

STAFF REPORT

City of Lancaster

CC 22
12/13/2022
JC

Date: December 13, 2022

To: Mayor Parris and City Council Members

From: Jason Caudle, City Manager

Subject: Professional Services Agreement - Project Advisor of Clean Energy Ministerial / DOE H2 Twin Cities Mentor-Mentee Program

Recommendation:

Approve a Professional Services Agreement with Enso Advisory Services, LLC (“Enso”) of New York, New York, in the amount of \$288,000.00. Authorize the City Manager, or his designee, to sign all documents.

Fiscal Impact:

\$288,000; sufficient funds are available in the account number 101-4200-301.

Background:

In 2020, the City of Lancaster announced its intention to become the first renewable Hydrogen City. Lancaster is working with several organizations to increase the production and use of renewable hydrogen and other sources of clean energy. In May of 2022, the City applied to the Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee Program with Namie, Japan and Hawai'i County. Upon Council approval, Enso will continue to advise the City on the Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee program pursuant to a contract awarded in November 2022 for the first 18 months of the proposed five-year program.

H2 Twin Cities is a global initiative connecting cities and communities worldwide to deploy clean hydrogen solutions. The program is designed for the DOE to support cities sharing ideas, mentorship, building a community of renewable hydrogen best practices, and strengthening the global commitment to environmental justice, social equity, and clean energy jobs. In an unofficial capacity, Enso supported the City in its application to the Clean Energy Ministerial/DOE H2 Twin Cities Mentor-Mentee Program via introductions to the mayors and key staff of Namie Town, Japan, and Hawai'i County. Enso has already established a working relationship with the City for the past twenty-four months creating key resources and insight on the City's supporters, obstacles, and past contact relationships who've provided additional

outreach efforts in support of renewable hydrogen.

Enso is headquartered in New York, NY and several of its team members are located in Southern California. The firm is an advisor, arranger, and developer of renewable energy projects and programs whose mission is to develop sustainable solutions with the latest technologies and a robust business model to build infrastructure that uses resources sustainably and efficiently. Its team members have decades of experience in hydrogen, renewable energy, project development, finance, real estate and global business. Enso's CEO, Lex Heslin, founded and led several businesses in these sectors and was previously in project finance at Sanwa Bank in Tokyo and in structured finance at Goldman, Sachs & Co. in New York. Senior Managing Director, Tak Yokoo, previously served as Chief Engineer of Toyota Motor North America and Senior Executive Engineer of Advanced Fuel Cells, including responsibility for building the world's first OEM heavy duty fuel cell truck. Managing Director Michael L. Clayton previously worked for Citigroup in Tokyo and New York as Managing Director of loan syndications, and has extensive international experience working with large corporations and in financial arrangement and advisory. Mr. Heslin founded Smart Sister Cities, a program developed to merge the diplomatic and economic benefits of sister cities with smart city planning and technology, increasing investment promotion and opportunities for sustainable solutions for municipalities. In July of 2021, Lancaster became Smart Sister Cities with Namie Town in Fukushima, Japan, attracting global attention to Lancaster as an innovative leader in renewable energy, and a trade and investment hub for clean hydrogen-related companies.

AM; cv

Attachment:

Professional Services Agreement
Sole Source Memo