

RESOLUTION NO. 2024-01

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
AUTHORIZING THE DRAFTING AND SUBMITTAL OF A
MICROGRID INCENTIVE PROGRAM GRANT APPLICATION BY TRANE U.S., INC.**

WHEREAS, Trane U.S., Inc. (“Trane”) and the Hidden Valley Lake Community Services District (“District”) have completed the preliminary steps to develop a Firemain Linked Auxiliary Supply/Hydraulic Energy Storage (FLASHES) facility to serve the Hidden Valley Lake community;

WHEREAS, District staff has determined that the continued development of the FLASHES project requires an expenditure of multiple millions of dollars;

WHEREAS, in the coming stages of the development, the District and Trane may determine that the FLASHES project is not a viable option for the District and any contributed expenditures would be considered unrecoverable;

WHEREAS, Pacific Gas & Electric, operating under the direction of the California Public Utilities Commission, has developed the Microgrid Incentive Program (“MIP”) that provides funding for such risk elements, thereby eliminating the financial risk identified by the District and Trane;

WHEREAS, District staff has evaluated the issues, benefits, and risks associated with the District applying for a MIP grant and has determined that completing an application for a MIP grant involves a considerable expenditure of funds and work-hours;

WHEREAS, the MIP provides an application development grant in the amount of \$25,000 for applicants that submit a conforming application under the MIP guidelines;

WHEREAS, Trane has submitted to the District a proposal to develop a conforming MIP application, attached as **Exhibit A**, on behalf of the District;

WHEREAS, Trane’s proposal limits its consulting fee to that of the award value offered under the MIP application development grant;

WHEREAS, District staff has evaluated Trane’s proposal to develop a conforming MIP application on behalf of the District and has determined that it would be in the District’s best interests to authorize the acceptance of the proposal;

WHEREAS, if the MIP funds are awarded, Trane and the District agree to amend their existing Letter of Commitment, if and only as necessary, to authorize the expenditure of any awarded funds for the purposes of furthering the FLASHES project development.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Hidden Valley Lake Community Services District as follows:

1. The Board of Directors authorizes Trane to develop and submit a Microgrid Incentive Program grant application on behalf of the District, subject to the understanding that any fee issued by Trane for the development of the grant application will be limited to the value of an application development grant awarded to the District, and which fee shall not exceed \$25,000 under any circumstances.

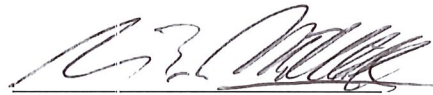
PASSED AND ADOPTED by the Board of Directors of the Hidden Valley Lake Community Services District on the 20th day of February, 2024, by the following vote:

AYES: (5) Directors, Freeman, Graves, Lieberman, Metcalf and Millerick

NOES: (0)

ABSTAIN: (0)

ABSENT: (0)



Sean Millerick,
President of the Board of Directors

Attest:



Dennis White,
Secretary of the Board of Directors



Exhibit A

Trane MIP Application Agreement

