

COUNTY OF MODOC
Planning Department
203 W 4th St, Alturas, CA 96101

AMENDED REQUEST FOR QUALIFICATIONS (RFQ) #2018-____08____
FOR

Amended Modoc County Request for Qualifications
Solar Power Generation

This amended RFQ replaces the document issued March 19, 2018. It extends the due date for responses, adjusts the 2018 project timeline to reflect the extension, revises the point values in the evaluation criteria, adds a scope of work in the appendix, and includes a frequently asked question section.

RFQ DUE:
June 4, 2018
3:00 p.m. P.S.T.

CONTACT: Sean Curtis, Interim Planning Director
seancurtis@co.modoc.co.us

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Section 1: Introduction:

Modoc County (County) is issuing this Request for Qualifications (RFQ) to begin the process of bringing a renewable energy project into its jurisdiction. Although this issuance does not obligate the County to pursue the project described below, the County is nonetheless motivated to pursue it. The project would provide the County with a sustainable, economic generator to help its citizens survive and prosper in the coming years.

The RFQ description provides information on the background and progress made toward making this project a reality, the proposal evaluation criteria and weight for each, the respective County and developer roles once the developer is selected from the responses, project timeline, and point of contact for further correspondence.

Time is of the essence. To be considered, responses to this RFQ must be received by the County, via by mail or electronically **on or before 3:00 pm PST June 4, 2018**.

Section 2: Background

The County's economy is typical to those of many rural communities: low populations, large public ownership, limited investment in economic development, low local government capacity and dependence on natural resources for job creation. More specific to the County, it has a population of less than 10,000 and its geography is predominately flat high desert, covered with sage brush and, increasingly western Juniper.

Until the mid-1990s, its biggest economic generator was timber. Logging and sawmilling jobs were major contributors to local economies. In 1994, many local sawmills began to close and timber related jobs began to disappear. The economy in Modoc and other counties have not recovered from that change.

Now, the number one economic generator in the county is alfalfa hay, unusually high in protein and exported to California dairies throughout the state. The number two generator is cattle raising. Cattle raising could be in jeopardy.

Much of the public land is leased by the federal government to ranchers who put controlled populations of cattle on the land during parts of the year to eat the grass that grows under the sage brush. Western Juniper has steadily spread in the county and the species competes with sage brush and grasses. Juniper is more drought resistant than sage brush. The loss of sage brush has put considerable pressure on the endangered Sage Grouse.

To save the Sage Grouse population, cattle may have to be taken off the land, delivering another blow to the economy of Modoc County. Therefore, the County is seeking more economic generators and a renewable energy project appears to be one solution.

2.1 - Progress To Date

In 2011, the US Air Force generated a NEPA document as the first step in returning 900 acres located in Modoc County and leased to them by the USFS. The NEPA document stated that the estimated cost of restoration on the 900 acres was \$26 million. Congressman McClintock, whose district included Modoc County, approached the County and encouraged them to find something to do with the property that would reduce that cost.

The County filed for a Feasibility Use Permit on the site to reserve access while it went through the analytical process to determine feasibility of developing it as a renewable energy site. Modoc County approached Congressman Douglas LaMalfa to propose that the 900 acres be transferred to the county outright. Congressman LaMalfa consequently introduced a bill (HB 3371) to the House of Representatives to transfer the property to Modoc County. The County is continuing to pursue access to the property

In a parallel effort, Modoc County evaluated the feasibility of funding, building, and operating the required connecting transmission line from the property, thereby creating an additional income stream beyond that of lease payments to the county. Adequate funding has been tentatively identified. Potential ownership alternatives are being considered and a potential ownership group and management have been tentatively identified.

2.2. County And Developer Roles In The Project

As a guide in preparing the response, the responder can assume the following conditions regarding the project characteristics and roles and responsibilities related to project. If the responder feels there are issues to any of the assumed conditions, the issues should be addressed in the Feedback on the Mutual Roles of the response.

Project size - 90 to 150 MW DC of solar generation.

Site Characteristics – The 900-acre site has road access, is in flat, high desert terrain, and is build ready with a cinder rock covering and (no) little vegetation, few rocks, or other impediments to clear. Based on National Renewable Energy Laboratory (NREL) resource maps, the estimated resource is 5.19 kWh/m²/day. NREL estimates that a PV power plant would generate 1300 mWh/year per mW DC. The site could support 80 mW of thin film PV and 150 mW of poly-crystalline PV. There is 120/240 kV electric service on site.

230 KV Transmission Line Construction and Connection to Backbone Transmission – The responsibility for Transmission Line, line easement, financing and construction and tie in to the Captain Jack Transmission line, as well as line O&M lies with the County. Project construction is expected to be completed by July 2022.

The Captain Jack Line is a part of the California-Oregon Transmission Project (COTP). It runs in a generally southerly direction from the Malin substation near the southern Oregon border to the Orinda substation south of Redding, CA. The COTP project manager and operator is the Transmission Agency of Northern California (TANC), a joint venture of 15 California municipal utilities. TANC has a contract with Western Area Power Administration (WAPA) to provide O&M on the line.

Substation Construction - Once the Transmission Line reaches its destination at the Captain Jack Line, the line voltage must be stepped up to 500 kV via a substation to match the voltage of the Captain Jack line. The County is responsible for the substation construction.

Renewable Energy Project Construction – The responsibility lies with the developer. The responsibility includes all aspects of the project including design, construction, satisfying environmental requirements, and commissioning and installation of step up equipment to the 230 kV transmission line.

Project Start and Completion Date – Start January 2019 Complete (including commissioning) July 2022.

Acquisition of Project Land – The responsibility for acquiring the project site lies with the County. If the County has not acquired the site for the project by January 31, 2019, the project start and completion dates will be moved ahead accordingly.

Lease Payments – Beginning at the project start date, the developer is to pay the County an annual lease payment of \$360,000 indexed to inflation.

Marketing responsibility of the project output - The developer has this role, including negotiating generation delivery and wheeling charges from the interconnection to the Captain Jack Line and the delivery point.

Annual Wheeling Charges - From the project site to Captain Jack transmission line payable by the developer to the County - \$1,400,000 indexed to inflation,

Short List Development – Based on evaluation of the responses, the County will determine a short list of developers, offer a joint site tour, and begin individual negotiations with them.

Negotiations are to lead to enumerate the specific duties to be performed by the County and the Developer and the expected outcomes, including a detailed listing of responsibilities.

Negotiations are also to specify the outcome targets, minimal performance standards expected from the County and the Developer, and methods for monitoring performance and process for implementing corrective actions.

Earnest Money Payment - The responders on the short list are expected to be ready to provide an earnest money payment of \$250,000 to the County upon the selection of the developer. The

earnest money is to cover County costs in acquiring the site, completing the open access transmission requirements, and performing other activities related to the project.

Earnest Money Details – The earnest money will be drawn upon based on documented expenses related to the project and accounted for in monthly County reports to the developer. Average draw down of the earnest money is expected to be \$10,000 to \$30,000 per month. The developer can withdraw from the project at any time and the balance of the earnest money that is uncommitted will be returned.

New Market Tax Credits (NMTC) – If the developer is interested qualifying to receive NMTCs, the County will assist in the effort.

Monthly Reports to the Developer – The County will provide monthly reports to the developer regarding its activities and progress toward site acquisition and transmission access. The reports will include activities such as (a) maintaining contact with TANC and WAPA staff, (b) aiding the staff in developing a System Impact Study, (c) Reviewing a Transmission Line Facilities study, (d) Conducting an environmental review of the Line, (e) Acquiring land for the line, (f) Designing and constructing the transmission line, (g) Facilitating review and testing of the line, and (h) Commissioning the line.

Monthly Reports to the County – The developer will provide monthly reports to the County. The reports are to describe the activities and progress toward the renewable energy project completion. The reports are to describe any deviations from the project plan and the remedies initiated to get the project back on the established timeline.

Section 3 - RFQ Evaluation Criteria

The County Evaluation Team will review each proposal base on the following six criteria.

1. Qualifications of the Responder's Management (200 points) – The responder should describe the experience knowledge, skills, and abilities of the proposed management team.
2. Experience in related projects (100 points) – The responder should describe the experience it has had in developing similar projects.
3. Project Description and Time Line (250 points) – The responder should detail the key steps and timelines in getting the project on line
4. Understanding of Mutual Roles (250 Points) – The responder should provide an understanding of what is to be expected from the responder and the County.
5. Financial Stability (150 Points) – The responder should provide information that substantiates its capability to finance the project development.
6. Feedback on the Mutual Roles (50 Points) – The responder should feel free to describe how both parties' roles could be enhanced to make the project a reality.

Section 4 - 2018 Project Timeline

April 16 – Modoc County issues the Amended RFQ

June 4 – Responses to the RFQ received by the County

June 21 – Modoc County Announces the Developer Short List

June 28 – Negotiations begin between Modoc County and the short list of developers

August 6 – Modoc County selects the site developer.

September 4 – Developer and County begin monthly reports on the progress of the project. County continues the transmission access activity

4.1 - Future Project Timeline

January 2019 – Developer gains access to the property and begins project construction.

June 2019 – County acquires easements for the transmission line.

October 2019 – County initiates transmission line construction.

May 2022 -- Transmission line completed and commissioned

June 2022 – Renewable energy site construction completed and commissioned. Transmission line from the site to Captain Jack backbone line begins delivering site power.

5 - Point Of Contact for Further Correspondence

The County will accept only electronic correspondence from organizations that are interested in responding to this RFQ. Correspondence should be directed to Sean Curtis, Interim Planning Director at seancurtis@co.modoc.ca.us. Due to lack of personnel, the County does not guarantee that responses to the correspondence will occur, however, the County will make reasonable effort to do so.

6 – Frequently Asked Questions

What is the total lease period and conditions? The lease period and other conditions will be determined during negotiations with the responders on the short list. It is anticipated that the lease period will be 30 years.

What are the potential off-takers for power supply and the County's guidance if any? Potential off-takers include but are not limited to, public and private utilities, large industrial and government power users, and Consumer Choice Aggregators. The responsibility of securing off-takers lies with the developer.

Can the County provide details on the specific site location? At this time, we will not provide details on the location. However, it is within 10-20 miles nearly directly south of Alturas, CA. NREL has surveyed the site and has determined its solar potential as cited in the RFQ based on the solar radiation and weather data for its coordinates. A tour of the site for the responders on the short list will be conducted in the future.

Has the property been transferred to the County? If not, what is the anticipated timeline for doing so? The property has not been transferred yet. The County anticipates taking over the property on or before January 31, 2019. It is in the best interest of the County and the selected developer to have the County take over the property as early as possible.

How does the County anticipate implementing the transmission line construction and connection to the transmission system? Has it selected a developer for this? Or is the County planning to use a design, bid, build process where the County will own this infrastructure? The County anticipates a third party will construct the transmission line. The County is in the process of applying for an open access transmission tariff and will decide the best method of selecting the third party at a later date.

If the County has selected a developer for the transmission line, can you share who has been selected for this? Is it possible to speak with them to better understand the project? The County has not selected the transmission line developer.

Has the County had any conversations with potential purchasers of power from the proposed project? The County has had no conversations with potential purchasers. The County has had internal conversations about contacting potential purchasers and concluded the best expertise and knowledge in communicating with the potential purchasers may be with potential responders to the RFQ.

How did the County arrive at the proposed wheeling charge value? The wheeling charge is based on the revenue needed to pay off the construction costs of the transmission line and substation in 30 years at an interest rate of 3% and the O&M costs of operating the facilities. The construction costs include all costs associated with the project, including planning, design, environmental, land acquisition, interest during construction, capital costs, and pre-construction costs such as system impact studies.

Exhibit "A"

CONFIDENTIALITY AGREEMENT

This confidentiality agreement is between the COUNTY OF Modoc ("County") and _____ (insert your company name), on behalf of itself and all of its subsidiaries and affiliates, (hereafter: Contractor") and is executed in connection with the Request For Qualifications ("RFQ") 2018-_____, as Contractor would like to a response to the RFQ issued by County.

In order to prepare a responsive proposal, Contractor may receive certain County employee health information and data, including individually identifiable health information, as well as Proprietary information. County and Contractor agree that the term "individually identifiable health information" refers to any health information that is not "de-identified," as defined in 45 C.F.R. Section 164.514(b)(2). County agrees to provide the necessary Proprietary Information in connection with this RFP, and Contractor agrees as follows:

1. Contractor will use this Proprietary Information/Protected Health Information ("PHI") only for the purpose of preparing Contractor's response to County's RFQ;
2. Contractor shall comply with, and assist the County in complying with, the privacy requirements of the Health Insurance Portability and Accountability Act (including but not limited to 45 CFR Parts 142, 160, 162 and 164), hereinafter collectively referred to as the "Privacy Rule." Terms used but not otherwise defined in this Agreement shall have the same meaning as those terms are used in the Privacy Rule.
3. Except as otherwise limited in this Agreement, Contractor may use or disclose Protected Health Information to perform functions, activities, or services for one on behalf of the County as specified in this Agreement, provided that such use or disclosure would not violate the Privacy Rule with which the County complies.
4. Contractor shall not use or further disclose Protected Health Information other than as permitted or required by this Agreement, or as required by law. Contractor agrees that only those individuals employed by Contractor who have a need to know its information to prepare a proposal and have been made aware of the terms of this Agreement and have agreed to abide by its terms will have access to the Proprietary Information provided by County. Neither Contractor nor any of its Representatives will disclose the Proprietary Information to any person or entity outside of Contractor, unless such a disclosure is: (A) necessary to prepare a proposal and the recipient first executes a confidentiality agreement with provisions equivalent to this one; or (b) required by law;
5. Contractor shall use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
6. Contractor shall report to the County any use or disclosure of the Protected Health Information not provided for by this Agreement.

7. Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor as a result of a use or disclosure of Protected Health Information by Contractor which is in violation of the requirements of this Agreement.
8. Contractor shall ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, created, or received by Contractor on behalf of the County, agrees to the same restrictions and conditions that apply through this Agreement to Contractor with respect to such information.
9. Contractor shall provide access, at the request of the County, and in the time and manner designated by the County, to Protected Health Information in a Designated Record Set; this Protected Health Information will be released to the County or, as directed by the County, to an Individual, in order to meet the requirements under 45 CFR Section 164.524.
10. Contractor shall make any amendment(s) to Protected Health Information in a Designated Record Set that the County directs, pursuant to 45 CFR Section 164.256 at the request of the County or an Individual, and in the time and manner designated by the County.
11. Contractor shall document such disclosures of the Protected Health Information and information related to such disclosures as would be required for the County, to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR Section 164.528.
12. Contractor shall provide to the County or an Individual, in the time and manner designated by the County, information collected in accordance with paragraph 11, to permit the County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR Section 164.528.
13. Contractor shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Contractor on behalf of the County, available to the County or at the request of the County, to the Secretary of the United States Department of Health and Human Services (“Secretary”), in a time and manner designated by the County or the Secretary, for purposes of the Secretary determining the County’s compliance with the Privacy Rule.
14. Upon completion of the RFP process, Contractor shall return or destroy all Protected Health Information received from the County, or created or received by Contractor on behalf of the County. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of the Contractor. Contractor, its agents and subcontractors shall retain no copies of the Protected Health Information. In the event that Contractor determines that returning or destroying the Protected Health Information is infeasible, Contractor shall provide to the County notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the

Parties that return or destruction of Protected Health Information is infeasible, Contractor shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to these purposes that make the return or destruction infeasible, for so long as Contractor, or any of its agents or subcontractors, maintains such Protected Health Information.

15. Contractor shall regard and preserve as confidential all Proprietary Information/PHI that has been or may be obtained by Contractor in the course of any proposal, whether Contractor has such information in Contractor's memory, or in writing or in other physical form. Contractor shall not, without written authority from County, use any Proprietary Information for Contractor's benefit or Contractor's purposes, either during the RFQ process or thereafter;
16. With respect to each PROPOSAL and the Proprietary Information/PHI disclosed in connection therewith, the obligations of Contractor assumed in this Agreement shall continue beyond the completion of the RFQ process.
17. Contractor shall and does hereby indemnify, defend and hold harmless County of Modoc, and County's officers, directors, employees and shareholders from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and reasonable attorney fees and costs, that County of Modoc may incur or suffer and the result from, or are related to, any breach or failure of Contractor and Contractor's Representatives to perform any of the representations, warranties and agreements contained in this Agreement that pertain to individually identifiable health information;
18. Contractor recognizes that any breach of the covenants contained in this Agreement would irreparably injure County of Modoc. Accordingly, County of Modoc may, in addition to pursuing its other remedies, obtain an injunction from any court having jurisdiction of the matter restraining any further violation and no bond or other security shall be required in connection with such injunction;
19. If any of the provisions herein become invalid or are declared invalid, such determination of invalidity as to the clause(s) shall not affect the other provisions of this Agreement. If any provision of this Agreement should be held invalid or unenforceable, the remaining provisions shall be unaffected by such a holding. If any provision is found inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances;
20. This Agreement shall be binding upon County and, and Contractor and their respective successors, assigns, heirs executors and administrators;

21. This Agreement contains the entire understanding of the parties hereto and supersedes all previous communications, representations, or agreements, oral or written, with respect to the subject matter hereof. No failure to exercise nor any delays in exercising any right or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy. Neither this Agreement nor any of its provisions may be amended, supplemented, changed, waived or rescinded except by a written instrument signed by the party against whom enforcement thereof is sought. No waiver of any right or remedy hereunder on any one occasion shall extend to any subsequent or other matter;
22. This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made on and performed within the State of California. Any action to enforce this Agreement shall be brought in State of California, County of Modoc.

Intending to be legally bound, the Parties have executed this Agreement.

Contractor

For County of Modoc

Signed: _____

Signed: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT "B"

PROSPECTIVE RESPONDENT FACT SHEET

(TO BE EXECUTED BY RESPONDENT AND SUBMITTED WITH THE QUALIFICATIONS)

NAME OF FIRM _____

ADDRESS _____ CITY _____ ZIP _____

TELEPHONE _____ DATE _____

Respondent Does Business As: ___ Individual ___ Partnership ___ Corporation ___
Government ___ Fiduciary ___ Other

Respondent is a: ___ Resident ___ Non-Resident of California

- 1) Is your local firm authorized to do business in the State of California? Y N
- 2) Local Business: Yes _____ No _____
- 3) This firm has been in continuous business under the present name for ___ years
- 4) Annual sales volume: _____
- 5) Net worth of business: _____

SIGNATURE _____ TITLE _____

PRINTED NAME OF PERSON WHOSE SIGNATURE APPEARS _____

EXHIBIT "C"

CUSTOMER REFERENCES

List and submit with this proposal four (4) customer or professional references.

1. COMPANY NAME: _____
ADDRESS: _____

CONTACT PERSON: _____
TELEPHONE NUMBER: _____

2. COMPANY NAME: _____
ADDRESS: _____

CONTACT PERSON: _____
TELEPHONE NUMBER: _____

3. COMPANY NAME: _____
ADDRESS: _____

CONTACT PERSON: _____
TELEPHONE NUMBER: _____

4. COMPANY NAME: _____
ADDRESS: _____

CONTACT PERSON: _____
TELEPHONE NUMBER: _____

EXHIBIT "D"

COUNTY OF MODOC
NON-COLLUSION DECLARATION
(TO BE EXECUTED BY RESPONDENT AND SUBMITTED WITH THE QUALIFICATIONS)

I, _____, am the

_____ of _____,
(Position/Title) (Company)

the party making the foregoing proposal, and hereby certify that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation, that the proposal is genuine and not collusive or sham; that the respondent has not directly or indirectly induced or solicited any other respondent to put in a false or sham proposal; and has not directly or indirectly colluded, conspired, connived, or agreed with any respondent or anyone else to put in a sham proposal, or for anyone to refrain from submitting a response to this RFP; that the respondent has not in any manner directly or indirectly, sought by agreement, communication, or conference with anyone to fix the responses to this RFP; or to secure any advantage against the public body awarding the lease; that all statements contained in the proposal are true; and, further, that the respondent has not, directly or indirectly, submitted his or her response to this RFP, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham response.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

(Date)

(Signature)

EXHIBIT "E"

INDEMNIFICATION AGREEMENT

(TO BE EXECUTED BY RESPONDENT AND SUBMITTED WITH THE QUALIFICATIONS)

This agreement is entered into between _____(hereinafter "RESPONDENT") and the County of Modoc (hereinafter "COUNTY"). RESPONDENT hereby agrees that RESPONDENT will defend, indemnify, and hold harmless COUNTY in any legal challenge involving the COUNTY as a party arising from action taken by the COUNTY relating to selection of RESPONDENT as a successful respondent to this RFP or the potential subsequent award of a contract to RESPONDENT (hereinafter "APPROVAL"), including all claims, actions, proceedings, demands, damages, costs, judgments, attorney's fees, or any other expenses, and shall include, but not limited to, actions to attack, set aside, void, or nullify any decision related to COUNTY'S APPROVAL. Either RESPONDENT or COUNTY may terminate this Agreement without cause and at will for any reason whatsoever by giving the other party thirty (30) calendar days written notice of such intent to cancel. Upon termination, the COUNTY, in its sole discretion, may deem RESPONDENT'S cancellation of this Agreement as abandonment of their RFP Response. RESPONDENT shall remain responsible for any costs, attorney's fees, and/or other expenses incurred by COUNTY related to the litigation or settlement. The obligations of RESPONDENT identified in the prior sentence shall survive termination of this agreement.

(Date)

(Signature)

(Printed Name)

EXHIBIT "F"
SCOPE OF WORK

The work will be performed in three separate phases. The first phase involves all responders to this Amended RFQ that are on the short list. Those responders will meet jointly with the County staff and tour the site designated for solar development. The responders then will meet separately for clarifications and negotiations with the County staff. Based on the results of the meetings, the County will select a developer.

The second phase involves the developer (1) securing end users for the project output via power purchase agreements or similar mechanisms (2) preparing for site construction on or before January 31, 2019, subject to the County acquiring the land. The County recognizes the importance of acquiring the land and will make every attempt to get access to it prior to January 31, 2019, (3) beginning site construction within 30 days of the County accessing the property, and (4) completing the project, including commissioning, by June 2022.

The third phase involves the developer operating and maintaining the project such that the output meets the requirements specified in the performance contract.