regional Climate Committee. Any such amendments shall automatically replace the Funding Commitments attached to this Agreement. RCEA shall distribute the Amended Contribution Schedule to all Parties.

11. **<u>Effective Date</u>**. This MOU shall become effective on the date that it is executed by a sufficient number of Municipal Jurisdictions whose respective populations together represent at least 85% of the overall population of Humboldt County as determined by the April 1, 2020 Population Census for Humboldt County.

12. **<u>Counterpart Execution</u>**: This MOU, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This MOU, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. A signed copy of this MOUJ, and any amendments hereto, transmitted by email or by other means of electronic transmission shall have the same legal effect as delivery of an original executed copy of this MOU and any amendments hereto.

13. **<u>Authority To Execute</u>**: Each person executing this MOU represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this MOU. Each party represents and warrants to the other that the execution and delivery of this MOU and the performance of such party's obligations hereunder have been duly authorized.

WITNESSETH, each Agency signing below has duly approved and adopted this Memorandum of Understanding in accordance with its respective requirements and duly authorized its execution.

City of Arcata:
By: ____________________________
Title: ___________________________
Date: ___________________________

City of Blue Lake:
By: ____________________________
Title: ___________________________
Date: ___________________________

City of Eureka:
By: ____________________________
Title: ___________________________
Date: ___________________________

City of Ferndale:
By: ____________________________
Title: ___________________________
Date: ___________________________

City of Fortuna:
By: ____________________________
Title: ___________________________
Date: ___________________________

City of Rio Dell:
By: ____________________________
Title: ___________________________
Date: ___________________________

City of Trinidad:
By: ____________________________
Title: ___________________________
Date: ___________________________

County of Humboldt:
By: ____________________________
Title: ___________________________
Date: ___________________________

Humboldt County Association of Governments:
By: ____________________________
Title: ___________________________
Date: ___________________________

Humboldt County Transit Authority:
By: ____________________________
Title: ___________________________
Date: ___________________________

Humboldt Waste Management Authority:
By: ____________________________
Title: ___________________________
Date: ___________________________

Redwood Coast Energy Authority:
By: ____________________________
Title: ___________________________
Date: ___________________________

Exhibit A

Funding Commitments

This schedule of Funding Commitments identifies the individual funding commitments made by the Parties for the term of the MOU. Funding commitments for the full term of the MOU commence the year the Party joins the MOU. Fiscal Year commitments are due to RCEA no later than December 1 of each Fiscal Year.

Agency	Population	Percent	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Arcata	19,001	14.2%	$ 21,821.84	$ 21,821.84	$21,821.84	$ 21,821.84
Blue Lake	1,136	0.8%	$ 1,304.65	$ 1,304.65	$1,304.65	$ 1,304.65
Eureka	26,122	19.5%	$ 30,000.00	$ 30,000.00	$30,000.00	$ 30,000.00
Ferndale	1,361	1.0%	$ 1,563.05	$ 1,563.05	$1,563.05	$ 1,563.05
Fortuna	12,198	9.1%	$ 14,008.88	$ 14,008.88	$14,008.88	$ 14,008.88
Rio Dell	3,232	2.4%	$ 3,711.81	$ 3,711.81	$3,711.81	$ 3,711.81
Trinidad	296	0.2%	$ 339.94	$ 339.94	$339.94	$ 339.94
County (Unincorporated)	70,471	52.7%	$ 80,932.93	$ 80,932.93	$80,932.93	$ 80,932.93
	133,817	100%	$153,683.10	$153,683.10	$153,683.10	$ 153,683.10

REDWOOD COAST EnergyAuthority

Staff Report

Agenda Item # 12.2

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Eileen Verbeck, Deputy Executive Director
Subject	Approval of Fifth Lease Amendment Between GHD, Tenant, and RCEA, Landlord for 718 Third Street, Eureka CA

Background

Since 2020, RCEA has been working toward acquisition of an office building that would provide enough office space for existing staff, provide an on-site location for public meetings, and a space open to the public for educational and outreach material. In 2020, RCEA identified the need for a minimum of 10,000 sq ft for office space and public meetings.

In June 2026, RCEA purchased Assessor's Parcel Number 001-135-007, 718 Third Street, Eureka CA. The property is a total of 23,713 sq ft of building (16,588 sq ft office building and a 7,125 sq ft attached warehouse) on an approximately .61 acres parcel situated on 3rd Street between H & I Streets. The property is located within mixed-use Downtown (DT) zoning district and principally permitted uses include office, retail, and service, civic and instructional facilities.

The office portion of the premises is tenanted with a long-term lease agreement. RCEA began negotiations with the existing tenant to amend the existing lease to allow RCEA to take over occupancy for a portion of the finished office space. The tenant has agreed to amend the lease to reduce their occupied space by 4,341 sq ft, which would allow RCEA to occupy that space. In exchange for this reduction of the tenant-occupied space, RCEA will provide an incentive allowance of $300,000 that is applicable toward costs associated with downsizing.

Summary

The purchase of Assessor's Parcel Number 001-135-007 resulted in RCEA taking over the existing Commercial Lease between the seller and tenant, GHD, Inc. RCEA has negotiated an amendment to this lease with the following terms:

1. Tenant shall vacate 4,341 sq ft on the first floor of the building.
2. RCEA to remeasure the tenant's demised property after the relinquishment date to confirm the square footage used in determining monthly base rent.
3. RCEA at its sole cost and expense to do the following work: 1) constructing a wall on the western side of the relinquished space to separate the relinquished space from the demised premises, 2) constructing two doors to access the restroom located on the first floor, 3) constructing one new

door to allow tenant access to the existing server room on the first floor, 4) establishing and maintaining a method to identify and track utility usage attributable to the relinquished space.
4. Allow RCEA first right of refusal to retain furniture left in the relinquished space.
5. Establish a tenant incentive allowance of $300,000 applicable toward costs incurred by the tenant in connection with reconfiguration of the office space to accommodate relinquishing a portion of the building.

Financial Impact

RCEA staff estimate that rental income collected over the next three years will offset the full tenant improvement allowance.

Staff Recommendation

<u>Approve Fifth Amendment to Commercial Lease Agreement between Redwood Coast Energy Authority, Landlord, and GHD Inc., Tenant, for 718 3rd Street and Authorize the Executive Director to Execute All Applicable Documents.</u>

Attachments

1. Fifth Amendment to Lease Agreement Between Redwood Coast Energy Authority, Landlord, and GHD INC., Tenant

<u>FIFTH AMENDMENT TO LEASE AGREEMENT</u>

This FIFTH AMENDMENT TO LEASE AGREEMENT ("**Fifth Amendment**") is made and entered into as of July ___, 2026 (the "**Effective Date**"), by and between Redwood Coast Energy Authority ("**Landlord**"), and GHD INC., a California corporation ("**Tenant**").

<u>R E C I T A L S</u> :

A. White House Finance Affiliate, a California corporation (predecessor in interest to Landlord) and Winzler & Kelly, a California corporation (predecessor in interest to Tenant) entered into that certain Office Lease dated July 9, 2009 (the "**Original Lease**"), as amended by that certain First Amendment to Lease Agreement, dated December 18, 2009 (the "**First Amendment**"); that certain Second Amendment to Lease Agreement, dated January 4, 2011 (the "**Second Amendment**"); that certain Third Amendment to Lease Agreement, dated July 3, 2020 (the "**Third Amendment**"); and that certain Fourth Amendment to Lease Agreement, dated October, 2025 (the "**Fourth Amendment**"). The First Amendment, Second Amendment, Third Amendment and Fourth Amendment, together with the Original Lease are referred to herein collectively as, the "**Lease**").

B. Pursuant to the Lease, Tenant leases approximately 16,588 square feet of separately demised space on the first and second floors (the "**Original Demised Premises**") of the building located at 718 3rd Street (between H & I Streets), Eureka, California 95501 (the "**Building**").

C. Landlord recently acquired the Building, and Landlord and Tenant desire to amend the Lease to reduce the square footage included in the Original Demised Premises by 4,341 square feet, in accordance with the terms and conditions set forth in this Fifth Amendment.

<u>A G R E E M E N T</u> :

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree that as of the Effective Date, the Lease is amended as follows:

1. **<u>Terms</u>**. All capitalized terms when used herein shall have the same respective meanings as are given such terms in the Lease unless expressly provided otherwise in this Fifth Amendment.

2. **<u>Fundamental Terms and Attachments</u>**. In Section 1, FUNDAMENTAL TERMS AND ATTACHMENTS, Subsection (a), <u>Fundamental Terms,</u> the definitions of the Fundamental Terms described below shall be deleted in the Lease and replaced with the following definitions, (or merely added to the Fundamental Terms if there is no referenced definition in the Lease to delete):

"(i) Landlord: The Redwood Coast Energy Authority (RCEA),

a California public joint powers authority
633 3rd Street
Eureka, CA 95501

(ii) Tenant: GHD, INC, a California corporation
718 3rd Street
Eureka CA, 95501

With a copy to:
GHD
455 Phillip Street Unit #100A
Waterloo Ontario N2L 3X2 Canada
Attn: Romin Jarrah
renotices@ghd.com

(iv) Demised Premises:
The Demised Premises as of the Effective Date of this Amendment is depicted in Exhibit A and is the Original Demised Premises. Beginning on the Relinquishment Date (as defined below), Demised Premises shall mean 12,247 square feet of separately demised space on the first and second floors of the Building (defined below), as shown on Exhibit C, attached hereto.

(v) Building: The 2-story building located on 3rd Street (between H & I Streets), Eureka, California.

(xxix) *Intentionally deleted*

(xxx) Original Demised Premises: As defined in Recital B of the Fifth Amendment and depicted in Exhibit A, attached hereto.

(xxxi) Landlord's Work: As defined in Section 7 of the Fifth Amendment.

(xxxii) Relinquishment Date: As defined in Section 4 of the Fifth Amendment.

(xxxiii) Relinquished Space: As defined in Section 4 of the Fifth Amendment.

(xxxiv) Tenant's Incentive Allowance: As defined in Section 8 of the Fifth Amendment."

To the extent the Fundamental Terms are not amended above, the Fundamental Terms shall remain the same as they are in the Lease.

3. **Fundamental Terms and Attachments**. Section 1, FUNDAMENTAL TERMS AND ATTACHMENTS, Subsection (b), Exhibits, is hereby deleted and replaced in its entirety with the following Exhibits, attached hereto and, by this reference, incorporated herein:

"EXHIBIT "A"- Site Plan of Original Demised Premises.

EXHIBIT "B"- Depiction of Relinquished Space.

EXHIBIT "C" - Demised Premises"

4. **Demised Premises**.

On or before the date that is thirty (30) days after the date the Landlord's Work is completed (the "**Relinquishment Date**"), Tenant shall vacate the 4,341 square feet on the first floor of the Building, as shown on Exhibit B, (the "**Relinquished Space**"). As of the Relinquishment Date, the defined term "**Demised Premises**" as used herein and in the Lease shall refer to the 12,247 square feet designated as the Demised Premises on Exhibit C.

5. **Remeasurement, Monthly Base Rent.**

Monthly Base Rent, Tenant's Share, and any other amounts in the Lease based on the square footage of the Original Demised Premises shall, as of the Relinquishment Date, be re-calculated based on the square footage of the Demised Premises, and any excess amounts paid by Tenant prior to the Relinquishment Date that apply to periods after the Relinquishment Date shall be credited toward the next payment of such amounts due from Tenant.

Within one hundred eighty (180) days after the Relinquishment Date, Landlord shall provide to the Tenant a certificate of measurement from the Landlord's surveyor verifying the rentable area of the Demised Premises in accordance with the BOMA 1996 Industry Standards. The Monthly Base Rent, Tenant's Share, and any other amounts in the Lease shall be determined in accordance with the certified square footage as of the date of remeasurement.

6. **Conditions Precedent and Cost Sharing**. Section 31, CONDITIONS PRECEDENT FOR TENANT'S BENEFIT, Section 32, CONDITIONS PRECEDENT FOR LANLORD'S BENEFIT, and, Section 33, COST SHARING, are hereby deleted.

7. **Landlord's Work**. Landlord shall, at its sole cost and expense, be responsible for all work described in this Section 7 (collectively, the "**Landlord's Work**"), which shall include, without limitation, (i) constructing a wall on the western side of the Relinquished Space to separate the Relinquished Space from the Demised Premises, (ii) completion of the Shared Restroom (as defined below), (iii) completion of the Tenant Server Room (as defined in Section 7(c), below), as shown on Exhibit B, and (iv) completion of the New Door and Landlord's Cable Work (both as defined in Section 7(c), below_. Landlord shall complete Landlord's Work on or before September 1, 2027, subject to extension by Landlord after obtaining Tenant's written consent, which shall not be unreasonably withheld so long as such extension is required due to factors outside the

reasonable control of Landlord to allow for completion of Landlord's Work. Landlord shall provide written notice to Tenant of the estimated date of completion of Landlord's Work no less than sixty (60) days prior to the estimated date of completion of Landlord's Work.

A. Separate Utility Meters. Landlord shall, at its sole cost and expense, establish and maintain a method, that may include separate metering if feasible, to reasonably identify and track utility usage attributable to the Relinquished Space which utility usage shall be paid by Landlord beginning on the Relinquishment Date. Tenant is responsible for paying for utilities as specified in accordance with Sections 5(e) and 10 of the Lease until separate metering is installed.

B. Shared Restroom. Landlord shall, at its sole cost and expense, construct two (2) new doors to access the restroom located on the first floor (the "**Shared Restroom**"). One door shall be solely for Tenant's access to the Shared Restroom and will be constructed on the western side of the Shared Restroom. The other door shall be solely for Landlord's access to the Shared Restroom and will be constructed on the eastern side of the Shared Restroom. Each of the two doors will contain a keypad to restrict access into the Demised Premises and the Relinquished Space so that neither party has access to the other party's space.

C. Tenant Server Room. Landlord shall, at its sole cost and expense, construct one (1) new door (the "**New Door**") to allow Tenant access from the Demised Premises as of the Relinquishment Date to the existing server room located on the first floor (the "**Tenant Server Room**") and seal the door that is located in the Relinquished Space. The New Door shall be solely for Tenant's access to the Tenant Server Room and will be constructed on the western side of the existing Tenant Server Room. In addition, at Landlord's sole cost and expense, Landlord shall (i) cut back and label existing CAT 6 ethernet cables for all data circuits serving the Relinquished Space from the existing patch panel in the Tenant Server Room and (ii) relocate the cut back CAT 6 ethernet cables to the new space that will serve as Landlord's server room for Landlord's future use (collectively, "**Landlord's Cable Work**").

D. Standard of Work. The Landlord's Work shall be completed in a good and workmanlike manner, using new materials, and in compliance with all laws, ordinances, and regulations. It shall be Landlord's obligation, at its sole cost and expense, to repair, replace, maintain, and clean the Shared Restroom as part of Landlord's obligations for Common Areas described in Section 9 of the Lease; provided, that, the costs to repair, replace, maintain, and clean the Shared Restroom shall not be included in Operating Expenses charged to Tenant.

E. Relinquished Furniture. On or before the date that is fourteen (14) days prior to the Relinquishment Date, Landlord shall identify any of Tenant's furniture located in the Relinquished Space that Landlord elects to retain ("**Relinquished Furniture**"). Tenant shall not remove the Relinquished Furniture, and on the Relinquished Date, the Relinquished Furniture shall become the property of Landlord. After Landlord's identification of the Relinquished Furniture in accordance with this Section 7(e) and before the Relinquishment Date, Tenant shall remove, at Tenant's sole cost, all furniture in the Relinquished Space that is not identified as Relinquished Furniture. Tenant makes no representations or warranties regarding the condition of the Relinquished Furniture and Landlord accepts the Relinquished Furniture in its AS-IS condition on the Relinquishment Date.

8. **Tenant Incentive Allowance**. As an incentive for Tenant to relinquish the Relinquished Space, Landlord shall provide to the Tenant an incentive allowance of Three Hundred Thousand Dollars ($300,000.00) (the "**Tenant Allowance**") applicable toward all costs incurred by Tenant in connection with the reconfiguration of the Demised Premises after Tenant relinquishes the Relinquished Space, including, without limitation, any new furniture, fixtures, and equipment purchased for the Demised Premises (collectively, the "**Reconfiguration Costs**"). Landlord shall pay to the Tenant the Tenant Allowance within ten (10) business days after Tenant delivers an invoice to Landlord therefor.

A. Labor Code Compliance. All repair, remodel, construction, and other work as defined in California Labor Code Section 1770 that Tenant undertakes either on the Building or utilizing the Tenant Allowance is subject to conformance with California Labor Code regarding the payment of prevailing wage, and compliance with all other applicable Labor Code laws.

9. **Extensions**. The Parties acknowledge Tenant's remaining right to extend the Term of the Lease in accordance with Section 4 of the Lease remains in full force and effect.

10. **Electronic Signatures**. The parties agree that this Fifth Amendment may be signed and/or transmitted by electronic mail of a .PDF document or electronic signature (*e.g.*, DocuSign or similar electronic signature technology) and thereafter maintained in electronic form, and that such electronic record shall be valid and effective to bind the party so signing as a paper copy bearing such party's hand-written signature. The parties further consent and agree that the electronic signatures appearing on this Fifth Amendment shall be treated, for purpose of validity, enforceability and admissibility, the same as hand-written signatures.

11. **Notices**. All notices or other communications required or permitted to be given under this Fifth Amendment shall be in writing and shall be deemed to have been given when delivered if personally delivered, or three (3) business days after mailing if mailed by certified mail, postage prepaid, return receipt requested, or via email, return receipt requested, and shall be addressed as follows:

Notices shall be given to RCEA at the following address:
Eileen Verbeck, Deputy Executive Director
Redwood Coast Energy Authority
633 3rd Street
Eureka, CA 95501
EVerbeck@redwoodenergy.org

Notices shall be given to TENANT at the following address:
GHD
455 Phillip Street Unit #100A
Waterloo Ontario N2L 3X2 Canada
Attn: Romin Jarrah
renotices@ghd.com

12. **No Further Modification; Conflict**. Except as specifically set forth in this Fifth Amendment, all of the terms and provisions of the Lease shall remain unmodified and in full force

and effect. In the event of a conflict between the terms of the Lease and this Fifth Amendment, the terms of this Fifth Amendment shall prevail.

IN WITNESS WHEREOF, this Fifth Amendment has been executed as of the day and year first above written.

TENANT	**LANDLORD**
GHD Inc., a California corporation	Redwood Coast Energy Authority
By: ________________________	By: ________________________
Name: ______________________	Name: ______________________
Title: ______________________	Title: ______________________

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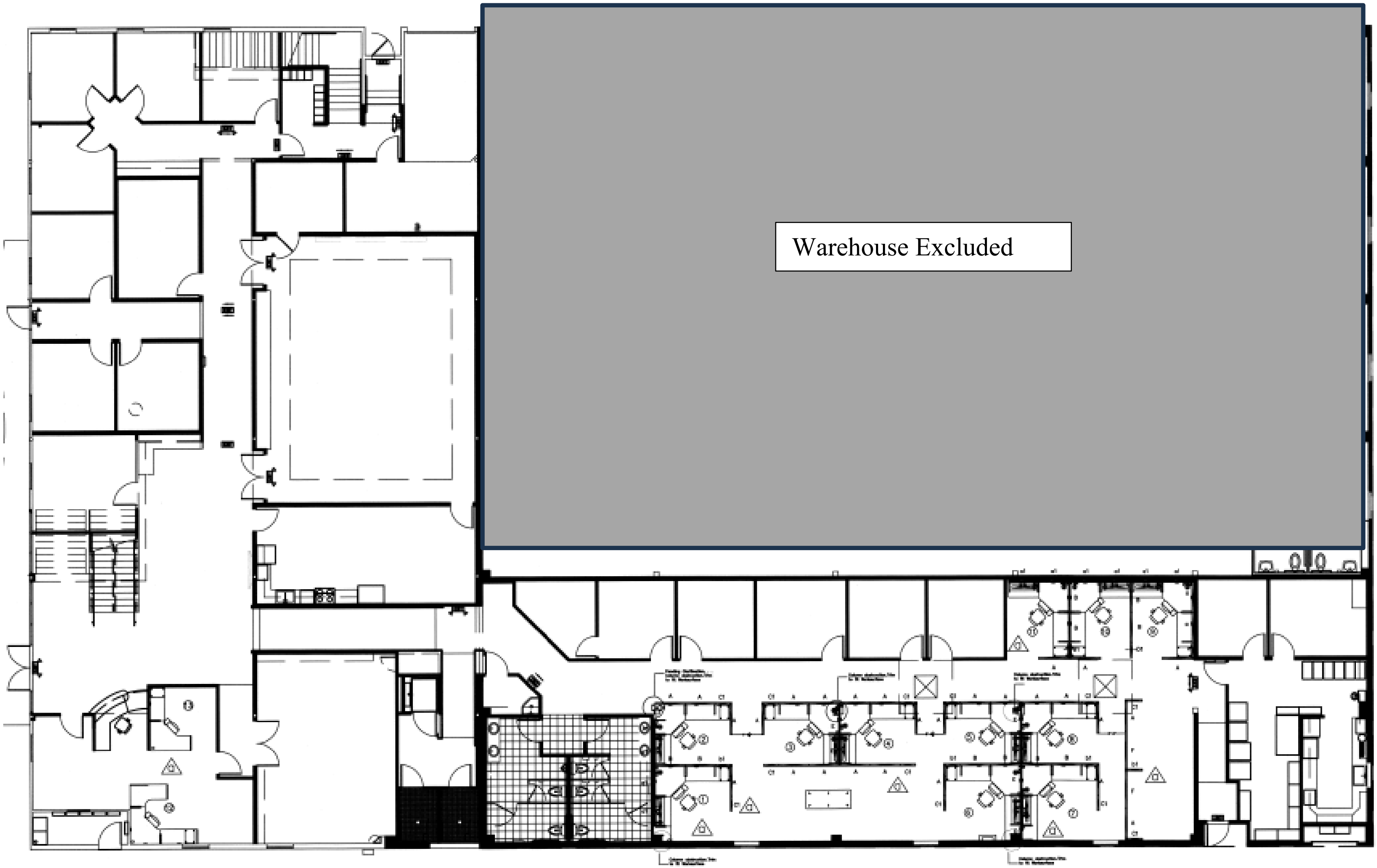
EXHIBIT A – ORIGINAL DEMISED PREMISES

First floor of Original Demised Premises



Second floor of Original Demised Premises.

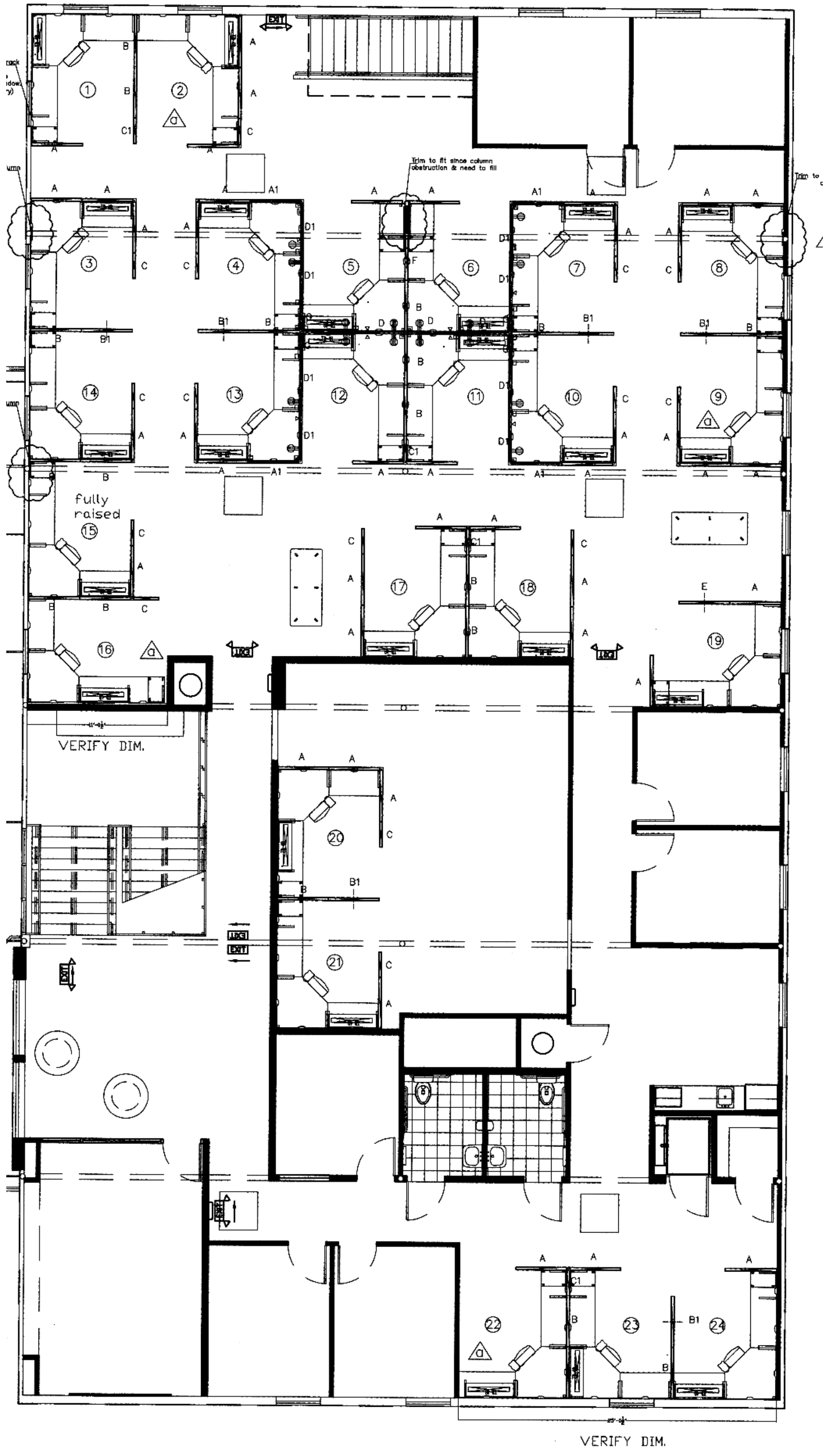


EXHIBIT B – RELINQUISHED SPACE

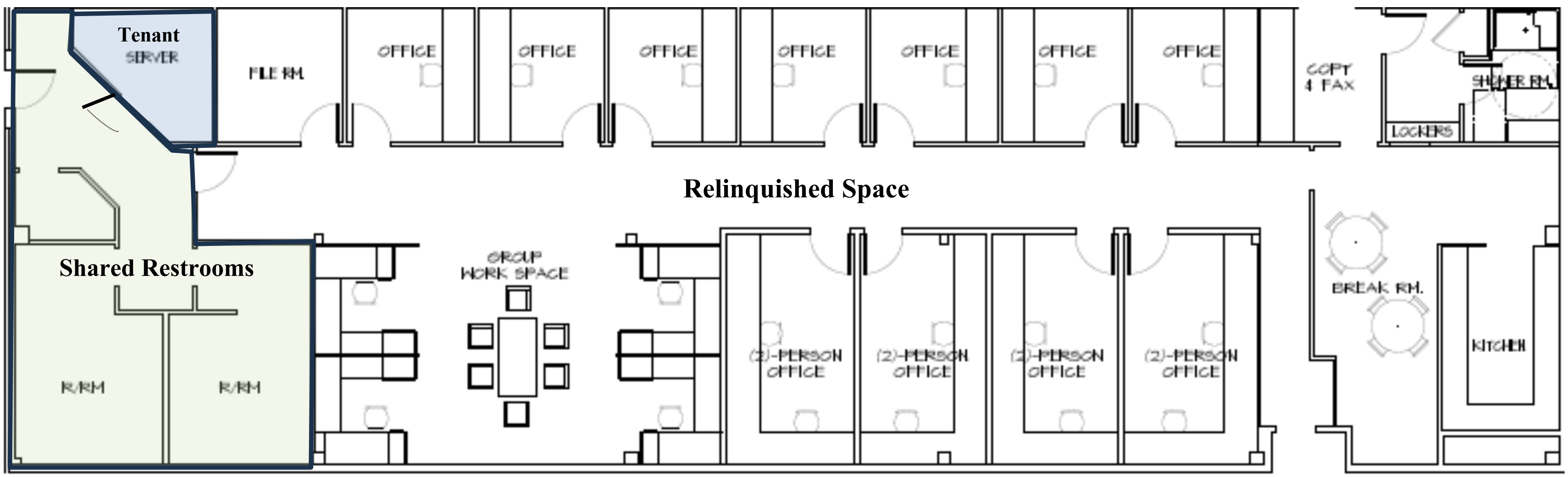
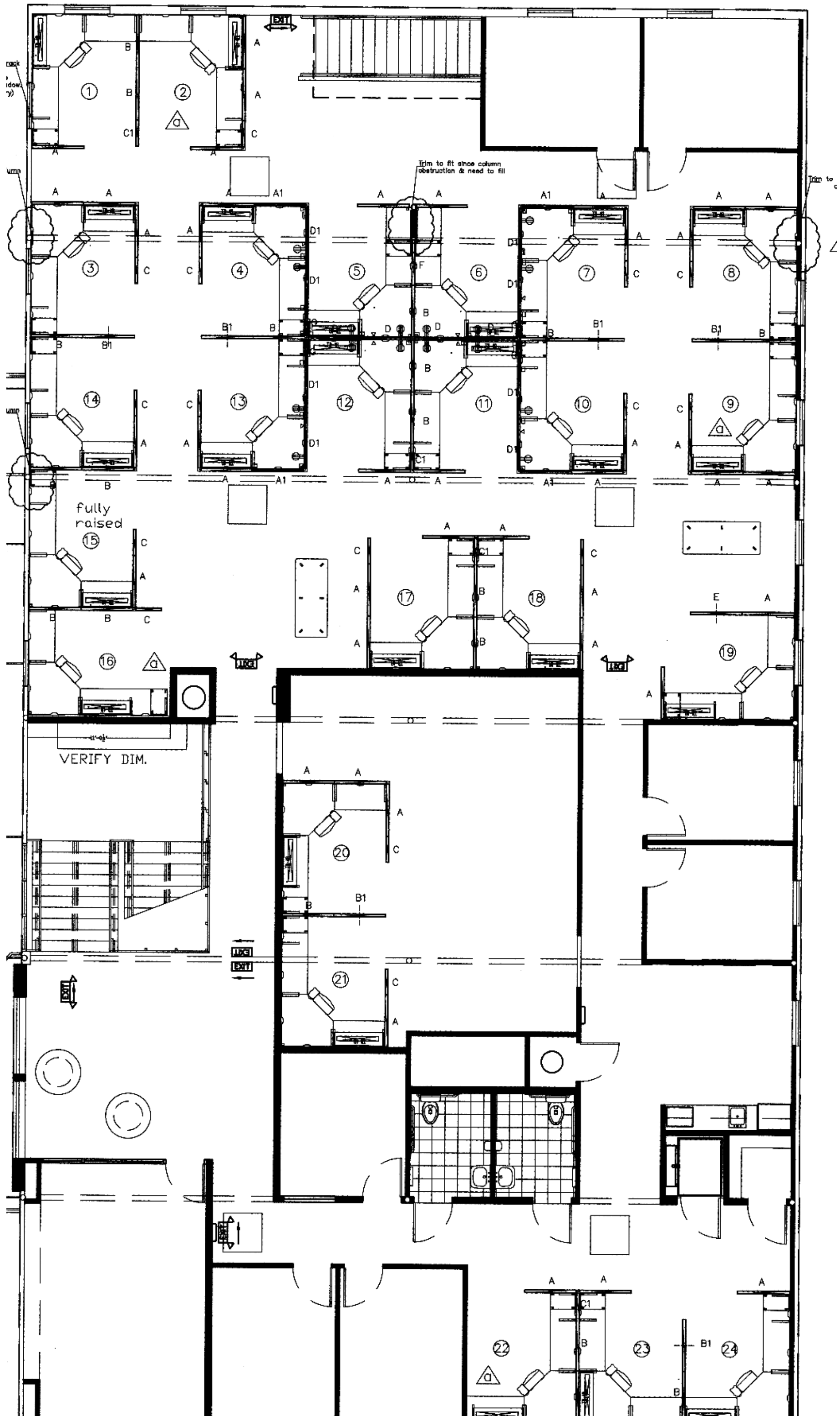


EXHIBIT C – DEMISED PREMISES

First floor of Original Demised Premises

Second floor of Original Demised Premises.



REDWOOD COAST EnergyAuthority

Staff Report

Agenda Item # 12.3

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Eileen Verbeck, Deputy Executive Director Mike Avcollie, Capital Asset Manager
Subject	Recommended Design-Build Procurement for 718 3rd Street Office Remodel

Summary

Staff are seeking Board approval to utilize a design-build procurement process for the commercial remodeling of 718 and 720 3rd Street, Eureka. Solicitation documents will include a Request for Qualifications and a Request for Proposals. Staff are also requesting the formation of an Ad Hoc Subcommittee with delegated authority to make interim decisions concerning the design-build procurement.

Background

In June 2026, RCEA purchased the commercial property at 718 and 720 3rd Street, Eureka. The property includes a vacant 7,125 sq ft attached warehouse. As outlined in a staff report presented earlier in the meeting, RCEA has negotiated a fifth lease amendment that outlines the tenant will vacate 4,341 sq ft of finished office space on the first floor of the building. This relinquished space is adjacent to the vacant warehouse. Additionally, the fifth lease amendment requires that RCEA complete improvements that would allow a separation of the space occupied by the tenant and the space that RCEA plans to occupy.

The type of work for which RCEA plans to issue a solicitation include the following:

- Complete design and seek necessary permitting.
- Complete landlord improvements as specified in the fifth lease amendment.
- Connect the relinquished space currently occupied by GHD to the warehouse.
- Build out the warehouse and relinquished space to have a public lobby, ADA compliant entrance, ADA bathrooms, office space, public meeting room, and break room.

The Design-Build process is a project delivery process in which one entity, known as the Design-Build Entity (DBE), is responsible for both design and construction of a project under a single contract.

<u>Rationale for Recommended Action</u>

California Public Contract Code 22160 et seq. allows for utilizing a design-build procurement pathway for public projects exceeding a cost of $1M as an alternative to using the standard Public Project Contracting process (as detailed in RCEA's Procurement Policy), design-bid-build. The total cost to design and construct the necessary upgrades to the warehouse space is expected to be, and is budgeted for, more than $1M. The design-build process includes the following steps:

1. Develop and issue a Request for Qualifications (RFQ);
2. Prepare a recommended shortlist of qualified design-build contractors based on the responses to the RFQ;
3. Issue a Request for Proposals (RFP) to invite the shortlisted contractors to submit competitive sealed bids for the design-build contract;
4. Award the design-build contract based on a "best value" evaluation of any responsive bid, which includes consideration of price, technical design and expertise, and lifecycle costs of the proposed design.

Advantages of the Design-Build approach include:

- Single point of responsibility- the owner (RCEA) interacts with one entity that is accountable for all aspects of design and construction. This can reduce finger pointing between separately contracted design and construction firms when conflicts occur and/or when changes are required.
- Allows for "best value" evaluation of proposals by RCEA that can include other aspects than just price (for example, ability to meet the desired schedule; availability of skilled and trained workforce, etc.)
- Allows for "value engineering" that incorporates the owners' input on design while minimizing costs during the design process.
- Increases likelihood of success -- the design team is integrated into the construction team and is less likely to design using products, materials, and methods that could cause cost overruns, change orders, or time delays.
- Can allow for accelerated schedule -- the single Design-Build Entity can begin parts of construction (demolition, short term modifications) while the design team is still completing design and permitting.

The key advantage to the design-build approach for this project is that it would greatly increase the likelihood of receiving responsive and competitive bids for the office remodel and allows RCEA to consider the total cost of the project without committing a large amount of funding to the design process absent the knowledge of potential construction costs.

Authorizing the Executive Director to initiate the first step of the design-build process and authorizing an Ad Hoc Committee to approve a resulting shortlist and issuance of the RFP would help to keep the project on track for completion within the desired timeline.

Equity Impacts

This is Operations; not directly applicable.

Alignment with RCEA's Strategic Plan

The building design will support electrification and utilize energy efficiency best practices.

Financial Impact

RCEA is currently applying for a low-interest loan to recover the cost of purchasing the building. The funding to complete the building design and construction improvements is contingent on receiving the loan funds.

Staff Recommendation

Authorize RCEA's Executive Director to utilize the design-build process to procure design and construction of the commercial remodel and improvements to 718 3rd St. Eureka; and initiate the first step by developing and issuing a Request for Qualifications.

Create an Ad Hoc Building Remodel Solicitation Committee comprised of five or fewer RCEA Board members.

Delegate authority to the Building Remodel Solicitation Ad Hoc Committee to: 1) approve the short list of qualified design build contractors, and 2) authorize the Executive Director to issue a Request for Proposals for construction of the commercial remodel/improvements at 718 and 720 3rd St. Eureka.

Attachments

None.

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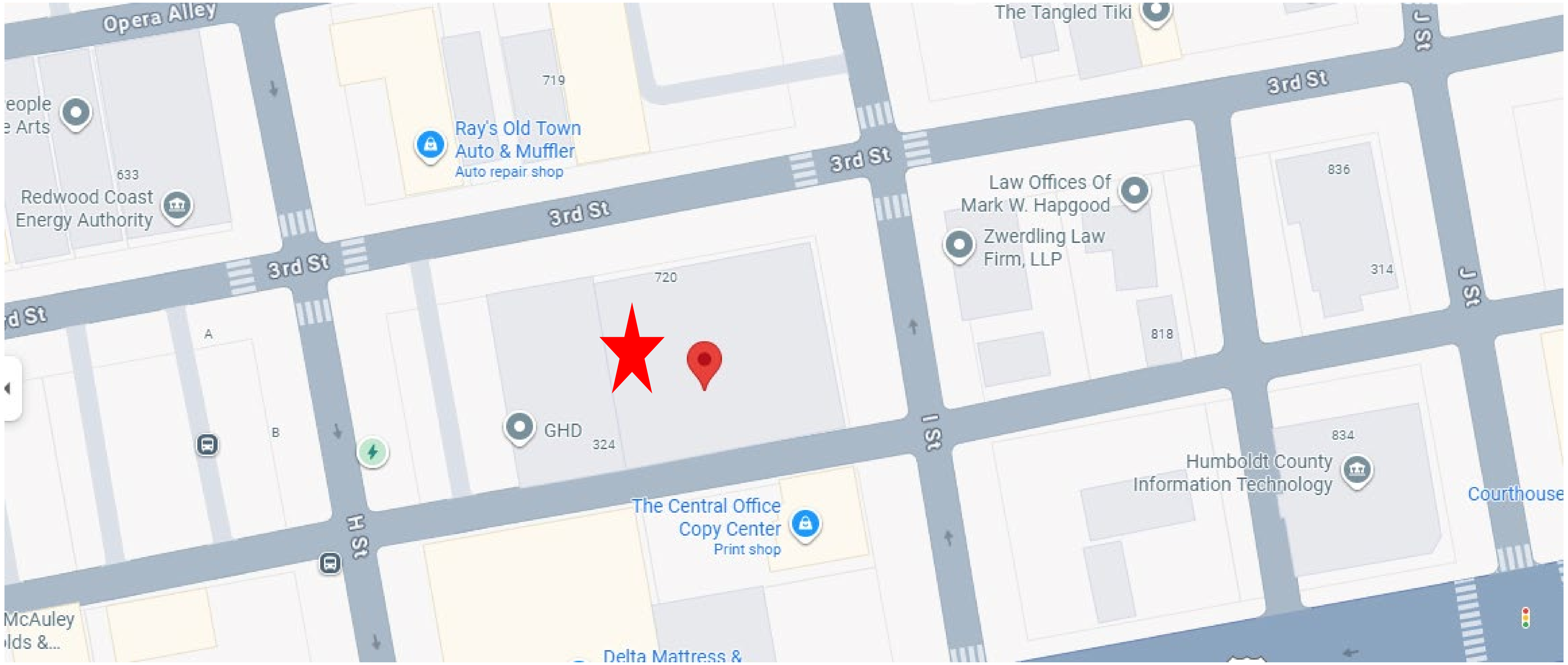
APN 001-135-007
718 3rd Street Eureka



Design Build Procurement 718 3rd St Eureka

Existing Conditions

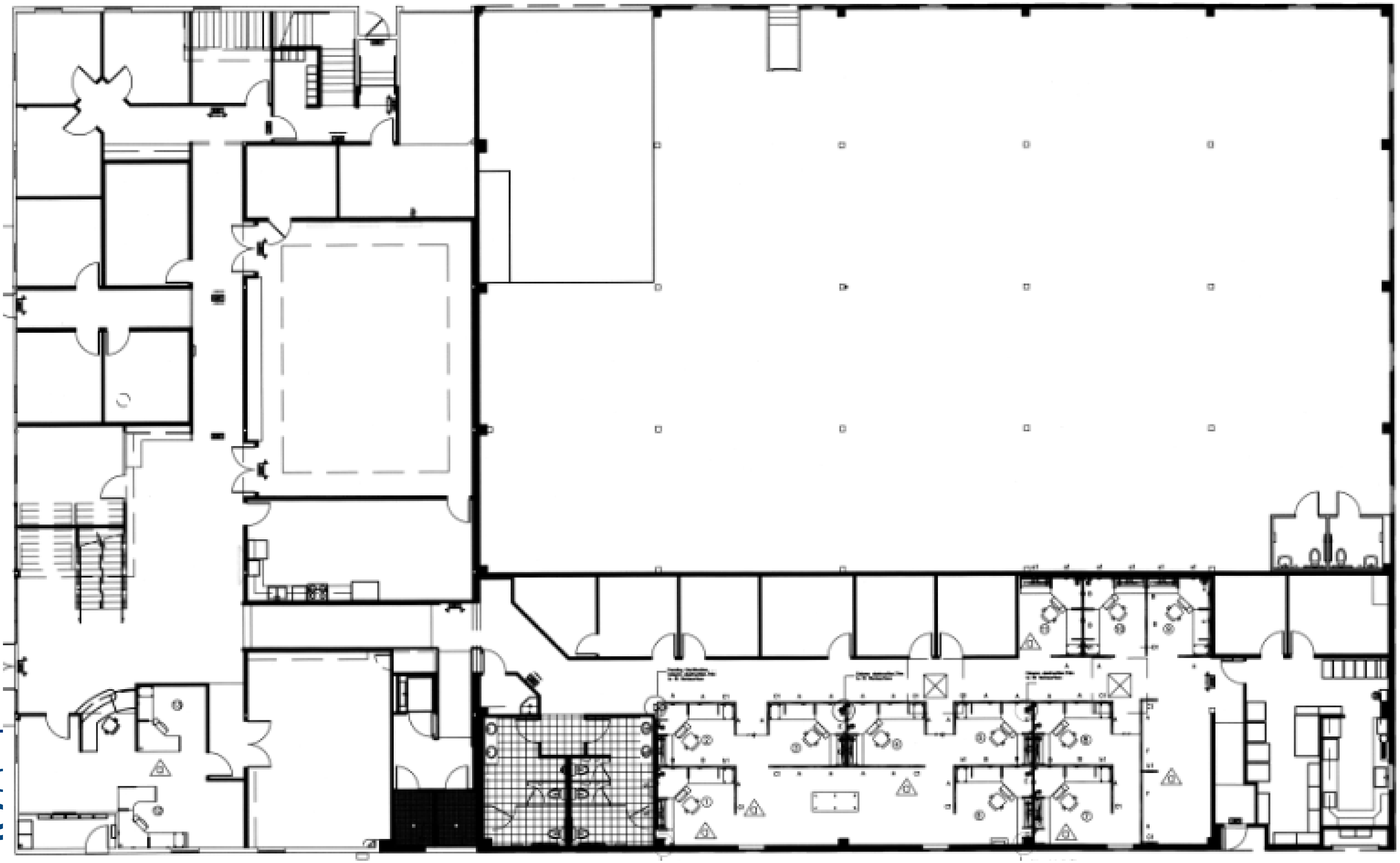
- 23,713 sf (16,588 sq ft office building and 7,125 sf warehouse)
- Constructed in 1950, remodel in 2010

Design Build Procurement 718 3rd St Eureka

<u>Renovations:</u>

- Complete “Landlord’s Work” per Lease Amendment
- Convert warehouse to office space with ADA entrance, ADA bathrooms, space for public meetings.
- Integrate new office Mechanical, Electrical, Plumbing with “relinquished space”

Design Build Procurement 718 3rd St Eureka



Design Build Procurement 718 3rd St Eureka

What is Design Build?:

- Design-Build process is a project delivery process in which one entity, known as the Design-Build Entity (DBE), is responsible for both design and construction of a project under a single contract

Design Build Procurement 718 3rd St Eureka

<u>Why use Design Build?:</u>

- Single procurement process and single contract to manage
- Allows for “best value” evaluation of proposals by RCEA
- Allows for “value engineering” that incorporates the owners' input on design while minimizing costs during the design process
- Increases likelihood of success/mitigates risk; design team is integrated into the construction team and can design using products, materials, and methods to avoid cost overruns, change orders, or time delays.
- Can allow for accelerated schedule

Design Build Procurement 718 3rd St Eureka

What is the process?:

- Develop and issue a Request for Qualifications (RFQ);
- Prepare a recommended shortlist of qualified design-build entities based on the responses to the RFQ;
- Issue a Request for Proposals (RFP) to invite the shortlisted entities to submit competitive sealed bids for the design-build contract;
- Award the design-build contract based on a “best value” evaluation of any responsive bid, which includes consideration of price, technical design and expertise, and lifecycle costs of the proposed design.

Next Steps:

- Develop and issue a Request for Qualifications (RFQ);
- Prepare a recommended shortlist of qualified design-build entities based on the responses to the RFQ;
- Issue a Request for Proposals (RFP) to invite the shortlisted entities to submit competitive sealed bids for the design-build contract;
- Award the design-build contract based on a “best value” evaluation of any responsive bid, which includes consideration of price, technical design and expertise, and lifecycle costs of the proposed design.

Staff Report

Agenda Item # 12.4

Information

Agenda Date	September 24, 2026
To	Board of Directors
Prepared by	Stephen Kullmann, Director of Customer Programs Richard Engel, Director of Power Resources
Subject	Overview of Distributed Energy Resources and Virtual Power Plants

Summary

In response to interest expressed by Board members, staff will provide a presentation on distributed energy resources and virtual power plants, and potential opportunities for RCEA in this topic area.

Equity Impacts

None - this item is information only.

Alignment with RCEA's Strategic Plan

This topic relates to numerous strategies in RCEA's strategic plan. Chief among them:

2.1.5 Integrate Distributed Energy Resources. Develop and implement customer programs that support, promote and integrate distributed energy resources, including but not limited to grid-connected generation, energy storage, energy efficiency, electric vehicle and demand response technologies.

2.1.6 Integrate a Distributed Energy Resource Management System. Support the development and installation of systems needed for effective and responsive management of distributed energy resources. Evaluate the potential integration of distributed energy resources into a unified system that would allow RCEA to aggregate and automate demand response activities

2.3.1 Implement Demand Response and Distributed Energy Resource Programs. Support and prioritize demand response programs that offer customers a role in balancing energy usage with the availability of electricity on the grid. Demand response programs and offerings will, where possible, integrate with distribution-connected efficiency systems and controls, renewable energy generation, and energy storage measures. Where feasible, energy technologies will be controllable and integrated as a distributed resource; any such efforts will require customer education and approval and will be implemented with a commitment to respecting and protecting customers' rights to privacy.

2.3.2 Support Reduced Energy Use During Peak Hours and Peak Event Days. Notify, support, and enable action from customers who choose to participate by shifting energy usage to off-peak hours, reduce daily energy usage during peak hours, and/or reduce energy usage during peak event days.

2.3.3 Enable Automated Demand Response. Install communicable controls with electrification, efficiency, and storage technologies that automatically reduce energy use during demand response events. Implement building demand response systems that allow for the curtailment of loads without major impacts to occupants and operations.

Financial Impact

As no board action is requested on this item, there is no associated financial impact.

Staff Recommendation

None – information only.

Attachments

None. Informational slides on this topic will be presented to the Board at the meeting.