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**Board of Directors Regular Meeting  
December 18, 2025, 2:00 p.m.  
City of Industry, Council Chambers  
15651 Mayor Dave Way, City of Industry, CA 91744**

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

<https://us02web.zoom.us/j/82245391862>

or telephonically by dialing:

1(669) 900-9128

Webinar ID: 822 4539 1862

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom and will be available by computer or telephone audio as indicated above. Because this is an in person meeting and the virtual component is not required, but rather is offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

All documents available for public review are on file with the First Public Hydrogen Authority (FPH<sub>2</sub>) Secretary located at the City of Lancaster, City Clerk's Office, 44933 Fern Avenue, Lancaster, CA 93534.

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

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

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

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

**CALL TO ORDER**

**ROLL CALL**

**FLAG SALUTE**

**ACTION ITEMS**

Prior to action of the FPH<sub>2</sub> Board, any member of the public will have the opportunity to address the FPH<sub>2</sub> on any item listed on the agenda.

**PRESENTATION**

Update on the Brown Act

*Consent Calendar*

**Item 1: Approve Minutes of November 20, 2025, Regular Meeting**

**RECOMMENDATION**

Approve the Minutes of November 20, 2025, Regular Board Meeting.

**Item 2: Receive and File Treasurer’s Report for Period Ended October 31, 2025**

**RECOMMENDATION**

Receive and File Treasurer’s Report for period ended October 31, 2025.

**Item 3: Consider Approval of Resolution Rescinding Resolution No. 2025-008 and Approving Amended Employee Benefits Related to Vesting of Retiree Health Savings Plan**

**RECOMMENDATION**

Approve a resolution rescinding Resolution No. 2025-008 and approving amended Employee Benefits Package related to vesting of Retiree Health Savings Plan.

*New Business*

**Item 4: Consider Approval of Resolution Approving and Authorizing the City of Shafter to Enter into the Joint Exercise of Powers Agreement for the First Public Hydrogen Authority (FPH2)**

**RECOMMENDATION**

Adopt a resolution approving and authorizing the City of Shafter to Enter into the Joint Exercise of Powers Agreement for the First Public Hydrogen Authority and authorizing the Chief Executive Officer to execute all necessary documents to finalize the membership.

**Item 5: Consider Approval of First Public Hydrogen Authority Legislative and Regulatory Policy Platform**

**RECOMMENDATION**

Approve the First Public Hydrogen Authority Legislative and Regulatory Policy Platform.

**Item 6: Chief Executive Officer Year End Report and Update on Procurement, Marketing and Outreach, Transportation Services and General Administrative Topics**

**RECOMMENDATION**

Receive Chief Executive Officer Year end report and updates on Procurement, Marketing and Outreach, Transportation Services and General Administrative Topics.

**Item 7: General Counsel Update on FPH2 Matters**

**RECOMMENDATION**

Receive update from General Counsel on FPH2 Matters.

**PUBLIC COMMENT**

**BOARD MEMBER QUESTIONS/COMMENTS AND REPORTS ON FPH2 RELATED TRAVEL**

**BOARD REQUESTS FOR FUTURE AGENDA ITEMS**

**NEXT MEETING:** Regular Board Meeting January 15, 2026, 2:00 p.m.

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

**First Public Hydrogen Authority  
Board of Directors Regular Meeting Minutes  
November 20, 2025, 2:00 p.m.  
City of Lancaster, Council Chambers  
44933 Fern Avenue, Lancaster CA 93534  
Alternate Location:  
City of Industry, Council Chambers  
15651 Mayor Dave Way, City of Industry, CA 91744**

**CALL TO ORDER:** The regular meeting of the First Public Hydrogen Authority (FPH2) was called to order by Vice Chair Ruggles at 2:01 p.m.

**ROLL CALL:** Board Members: Brouwer, Medrano, Peacock, Vasquez, Vice Chair Ruggles. Chair Parris and Board Member Hertzberg were absent.

**FLAG SALUTE:** Vice Chair Ruggles led the flag salute.

***Consent Calendar***

**Item 1: Approve Minutes of September 18, 2025, Regular Meeting**

**RECOMMENDATION**

Approve the Minutes of September 18, 2025, Regular Board Meeting.

**Item 2: Receive and File Treasurer’s Report for Period Ended August 31, 2025**

**RECOMMENDATION**

Receive and File Treasurer’s Report for period ended August 31, 2025.

**Item 3: Receive and File Treasurer’s Report for Period Ended September 30, 2025**

**RECOMMENDATION**

Receive and File Treasurer’s Report for period ended September 30, 2025.

**Item 4: Consider Approval of First Public Hydrogen Authority Administrative Policies**

**RECOMMENDATION**

Approve the following First Public Hydrogen Authority administrative policies:

- FPH2 2025-001 Procurement Policy – replaces in its entirety the prior FPH2 2025-001 Non-Energy Public Contracting Policy
- FPH2 2025-### Internal Social Media Policy
- FPH2 2025-### External Social Media Policy
- FPH2 2025-### Records Retention Policy
- FPH2 2025-### Fixed Assets Policy

**Motion by Board Member Medrano, second by Board Member Brouwer, to approve the Consent Calendar.**

Motion approved unanimously.

***New Business***

**Item 5: Consider Approval of First Public Hydrogen Authority Legislative and Regulatory Policy Platform**

**RECOMMENDATION**

Approve the First Public Hydrogen Authority Legislative and Regulatory Policy Platform.

Board Member Peacock noted a financial conflict of interest and left the room.

Chief Executive Officer Jason Caudle provided the staff report.

No requests to speak were received on this item

**Following discussion, the Board directed to table the item and bring back at the next meeting for further discussion and consideration of approval.**

Board Member Peacock returned to the meeting room.

**Item 6: Consider Adoption of a Resolution Revising the First Public Hydrogen Authority Regular Meeting Schedule and Rescinding Resolution No. 2025-005**

**RECOMMENDATION**

Adopt a resolution revising the First Public Hydrogen Authority Regular Board Meeting schedule and rescinding Resolution No. 2025-005.

**Motion by Board Member Medrano, second by Board Member Vasquez, to approve the recommendation.**

Motion approved unanimously.

**Item 7: Chief Executive Officer Update on Procurement, Marketing and Outreach, Transportation Services and General Administrative Topics**

**RECOMMENDATION**

Receive updates from the Chief Executive Officer on Procurement, Marketing and Outreach, Transportation Services and General Administrative Topics.

Chief Executive Officer Jason Caudle provided an update highlighting procurement activity, the suspension of Arches, data center progress, the Parris Center progress, an upcoming RFP for stationary power partners, communications and outreach efforts, and microgrid progress.

**Item 8: General Counsel Update on FPH2 Matters**

**RECOMMENDATION**

Receive update General Counsel on FPH2 Matters.

General Counsel Allison Burns commented on duties and responsibilities as public officials and changes to some of the provisions of the Brown Act and noted that an update will be presented at the December meeting.

**PUBLIC COMMENT**

Addressing the Board was Will Crampton, Vice President of Business Development, TO Viridi, regarding China's full force hydrogen effort.

**BOARD MEMBER QUESTIONS/COMMENTS AND REPORTS ON FPH2 RELATED TRAVEL**

Board Member Vasquez commented on the COP 30 event that she attended noting that the U.S. did not send a delegation and that the topic this year focused on implementation.

**BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS**

None

Vice Chair Ruggles adjourned the meeting at 3:22 pm.

**NEXT MEETING:** Regular Board Meeting December 18, 2025

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Susan Caputo, MMC  
Board Secretary  
Approved:



**STAFF REPORT**

12/18/25
JC

Date: December 18, 2025

To: Chair Parris and Authority Members

From: Barbara Boswell, Treasurer

Item 2: **Receive and File Treasurer’s Report for Period Ended October 31, 2025**

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**Recommendation:**

Receive and file Treasurer’s Report for period ended October 31, 2025.

**Fiscal Impact:**

There is no fiscal impact by this action.

**Background:**

This Treasurer’s Report provides the Board with the following unaudited financial information for the period ended October 31, 2025:

- Balance Sheet
- Statement of Revenues, Expenses and Changes in Net Position
- Budget to Actuals Comparison
- List of Payments Issued
- Status of City of Lancaster Promissory Note
- Open Purchase Orders
- Sole Source Agreements

**MONTHLY TREASURER'S REPORT  
EXECUTIVE SUMMARY  
As of October 31, 2025**

**FINANCIAL OVERVIEW - Unaudited**

As of October 31, 2025, First Public Hydrogen Authority (FPH2) assets totaled \$588,446 with \$3,929,662 in total liabilities for a net position of (\$3,341,216).

During the period through October 31, 2025, FPH2 expended \$1,321,429, representing 93% of amount budgeted for that same period. FPH2 earned \$5,520 in interest earnings through managing its funds in the River City Bank ICS Investment and Money Market Accounts. A total of \$183,957 in payments were issued and has \$588,874 remaining in open purchase orders.

FPH2 start-up funding is through a Promissory Note from City of Lancaster. The total approved Note is \$6,600,000 with \$3,000,000 currently available. Interest accrues monthly, with a current interest rate of 4.15%

Detailed financial information is presented in the following pages.

Barbara Boswell  
Treasurer

**FIRST PUBLIC HYDROGEN AUTHORITY**  
**BALANCE SHEET**  
**Unaudited**  
As of October 31, 2025

**ASSETS**

Cash	
River City Bank - Operating Checking	\$100,027
Wells Fargo Bank (Lancaster Balance)	(337,610)
River City Bank - ICS Investment Account	303,478
River City Bank - Money Market Public Funds	<u>452,042</u>
Total Cash	<u>\$517,937</u>
Other Assets	
Fixed Assets	<u>\$70,509</u>
Total Other Assets	<u>\$70,509</u>
<b>TOTAL ASSETS</b>	<b><u>\$588,446</u></b>

**LIABILITIES**

Current Liabilities	
Accounts Payable	\$ 193,400
Credit Card Payable	6,963
Employment Taxes Payable	0
Employee Benefits Payable	<u>27,571</u>
Total Current Liabilities	<u>\$ 227,934</u>
Noncurrent Liabilities	
Due to City of Lancaster	<u>\$3,701,728</u>
Total Noncurrent Liabilities	<u>\$3,701,728</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$3,929,662</u></b>
<b>NET POSITION</b>	<b><u>(\$3,341,216)</u></b>

**FIRST PUBLIC HYDROGEN AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**Unaudited**  
Period Ended October 31, 2025

<b>OPERATING REVENUES</b>	
Interest Income	<u>\$5,520</u>
<b>TOTAL OPERATING REVENUES</b>	<b><u>\$5,520</u></b>
<b>OPERATING EXPENSES</b>	
Staff Salaries & Benefits	\$472,273
Board Stipends	33,600
Operating Materials & Supplies	2,173
IT Software/Subscriptions	19,447
Professional/Technical Services	539,059
Legal Services	132,280
Sponsorships	10,672
Marketing & Outreach	2,900
Dues & Memberships	5,730
Meetings & Conference Registration	101
Meeting Expenses	2,178
Insurance	19,735
Utilities	8,541
Building Rent	8,000
Travel/Mileage Reimbursement	21,218
Interest Expense	<u>43,522</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>\$1,321,429</u></b>
<b>OPERATING INCOME (LOSS)</b>	<b><u>(\$1,315,909)</u></b>

**FIRST PUBLIC HYDROGEN AUTHORITY**  
**BUDGET TO ACTUALS COMPARISON**  
**Unaudited**

Period Ended October 31, 2025

	<b>BUDGET</b>	<b>ACTUALS</b>	<b>AVAILABLE</b>	<b>AVAILABLE</b>
	<b><u>\$0.00</u></b>	<b><u>\$5,520</u></b>	<b>BUDGET \$</b>	<b>BUDGET %</b>
<b>OPERATING REVENUE</b>				
<b>OPERATING EXPENSES</b>				
Staff Salaries & Benefits	\$511,800	\$472,273	39,527	7.72%
Board Stipends	44,667	33,600	11,067	24.78%
Operating Materials & Supplies	36,667	2,173	34,494	94.07%
IT Software/Subscriptions	25,000	19,447	5,553	22.21%
Professional/Technical Services	500,000	539,059	(39,059)	(7.8%)
Legal Services	86,667	132,280	(45,613)	5.84%
Sponsorships	33,333	10,672	22,661	68.00%
Marketing & Outreach	26,667	2,900	23,767	89.13%
Dues & Memberships	7,333	5,730	1,603	21.86%
Meetings & Conference	5,000	101	4,899	98.00%
Meeting Expenses	16,667	2,178	14,488	86.93%
Insurance	18,667	19,735	(1,068)	(5.72%)
Utilities	18,333	8,541	9,793	53.41%
Building Rent	8,000	8,000	0	0
Travel/Mileage	36,667	21,218	15,449	42.13%
Interest Expense	33,333	43,522	(10,189)	(30.57%)
Furniture & Fixtures	<u>5,150</u>	<u>0</u>	<u>51,50</u>	<u>100.00%</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>\$1,413,951</u></b>	<b><u>\$1,321,429</u></b>	<b><u>\$92,522</u></b>	<b><u>6.54%</u></b>
<b>CHANGE IN NET POSITION</b>	<b><u>(\$1,413,951)</u></b>	<b><u>(\$1,315,909)</u></b>	<b><u>\$98,042</u></b>	

**FIRST PUBLIC HYDROGEN AUTHORITY  
LIST OF PAYMENTS ISSUED  
OCTOBER 2025**

Payment Date	Vendor	Invoice Number	Description	Amount
10/2/25	Principal Life Insurance Company	9162025	Life, ADD, STD and LTD Premiums	\$ 429.12
10/3/25	Humana Insurance Co.	072985987	Dental Premiums	\$ 369.21
10/6/25	Braun Blaising & Wynne, P.C.	22866	Legal Services	\$ 24,169.50
10/6/25	City of Lancaster	10/1/25	Chair Parris Stipend Donation	\$ 1,600.00
10/6/25	City of Lancaster	2600517	Property Lease - September 2025	\$ 2,000.00
10/6/25	City of Lancaster	2600515	Property Lease - July 2025	\$ 2,000.00
10/6/25	City of Lancaster	2600516	Property Lease - August 2025	\$ 2,000.00
10/6/25	Ernesto Medrano	10/1/25	Board Stipend	\$ 1,600.00
10/6/25	Jacob Brouwer	10/1/25	Board Stipend	\$ 1,600.00
10/6/25	Jared Anderson	0002	Social Media Services	\$ 525.00
10/6/25	Newell Wayne Ruggles	10/1/25	Board Stipend	\$ 1,600.00
10/6/25	Robert M. Hertzberg	10/1/25	Board Stipend	\$ 1,600.00
10/6/25	Ryan Conover Unlimited LLC	2	Consulting Services Aug 2025	\$ 20,000.00
10/6/25	SoCalGas	9/30/25	Utilities	\$ 30.24
10/6/25	SoftMSP, LLC	1059	Annual Software Subscription	\$ 1,707.72
10/6/25	Southern California Edison.	8/20/25 to 9/18/25	Utilities	\$ 1,307.90
10/6/25	Tanya Peacock	10/1/25	Board Stipend	\$ 1,600.00
10/6/25	Vasquez Impact Solutions LLC	10/1/25	Board Stipend	\$ 1,600.00
10/6/25	Waste Management	6132093-2508-3	Waste Services	\$ 501.25
10/6/25	Willson Consulting	141	Consulting Services Sept 2025	\$ 12,862.50
10/8/25	Employment Development Department	L0303785936	Payroll Tax	\$ 733.56
10/10/25	Frydman Counsel, Inc.	50001	Consulting Services Sept 2025	\$ 31,250.00
10/10/25	Gonzalez Property Svcs.	23664	Property Maintenance	\$ 1,480.00
10/10/25	Jason Caudle		Japan Per Diem 10/202	\$ 1,338.25
10/10/25	KP Public Affairs	7014191	Lobbyist Svcs September 2025	\$ 10,000.00
10/10/25	Paychex	2025092500	Payroll Processing Svcs	\$ 138.00
10/10/25	Race Communications	RC1825978	Internet Svcs October 2025	\$ 78.98
10/10/25	Special District Risk Management Authority	79492	Insurance Certificate Fees	\$ 100.00
10/10/25	Stradling Yocca Carlson Rauth LLP	424216	Legal Services	\$ 19,663.00
10/10/25	The Bayshore Consulting Group, Inc	1455	Administrative Support Svcs Sept 2025	\$ 12,104.71
10/10/25	The Winter Co.	16581-000305	Administrative Services	\$ 900.00
10/10/25	Tripepi, Smith & Associates, Inc.	15690	Marketing Services	\$ 210.00
10/15/25	CaliforniaChoice Benefit Administrators	4950341	Medical Benefit Premiums	\$ 5,563.45
10/15/25	Colonial Life	6.31473E+13	Supplemental Insurance Premiums	\$ 211.79
10/17/25	Infinity Technologies	4411	IT Consulting Svcs	\$ 6,250.00
10/17/25	Jared Anderson	0003	Social Media Services	\$ 525.00
10/17/25	Nixon Peabody LLP	10714596	Legal Services	\$ 4,767.50
10/17/25	The Winter Co.	16581-000257	Administrative Services	\$ 747.00
10/21/25	Paychex	12425552	Payroll Processing Svcs	\$ 29.00
10/24/25	California Hydrogen Business Council	006548	Annual Membership	\$ 5,000.00
10/24/25	City of Lancaster	2600686	Property Lease - October 2025	\$ 2,000.00
10/24/25	Hall Energy Law PC	2020011116	Legal Services	\$ 472.50
10/24/25	LA County Waterworks	7368691	Utilities	\$ 315.95
10/24/25	The Winter Co.	16581-000306	Administrative Services	\$ 900.00
10/28/25	State Compensation Insurance Fund	1003026675	Worker's Compensation Premium	\$ 76.25
			<b>Total Payments October 2025</b>	<b>\$ 183,957.38</b>

**LIST OF SOLE SOURCE AGREEMENTS EXECUTED OCTOBER 2025**

VENDOR NAME	DESCRIPTION	TERM	NOT TO EXCEED AMOUNT
NONE TO REPORT			

**First Public Hydrogen Authority  
Status of City of Lancaster Promissory Note  
as of October 31, 2025**

Original Note Amount 1/28/25:	\$ 2,600,000.00
Amendment 8/12/25:	4,000,000.00
<b>Total Promissory Note Approved:</b>	<b><u><u>\$ 6,600,000.00</u></u></b>

Total Drawdowns:	\$ 3,600,000.00
Interest Accrued:	101,728.24
<b>Balance Owed to Lancaster:</b>	<b><u><u>\$ 3,701,728.24</u></u></b>

Drawdown Date	Drawdowns Amt	Available Balance
1/30/25	\$ 2,600,000.00	\$ 4,000,000.00
8/27/25	1,000,000.00	<b>3,000,000.00</b>

**FIRST PUBLIC HYDROGEN AUTHORITY  
LT PAYABLE - CITY OF LANCASTER  
AS OF OCTOBER 31, 2025**

<b>Principal</b>	\$	2,600,000.00
<b>Updated 8/27/25:</b>	\$	3,600,000.00
Based on LAIF montly return rate (estimated and will be updated to actuals)		
<b>Rate</b>		
<b>Years</b>		3.40
<b>Payment</b>	Principal + Accrued Interest	at maturity
<b>Note Date</b>		1/30/25
<b>Maturity Date</b>		7/1/28

Fiscal Year	Annual Interest Rate	Total Annual Interest	Principal	Total Interest + Principal	Fiscal year	JE #
1/30/2025 - 6/30/2025	4.269%	45,918.07	2,600,000.00	2,645,918.07	<b>FY25</b>	
7/31/25	4.258%	9,225.67	2,600,000.00	2,655,143.74	<b>FY26</b>	21
8/31/25	4.251%	9,210.50	2,600,000.00	2,664,354.24	<b>FY26</b>	22
9/30/25	4.212%	12,636.00	3,600,000.00	2,676,990.24	<b>FY26</b>	25
10/31/25	4.1500%	12,450.00	3,600,000.00	2,689,440.24	<b>FY26</b>	41
11/30/25	4.096%	12,288.00	3,600,000.00		<b>FY26</b>	
12/31/25					<b>FY26</b>	
1/31/26					<b>FY26</b>	
2/28/26						
3/31/26						
4/30/26						
5/31/26						
6/30/26						
7/31/26						

TOTAL 101,728.24

**First Public Hydrogen Authority  
Listing of Open Purchase Orders  
as of December 4, 2025**

<b>Service Start Date</b>	<b>Service End Date</b>	<b>P.O. Number</b>	<b>Vendor</b>	<b>Amount</b>	<b>Remaining Amount</b>	<b>Chart of Account</b>
10/1/25	12/31/25	012	Miller Strategies LLC	\$ 105,000.00	\$ 35,000.00	Technical Professional Services
7/1/25	12/31/25	011	Ryan Conover Unlimited LLC	\$ 130,000.00	\$ 40,000.00	Technical Professional Services
9/4/25	9/4/26	010	Jared Anderson	\$ 20,000.00	\$ 16,850.00	Technical Professional Services
7/3/25	7/3/26	009	KP Public Affairs	\$ 120,000.00	\$ 87,097.00	Technical Professional Services
3/18/25	7/17/26	008	Tripepi, Smith & Associates, Inc.	\$ 31,582.75	\$ 21,911.75	Technical Professional Services
1/1/25	12/31/25	007	Willson Consulting	\$ 90,637.50	\$ 33,675.00	Technical Professional Services
4/2/25	12/31/25	006	Frydman Counsel, Inc.	\$ 187,500.00	\$ 31,250.00	Technical Professional Services
3/19/25	3/19/26	005	The Winter Co.	\$ 16,353.00	\$ 6,453.00	Technical Professional Services
1/13/25	6/30/26	004	Hall Energy Law PC	\$ 59,745.00	\$ 59,745.00	Legal fees
7/1/25	6/30/26	003	FTI Consulting, Inc.	\$ 180,000.00	\$ 51,717.50	Technical Professional Services
7/1/25	6/30/26	002	ENSO Advisory Services, LLC	\$ 108,000.00	\$ 44,000.00	Technical Professional Services
7/1/25	6/30/26	001	The Bayshore Consulting Group, Inc	\$ 240,000.00	\$ 161,174.72	Technical Professional Services
<b>TOTAL OPEN PURCHASE ORDERS</b>				<b>\$ 1,288,818.25</b>	<b>\$ 588,873.97</b>	



STAFF REPORT

12/18/25
JC

Date: December 18, 2025

To: Chair Parris and Authority Members

From: Barbara Boswell, Treasurer

Item 3: **Consider Approval of a Resolution Rescinding Resolution No. 2025-008 and Approving Amended Employee Benefits Package Related to Vesting of Retiree Health Savings Plan**

**Recommendation:**

Approve a resolution rescinding Resolution No. 2025-008 and approving amended Employee Benefits Package related to vesting of Retiree Health Savings Plan.

**Fiscal Impact:**

There is no fiscal impact by this action.

**Background:**

At its Special Meeting of May 25, 2025, the Board approved Resolution No. 2025-008, establishing the initial Employee Benefits Package. That package included three deferred compensation plans: a 401(a) plan, a 457 plan, and a Retiree Health Savings Plan. The 401(a) and the 457 plans did not have a required vesting time period, however, the Retiree Health Savings Plan included a five-year vesting period. Through the process of establishing the plans with MissionSquare, it was determined that it would be in the best interest of First Public Hydrogen Authority, and its employee recruitment processes, to remove the vesting requirement from the Retiree Health Savings Plan so it is consistent with the other two plans.

Staff recommends adoption of the resolution, which rescinds Resolution 2025-008 which established the plan with the vesting requirement, and approves the Employee Benefits Package with the removal of the five-year vesting period.

**Attachment:**

Resolution rescinding Resolution No. 2025-008 and approving amended Employee Benefits Package

**FIRST PUBLIC HYDROGEN AUTHORITY  
RESOLUTION NO. 2025-\_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FIRST PUBLIC  
HYDROGEN AUTHORITY RESCINDING RESOLUTION NO. 2025-008 AND  
APPROVING AMENDED EMPLOYEE BENEFITS PACKAGE**

**WHEREAS**, the First Public Hydrogen (FPH<sub>2</sub>) is a joint powers agency, formed in December 2024 by the cities of Industry and Lancaster; and

**WHEREAS**, the Board has authority to establish an Employee Benefits Package; and

**WHEREAS**, at its May 15, 2025, Special meeting, the Board adopted Resolution No. 2025-008 Approving the initial Employee Benefits Package; and

**WHEREAS**, the Board desires to amend the Employee Benefits Package removing the five-year vesting period for the Retiree Health Savings Plan.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the First Public Hydrogen Authority, as follows:

Section 1. The Board of Directors hereby approves the following amendment to the Employee Benefits Package:

Medical, Dental Vision Insurance	FPH2 employees will receive a monthly benefit up to \$1,500 for FPH2 provided medical, dental and vision insurance.
Retiree Health Savings Account	<ul style="list-style-type: none"> <li>• FPH2 will contribute \$175 per month into a Retiree Health Savings Plan.</li> <li>• Employees who enroll in employee-only medical, dental and vision coverage will receive an additional monthly contribution of \$75.00 into a Retiree Health Savings account.</li> <li>• Employees who opt out of medical, dental and vision coverage under the FPH2 plans will receive an additional monthly contribution of \$175 into a Retiree Health Savings Account.</li> </ul>
Short Term Disability Insurance	FPH2 will participate in the CA State Disability Insurance (SDI) program that is employee paid and a supplemental short-term disability plan that is paid by FPH2. Coverage is 70% of base pay.
Long Term Disability	Long term Disability Insurance will be provided at 60% of base pay, paid by FPH2.
Life Insurance	Coverage will be provided at the greater of \$100,000 or 1x annual salary up to maximum \$225,000, paid by FPH2

Voluntary Product Offerings	Accident & Critical Illness Insurance, Additional Life Insurance, and Flexible Spending Accounts will be offered to employees with costs borne by the employee.
401(a)	FPH2 will contribute the following amounts to a 401(a) plan: <ul style="list-style-type: none"> <li>• 8% of base salary</li> <li>• FPH2 will match employee contributions into a 457 plan up to an additional 4% of base salary</li> </ul>
457 – Deferred Compensation	Employees may contribute pre-tax wages to a 457 Deferred Compensation plan.
Tuition Reimbursement	Non-probationary employees may receive up to \$3,000 tuition reimbursement per fiscal year for approved programs.
Paid Holidays	New Year’s Day Martin Luther King Day President’s Day Memorial Day Juneteenth July 4 <sup>th</sup> Labor Day Indigenous People’s Day Veteran’s Day Thanksgiving Day Day after Thanksgiving Christmas Eve through New Year’s Eve
Administrative Paid Time Off	80 hours per year which must be taken in the year received. No carryover or cash out is allowed.
Bereavement Time Off	Up to five (5) days paid time off for immediate family death or critical illness where death appears likely.
Military Leave	Provided in accordance with State and Federal Law. Ten (10) days advance notice, whenever possible, should be given.
Reproductive Loss	Up to five (5) days paid time off may be taken in the case of a reproductive loss event (failed adoption, failed surrogacy, miscarriage, stillbirth, unsuccessful assisted reproduction).
Sick Leave	<ul style="list-style-type: none"> <li>• Sick leave is accrued at the rate of 8 hours per month (96 hours annually) with unlimited accumulation.</li> <li>• Employees that have accumulated more than 320 hours have the option to cash in sick leave over 320 hours at 50% compensation up to 96 hours.</li> <li>• 2 requests per year can be made totaling up to 96 hours in a calendar year.</li> </ul>
Vacation Leave	<ul style="list-style-type: none"> <li>• Accrual begins at the rate of 3.33 hours per pay period (equivalent to 80 hours annually) for the first year of service and increase with each year of services.</li> <li>• Employees have the option to cash in at 100% compensation up to 80 hours of vacation; a minimum balance of 80 hours vacation must remain after cash out.</li> <li>• Up to 2 requests per calendar year, for up to 80 hours may be submitted.</li> <li>• Employees hired from City of Lancaster in the month of July 2025 are eligible for 20 hours banked vacation hours at hiring date and vacation accrual to begin based on City of Lancaster years of service.</li> </ul>

Vacation Accrual Schedule:			
Start of Service Year	Annual Hours Accrued	Pay Period Accrual Rate	Maximum Accrual
1	80	3.33	275 Hours
2	88	3.66	275
3	96	4.00	275
4	104	4.33	275
5	112	4.66	275
6	120	5.00	350
7	128	5.33	350
8	136	5.66	350
9	144	6.00	350
10	152	6.33	350
11+	160	6.66	400

Section 2. The amendment to the Employee Benefits Package is effective immediately.

The foregoing Resolution was passed and adopted this 18<sup>th</sup> day of December 2025, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

---

R. Rex Parris, Chair  
First Public Hydrogen Authority

ATTEST:

---

Susan Caputo, Board Secretary  
First Public Hydrogen Authority



STAFF REPORT

12/18/25
JC

Date: December 18, 2025

To: Chair Parris and Authority Members

From: Jason Caudle, Chief Executive Officer

Item 4: **Consider Approval of Resolution Approving and Authorizing the City of Shafter to Enter into the Joint Exercise of Powers Agreement for the First Public Hydrogen Authority (FPH2)**

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**Recommendation:**

Adopt a resolution approving and authorizing the City of Shafter to enter into the Joint Exercise of Powers Agreement for the First Public Hydrogen Authority and authorizing the Chief Executive Officer to execute all necessary documents to finalize the membership, subject to City of Shafter City Council adoption of the required resolution.

**Fiscal Impact:**

There is no fiscal impact.

**Background:**

The First Public Hydrogen Authority (FPH2) was established by the City of Lancaster and the City of Industry to lead the development and deployment of renewable hydrogen solutions for public agencies, utilities, and industries. As the first public hydrogen utility in the U.S., FPH2 facilitates cost-effective hydrogen procurement, infrastructure development, and policy advocacy to accelerate the transition to clean energy.

By aggregating hydrogen demand from transit agencies, municipalities, ports, and industrial users, FPH2 enables members to:

- Secure hydrogen at competitive bulk pricing.
- Gain access to state and federal hydrogen funding opportunities.
- Participate in collaborative hydrogen infrastructure projects.

Pursuant to Section 13 of the JPA Agreement, additional public agencies may become members of FPH2 by following the steps outlined in the Agreement.

- Submitting an executed counterpart of the FPH2 JPA agreement and a copy of the resolution of the governing board of the prospective new member agency approving the JPA agreement;
- Adoption of a resolution by the FPH2 Board approving the addition of the agency as a Member.

The addition of the City of Shafter strengthens FPH2's ability to expand the hydrogen economy, enhance regional clean energy resilience, and drive economic and environmental benefits for its members.

The City of Shafter City Council adopted the required resolution approving joining FPH2 and the JPA Agreement and have provided the resolution and executed JPA agreement counterpart which is attached.

FPH2 staff recommends the FPH2 Board adopt the resolution approving and authorizing the City of Shafter to join FPH2, subject to the City of Shafter City Council adoption of the required resolution.

**Attachments:**

Attachment A - Resolution No. 2025-XXX, Approving and Authorizing the City of Shafter to Enter into the Joint Exercise of Powers Agreement

Attachment B – Executed City of Shafter JPA Resolution and First Public Hydrogen Authority Joint Powers Authority Agreement Counterpart

**RESOLUTION NO. 2025-###****A RESOLUTION OF THE FIRST PUBLIC HYDROGEN AUTHORITY  
APPROVING AND AUTHORIZING THE CITY OF SHAFTER TO ENTER INTO THE  
JOINT EXERCISE OF POWERS AGREEMENT FOR  
THE FIRST PUBLIC HYDROGEN AUTHORITY**

WHEREAS, the First Public Hydrogen Authority (“Authority”) is a joint exercise of powers authority created under the Joint Exercise of Powers Act (California Code Section 6500, *et seq.*) by that certain agreement dated December 10, 2024 (“JPA Agreement”); and

WHEREAS, Section 13 of the JPA Agreement, provides that public agencies may be added as parties to the JPA Agreement, and thereby become members of the Authority, upon the following: (i) the filing with the Authority of an executed counterpart of the JPA Agreement, together with a copy of a resolution of the governing body of the joining public agency approving the JPA Agreement and execution and delivery thereof; and (ii) adoption of a resolution of the Authority’s governing body approving the addition of such public agency as a member; and

WHEREAS, other public agencies may from time to time elect to become member public agencies of the Authority to utilize its expertise in purchase, sale, and or resale of hydrogen and/or energy, the financing and/or refinancing of projects of any nature, including, but not limited to, capital or working capital projects, insurance, liability or maintenance programs or facilitating Members’ use of existing or new financial instruments and mechanisms; and

WHEREAS, the City Council of the City of Shafter (“Agency”) adopted a resolution on December 2, 2025, approving and authorizing Agency to enter into the JPA Agreement and to become a member of the Authority.

NOW, THEREFORE, THE BOARD OF THE FIRST PUBLIC HYDROGEN AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER, AS FOLLOWS:

Section 1. The foregoing recitals are true and correct.

Section 2. The Authority Members hereby approve and authorize the Authority to accept Agency as a counterpart to the JPA Agreement and thereby approves and authorizes Agency to become a member of the Authority.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED this 18<sup>th</sup> day of December 2025, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

---

R. Rex Parris, Chair  
First Public Hydrogen Authority

ATTEST:

---

Susan Caputo, Board Secretary  
First Public Hydrogen Authority

**RESOLUTION NO. 3051**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHAFTER  
APPROVING THE JPA AGREEMENT AND MEMBERSHIP WITH THE FIRST  
PUBLIC HYDROGEN AUTHORITY**

**WHEREAS**, the City of Shafter ("Agency") is a charter city organized and operating under the laws of the State of California, with the City Council of the City of Shafter ("Governing Body") serving as the governing body of the Agency;

**WHEREAS**, the First Public Hydrogen Authority ("Authority") is a joint exercise of powers authority created under the Joint Exercise of Powers Act (California Government Code Section 6500, *et seq.*) by that certain agreement dated today, ("JPA Agreement") attached hereto as Exhibit "B"; and

**WHEREAS**, Section 13 of the JPA Agreement, provides that public agencies may be added as parties to the JPA Agreement, and thereby become members of the Authority, upon the following: (i) the filing with the Authority of an executed counterpart of the JPA Agreement, attached herewith as Exhibit "A", together with a copy of the resolution of the governing body of the joining public agency approving the JPA Agreement and the execution and delivery thereof; and (ii) adoption of a resolution of the Authority's governing body approving the addition of such public agency as a member; and

**WHEREAS**, the City Council desires for the City to become a party to the JPA Agreement, and a member of the Authority, and finds that doing so will further the public health, safety, and general welfare of the community; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHAFTER  
HEREBY RESOLVES AS FOLLOWS:**

Section 1. The above recitals are true and correct and are incorporated herein by this reference.

Section 2. City Council hereby approves and authorizes the City of Shafter to enter into the JPA Agreement, and thereby approves and authorizes the City of Shafter to become a member of the Authority.

Section 3. City Council hereby authorizes City Manager or City Manager's designee, Kamal Siada, Economic Development Director, to execute a counterpart to the JPA Agreement on behalf of the City of Shafter, subject to any non-substantive changes to the JPA Agreement and file the same, along with a copy of this Resolution, with the Authority pursuant to Section 13 of the JPA Agreement.

Section 4. The action authorized by this Resolution does not authorize or approve a particular project, or grant any specific approval that would have a direct or reasonably foreseeable indirect environmental impact pursuant to the California Environmental Quality Act ("CEQA"). (See California Code of Regulations Title 14, Sections 15060(c); 15378(b).) As such, the mere approval of property acquisition and authorization to proceed does not constitute the approval of a "project" under CEQA, and no further action under CEQA is required.

Section 5. If any provision of this Resolution or the application thereof to any person, place, or circumstance, shall be held to be invalid, unenforceable or void, the remainder of this Resolution and such provisions as applied to other persons, places and circumstances shall remain in full force and effect. In the event of such severance, the remaining provisions shall be interpreted and enforced as if the Resolution did not contain the severed provision, with all other provisions remaining in full force and effect.

Section 6. This Resolution shall become effective immediately.

**PASSED, APPROVED, AND ADOPTED THIS 2nd DAY OF DECEMBER, 2025.**



\_\_\_\_\_  
Cathy L. Prout, Mayor

**ATTEST:**



\_\_\_\_\_  
Yazmina Pallares, City Clerk

**APPROVED AS TO FORM:**



\_\_\_\_\_  
Marco Martinez, City Attorney

**EXHIBIT A**

**COUNTERPART TO JOINT  
EXERCISE OF POWERS  
AGREEMENT FOR FIRST  
PUBLIC HYDROGEN  
AUTHORITY**


THIS COUNTERPART TO JOINT EXERCISE OF POWERS AGREEMENT FOR FIRST PUBLIC HYDROGEN AUTHORITY, dated as of December 3, 2025, is entered into by the City of Shafter with regard to that certain Joint Exercise of Powers Agreement for First Public Hydrogen Authority attached hereto (“JPA Agreement”).

By its authorized signature below, the City of Shafter agrees to be bound by each and all of the terms of the JPA Agreement.

**CITY OF SHAFTER:**

  
Kamal Siada, Economic Development Director

**ATTEST:**

  
Yazmina Pallares, City Clerk

**EXHIBIT B**

**JOINT POWERS  
AGREEMENT**

**JOINT EXERCISE OF POWERS AGREEMENT  
FOR FIRST PUBLIC HYDROGEN AUTHORITY**

THIS AGREEMENT, dated as of December 10, 2024, is entered into by and between the City of Lancaster, a municipal corporation (Lancaster) and the City of Industry, a municipal corporation (Industry). Lancaster and Industry are herein referred to as the “Founding Members”:

WITNESSETH

WHEREAS, pursuant to Title 1, Division 7, Chapter 5 of the California Government Code (in effect as of the date hereof and as the same may from time to time be amended or supplemented, the “Joint Exercise of Powers Act”), two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, each of the Founding Members is a “public agency” as that term is defined in Section 6500 of the Joint Exercise of Powers Act; and

WHEREAS, pursuant to Article XI, Section 9, of the California Constitution, a municipal corporation may establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication; and

WHEREAS, each of the Founding Members may accomplish the purposes and objectives described in the preceding preamble by various means, including through making grants, loans or providing other financial assistance to governmental and nonprofit organizations, and private retail customers within their jurisdiction; and

WHEREAS, each Founding Member is also empowered by law to acquire and dispose of real property for a public purpose; and

WHEREAS, the Joint Exercise of Powers Act authorizes the Founding Members to create a joint exercise of powers entity with the authority to exercise any powers common to the Founding Members, as specified in this Agreement and to exercise the additional powers granted to it in the Joint Exercise of Powers Act and any other applicable provisions of the laws of the State of California; and

WHEREAS, pursuant to Section 10002 of the Public Utilities Code, any municipal corporation may acquire, construct, own, operate, or lease any public utility; and

WHEREAS, the intent of the Founding Members is to bring other qualifying public agencies into the joint exercise of power entity as members as provided herein (all such members together with the Founding Members shall herein be referred to as the “Members”); and

WHEREAS, it is the desire of the Founding Members to use a public entity established pursuant to the Joint Exercise of Powers Act to undertake the purchase, sale, and or resale of hydrogen and/or energy, the financing and/or refinancing of projects of any nature, including, but not limited to, capital or working capital projects, insurance, liability or maintenance programs or facilitating Members’ use of existing or new financial instruments and mechanisms; and

WHEREAS, it is further the intention of the Founding Members that the projects undertaken will result in significant public benefits to the jurisdictions of the Founding Members; and

WHEREAS, beginning January 1, 2027 the State has mandated that all vehicle purchases made by public agencies be for zero emissions vehicles; and

WHEREAS, the State has received 1.2 billion dollars in funding from the federal government and the State has formed the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) for the purpose of distributing those funds; and

WHEREAS, municipal utilities have unique authority to implement energy services and cities have the authority to provide public transit services; and

WHEREAS, hydrogen is seen as an integral tool to solve the climate crisis; and

WHEREAS, First Public Hydrogen Authority is committed to provide transportation services and fueling infrastructure to assist in the state's energy transition goals; and

WHEREAS, First Public Hydrogen Authority intends to provide for off-grid and beyond the meter solutions for the construction of new industrial and residential developments; and

WHEREAS, First Public Hydrogen Authority intends to develop off-grid and beyond the meter solutions for transportation services; and

WHEREAS, First Public Hydrogen Authority intends to remove load from the grid while using microgrids powered by hydrogen; and

WHEREAS, by this Agreement, each Member desires to create and establish the "First Public Hydrogen Authority" for the purposes set forth herein and to exercise the powers provided herein;

NOW, THEREFORE, the Members, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

**Section 1. Purpose.**

This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act. The purpose of this Agreement is to establish a public entity for the joint exercise of powers common to the Members and for the exercise of additional powers given to a joint powers entity under the Joint Powers Act or any other applicable law, including, but not limited to, the purchase, sale, production, trading, retail, and/or resale, transport delivery and dispensary of hydrogen and/or energy, issuance of Bonds for any purpose or activity permitted under the Joint Exercise of Powers Act or any other applicable law. The purpose also includes, the design, construction, operation of behind the meter, off-grid energy solutions to be powered by a number of technologies including, but not limited to, solar, battery, and hydrogen fuel cell. Such purpose will be accomplished and said power exercised in the manner hereinafter set forth.

**Section 2. Term.**

This Agreement shall become effective in accordance with Section 16 as of the date hereof and shall continue in full force and effect until such time as it is terminated in writing by all the Members;

provided, however, that this Agreement shall not terminate or be terminated until each of the following is satisfied:

1. All Bonds issued or caused to be issued by the Authority (defined below) shall no longer be outstanding under the terms of the indenture, trust agreement or other instrument pursuant to which such Bonds are issued, or unless a successor to the Authority assumes all of the Authority's debts, liabilities and obligations;
2. All obligations under all Energy Contracts to which the Authority is a party have been fully performed, assigned or terminated in accordance with their respective terms. For purposes of the foregoing sentence, "Energy Contract" means an agreement for the purchase, sale or other disposition of hydrogen energy, hydrogen, renewable energy or related products, including a power purchase agreement and/or confirmation letter thereto.
3. All obligations to Authority's then current or former employees (e.g. pension, other post-employment benefits, and/or unfunded pension liability) have been fully satisfied, performed, assigned or terminated.

**Section 3. Authority.**

**A. CREATION AND POWERS OF AUTHORITY.**

Pursuant to the Joint Exercise of Powers Act, there is hereby created a public entity to be known as the "First Public Hydrogen Authority" (the "Authority"), and said Authority shall be a public entity separate and apart from the Members. Its debts, liabilities and obligations do not constitute debts, liabilities or obligations of any individual member and shall be debts, liabilities or obligations of the Authority, only.

**B. BOARD.**

The Authority shall be administered by a board of directors, comprised of the following:

1. Board Members. The Board shall be comprised of seven (7) members, each of whom shall have one (1) vote.

(a) The initial Board shall be appointed as follows:

- i. Lancaster shall appoint five (5) of the initial Board members and shall designate one (1) of those Board members as a "Founding Board Member"; and
- ii. Industry shall appoint one (1) Board member, who shall be a Founding Board Member.
- iii. The six initial Board members appointed by Lancaster and Industry shall appoint one (1) Board member.

(b) With the exception of the Founding Board Members, if and as vacanc(ies) exist on the Board, the remaining members on the Board shall appoint such replacement member(s) as may be necessary to fill such vacanc(ies). Industry and Lancaster shall each continue to always appoint one (1) member to the Board should the respective Founding Board Member's seat become vacant.

(c) If a Board Member is absent without permission from the greater of (i) all Authority regular meetings for 90 days consecutively from the last regular meeting he or she attended, or (ii) two consecutive regular Board meetings, then his or her board position shall immediately become vacant and shall be filled in accordance with subsection (a) above.

(d) In the event that each of the governing bodies of the Founding Members determine by majority vote that any Board Member has engaged in malfeasance, neglect, and/or impropriety with regard to their Board Member duties, then his or her board position shall immediately become vacant and shall be filled in accordance with subsection (a) above.

2. The Board shall be the administering agency of this Agreement and, as such, shall be vested with the powers set forth herein, and shall administer this Agreement in accordance with the purposes and functions provided herein.

C. OFFICERS; DUTIES; OFFICIAL BONDS.

1. Chair and Vice Chair. The City of Lancaster shall appoint a Director to serve as the first Chair of the Board of Directors for a six (6) year term, and the Director appointed by Industry shall serve as the Vice Chair. At the conclusion of the first Chair's and Vice Chair's term, as well as at the conclusion of subsequent terms of office, or in the event of a vacancy, the Chair and Vice Chair shall be selected by a majority vote of the Board to serve a four (4) year term.

3. Other. The Board of Directors shall appoint a Chief Executive, General Counsel, Secretary, and Treasurer/Auditor-Controller of the Authority (the "Treasurer") pursuant to Section 6505.6 of the Joint Exercise of Powers Act.

Subject to the applicable provisions of any resolution, indenture, trust agreement or other instrument or proceeding authorizing or securing Bonds (each such resolution, indenture, trust agreement, instrument and proceeding being herein referred to as an "Indenture") providing for a trustee or other fiscal agent and except as may otherwise be specified by resolution of the Board, the Treasurer is designated as the depository of the Authority to have custody of all money of the Authority, from whatever source derived and shall have the powers, duties and responsibilities specified in Sections 6505, 6505.5 and 6509.5 of the Joint Exercise of Powers Act.

The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond with the Secretary of the Authority in the amount specified by resolution of the Board but in no event less than \$1,000.

The Chief Executive shall have the power to appoint such other officers and employees as he/she may deem necessary and to retain independent counsel, consultants and accountants subject to the same contract limits as the City Manager of Lancaster has until such time as the Board adopts its own purchasing policy.

The Board shall have the power, by resolution, to the extent permitted by the Joint Exercise of Powers Act or any other applicable law, to delegate any of its functions to one or more of the Board Members, employees or agents of the Authority and to cause any of said Board Members, employees

or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Board or the Authority.

D. MEETINGS OF THE BOARD.

(1) Ralph M. Brown Act.

All meetings of the Board, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California), or any successor legislation hereinafter enacted (the "Brown Act").

(2) Regular Meetings.

The Board shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Board. To the extent permitted by the Brown Act, such meetings may be held by telephone and/or video conference.

(3) Special Meetings.

Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California. To the extent permitted by the Brown Act, such meetings may be held by telephone and/or video conference.

(4) Minutes.

The Secretary of the Authority shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

(5) Quorum.

A majority of the Board shall constitute a quorum for the transaction of business. No action may be taken by the Board except upon the affirmative vote of a majority of the Directors constituting a quorum, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Authority may adopt, from time to time, by resolution of the Board such rules and regulations for the conduct of its meetings and affairs as may be required. In the absence of any policies or procedures, the policies or procedures of the City of Lancaster.

F. PUBLIC OFFICIALS

The Board Members shall be considered public officials within the meaning of the Political Reform Act of 1974, as amended, and its regulations, for the purposes of financial disclosure, conflict of interest and other requirements of such Act and regulations, and shall file annual statements of economic interest as required, along with any other officers of the Authority who is required to do so. Other persons working for or on behalf of the Authority may be required to file such statements in accordance with the Authority's conflict of interest code, which shall be adopted by the Board promptly.

G. TECHNICAL ADVISORY COMMITTEE.

The Authority shall have a Technical Advisory Committee ("TAC"), comprised of (i) the City Manager (or chief executive) of each Member, or his or her designee, and (ii) the Chief Executive Officer of the Authority. The TAC shall be vested with authority, responsibility and scope of activity as may be established by action of the Authority Board from time to time. Each member of the TAC shall have one vote.

**Section 4. Powers.**

The Authority shall have the power, in its own name, to exercise the common powers of the Members and to exercise all additional powers given to a joint powers entity under any of the laws of the State of California, including, but not limited to, the Joint Exercise of Powers Act, for any purpose authorized under this Agreement. Such powers shall include the common powers specified in this Agreement and may be exercised in the manner and according to the method provided in this Agreement. The Authority is hereby authorized to do all acts necessary for the exercise of such power, including, but not limited to, any of all of the following: to purchase, sell, and or resell hydrogen and/or energy; to make and enter into contracts; to employ agents and employees; to acquire, construct, provide for maintenance and operation of, or maintain and operate, any buildings, works or improvements; to acquire, hold or dispose of property wherever located; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services, and other forms of assistance from person, firms, corporations and any governmental entity; to sue and be sued in its own name; to make grants, loans or provide other financial assistance to governmental and nonprofit organizations, or private retail customers to accomplish any of its purposes; and generally to do any and all things necessary or convenient to accomplish its purposes.

Without limiting the generality of the foregoing, the Authority may issue or cause to be issued Bonds, and pledge any property or revenues as security to the extent permitted under the Joint Exercise of Powers Act, or any other applicable provision of law; provided, however, the Authority shall not issue Bonds with respect to any project located in the jurisdiction of one or more Members unless the governing body of any such Member, or its duly authorized representative, shall approve, conditionally or unconditionally, the project, including the issuance of Bonds therefor. Such approval may be evidenced by resolution, certificate, order, report or such other means of written approval of such project as may be selected by the Member (or its authorized representative) whose approval is required. No such approval shall be required in connection with Bonds that refund Bonds previously issued by the Authority and approved by the governing board of a Member.

The manner in which the Authority shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner in which a California charter city could exercise such powers and perform such duties. The manner in which the Authority shall exercise its powers and perform its duties shall not be subject to any restrictions applicable to the manner in which any other

public agency could exercise such powers or perform such duties, whether such agency is a party to this Agreement or not.

**Section 5. Fiscal Year.**

For the purposes of this Agreement, the term "Fiscal Year" shall mean the fiscal year as established from time to time by resolution of the Board, being, at the date of this Agreement, the period from July 1 to and including the following June 30, except for the first Fiscal Year which shall be the period from the date of this Agreement to June 30, 2025.

**Section 6. Disposition of Assets.**

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2, after payment of all expenses and liabilities of the Authority, all property of the Authority both real and personal shall automatically vest in the Members in the manner and amount determined by the Board in its sole discretion and shall thereafter remain the sole property of the Members; provided, however, that any surplus money on hand shall be returned in proportion to the contributions made by the Members.

**Section 7. Funding**

Nothing in this Agreement shall require any Member to fund any costs associated with the administration of the Authority, any activity of the Authority, and any debts related thereto, including but not limited to, capital improvement projects, real property purchases, power purchase agreements, and maintenance costs. Any Member may elect to loan or grant funds to the Authority pursuant to such terms as such parties may mutually agree in writing.

**Section 8. Bonds.**

From time to time the Authority may issue Bonds, in one or more series, for the purpose of exercising its powers and raising the funds necessary to carry out its purposes under this Agreement. However, the Founding Members' credit ratings will not be utilized for the issuance of any Bonds without their prior written consent.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing shall be used by the Authority. The expenses of the Authority shall be paid from the proceeds of the Bonds or any other unencumbered funds of the Authority available for such purpose.

**Section 9. Bonds Only Limited and Special Obligations of Authority.**

The Bonds, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of any Member or pledge of the faith and credit of the Members or the Authority. The Bonds shall be only special obligations of the Authority, and the Authority shall under no circumstances be obligated to pay the Bonds except from revenues and other funds pledged therefor. Neither the Members nor the Authority shall be obligated to pay the principal of, premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members nor the faith and credit of the Authority shall be pledged to the payment of the principal of, premium, if any, or interest on the

Bonds nor shall the Members or the Authority in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Bond or related document shall be deemed to be a covenant or agreement of any Board Member, or any officer, employee or agent of the Authority in his or her individual capacity and neither the Board of the Authority nor any Board Member or officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

**Section 10. Accounts and Reports.**

All funds of the Authority shall be strictly accounted for. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Bonds). The books and records of the Authority shall be open to inspection at all reasonable times by each Member.

The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Authority by a certified public accountant or public accountant in compliance with the provisions of Section 6505 of the Joint Exercise of Powers Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member and also with the county auditor of each county in which a Member is located; provided, however, that to the extent permitted by law, the Authority may, instead of filing such report with each Member and such county auditor, elect to post such report as a public record electronically on a website designated by the Authority. Such report if made shall be filed within 12 months of the end of the Fiscal Year or Years under examination.

The Treasurer is hereby directed to report in writing during the months of July, October, January, and April of each year to the Board which report shall describe the amount of money held by the Treasurer for the Authority, the amount of receipts since the last such report, and the amount paid out since the last such report (which may exclude amounts held by a trustee or other fiduciary in connection with any Bonds to the extent that such trustee or other fiduciary provided regular reports covering such amounts).

Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

In any Fiscal Year the Board may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

**Section 11. Funds.**

Subject to the applicable provisions of any Indenture, which may provide for a trustee or other fiduciary to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to the accounting procedures

developed under Sections 3(E) and 9, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions of purposes of this Agreement.

**Section 12. Notices.**

Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk of the governing body of each Member; provided, however, that to the extent permitted by law, the Authority may, provide notices and other communications and postings electronically (including, without limitation, through email).

**Section 13. Additional Members/Withdrawal of Members.**

Qualifying public agencies may be added as parties to this Agreement and become Members upon: (1) the filing by such public agency with the Authority of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (2) adoption of a resolution of the Board approving the addition of such public agency as a Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

A Member may withdraw from this Agreement upon written notice to the Board; provided, however no such withdrawal notice shall be effective until and unless: (a) such withdrawal will not result in the dissolution of the Authority so long as any Bonds remain outstanding; (b) all obligations of such Member under all of the Energy Contracts between the Authority and such Member have been fully performed or assigned by such Member, and (c) the date on which all of the Energy Contracts to between the Authority and the Member have terminated or assigned in accordance with their respective terms. In the event that there are only two Members, a Member may withdraw, provided the withdrawing Member presents a substitute public agency to the Board for its approval as a Member. Said approval by the Board shall not be unreasonably withheld, conditioned, or delayed. Withdrawal of a Member shall not relieve the withdrawing Member of its share of any debts or other liabilities incurred by the Authority prior to the effective date of such withdrawal, or any liabilities imposed upon or incurred by the Member pursuant to this Agreement prior to the effective date of such withdrawal. Upon the effective date of a withdrawal, the withdrawing Member shall not be entitled to any revenue being generated by the Authority; provided, however, that it shall remain entitled a share of the revenue proportionate to that Member's contribution to (1) any existing or future long-term agreement, and (2) any conveyance of all or any portion of any asset of the Authority when, and if such conveyance, occurs.

**Section 14. Indemnification.**

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Director or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Director or an officer, employee or other agent of the Authority, against expenses, including attorneys' fees, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

The Authority shall defend, indemnify and hold harmless each Member and each Member's elected officials, officers, employees, agents and representatives, harmless from all claims, disputes, litigation, judgments and attorney fees arising out of the acts and/or omissions of the Authority.

**Section 15. Immunities.**

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, and other benefits which apply to the activity of officers, agents or employees of Members when performing their respective functions within the territorial limits of their respective public agencies, shall apply to the same degree and extent to the Directors, officers, employees, agents or other representatives of the Authority while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

**Section 16. Amendments.**

Except as provided in Section 12 above, this Agreement shall not be amended, modified, or altered without (1) a 30-day notice being given to each Member, and (2) written approval by each Member.

**Section 17. Effectiveness.**

This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of each of the Members on the date that the Board shall have received from each of the Founding Members an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Founding Member approving this Agreement and the execution and delivery hereof.

**Section 18. Partial Invalidity.**

If any one or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

**Section 19. Successors.**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the other Members.

**Section 20. Insurance.**

The Authority shall at all times maintain insurance policies (or pooled insurance coverage through a joint powers authority) naming the Members as additional insureds in compliance with the

following:

A. The insurance shall be in amounts no less than the following:

**Commercial General Liability**

Each Occurrence	\$2,000,000
Per Project General Aggregate	\$5,000,000
Including Products/Completed Operations; Contractual Liability/Independent Contractors; Property Damage	
<i>(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)</i>	

**Commercial Automobile Liability**

Combined Single Limit per Accident for Bodily Injury and Property Damage	\$5,000,000
<i>(Coverage shall be at least as broad as ISO form CA00 01)</i>	

**Workers Compensation**

As Required by the State of California	Statutory Limits
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**Employers' Liability**

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

**Professional Liability**

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

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

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

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

F. Authority shall furnish the Members with Certificates of Insurance and with endorsements effecting coverage required by this Agreement.

**Section 21. Government Claims.**

A. To the extent authorized by Government Code section 935 and any other laws, all claims against the Authority for money or damages, including any claims otherwise excepted from the claims filing requirement by Government Code section 905, shall be subject to and presented within the time and manner prescribed in Part 3 of Division 3.6 of Title 1 of the Government Code. A signed written claim shall be presented to the Authority by mail or personal delivery by the claimant or a person authorized by claimant to act on his or her behalf. The claim shall conform to the requirements of Government Code section 910.

B. Unless otherwise designated by the Board, the TAC shall comprise a Claims Committee. The Claims Committee shall, in consultation with legal counsel for the Authority, review all claims and make recommendations to the Board concerning their disposition.

**Section 22. Miscellaneous.**

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

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

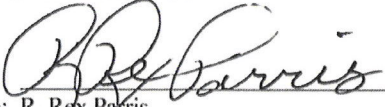
This Agreement is the complete and exclusive statement of the agreement among the Members, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the Members relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the Founding Members have caused this Agreement to be executed and attested by its duly authorized representatives as of the date and year first set forth above.

[SIGNATURES ON NEXT PAGE]

Founding Member:

CITY OF LANCASTER

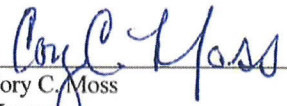
By   
Name: R. Rex Parris  
Title: Mayor

ATTEST:

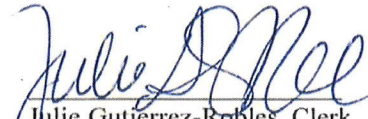
  
Andrea Alexander, Clerk

Founding Member:

CITY OF INDUSTRY

By   
Name: Cory C. Moss  
Title: Mayor

ATTEST:

  
Julie Gutierrez-Robles, Clerk





STAFF REPORT

12/18/25
JC

Date: December 18, 2025

To: Chair Parris and Authority Members

From: Jason Caudle, Chief Executive Officer

Item 5: **Consider Approval of First Public Hydrogen Authority Legislative and Regulatory Policy Platform**

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**Recommendation:**

Approve the First Public Hydrogen Authority Legislative and Regulatory Policy Platform.

**Fiscal Impact:**

No fiscal impact from this action.

**Background:**

First Public Hydrogen Authority (FPH2) is the first public hydrogen utility in the United States. Ensuring its success through active participation in legislative and regulatory activities and proceedings is critical.

FPH2 monitors state and federal legislative and regulatory actions that may affect hydrogen production, storage, distribution, and related infrastructure. Establishing a Legislative and Regulatory Policy Platform provides guidance to staff, member agencies, and the Authority's legislative advocates in representing FPH2's positions on issues that may arise during the legislative and regulatory process.

The Policy Platform outlines FPH2's core principles, including support for:

- **Advancement of clean hydrogen technologies** to promote decarbonization of the transportation and energy sectors;
- **Development of public-private partnerships** that expand hydrogen infrastructure and investment;

- **Recognition of hydrogen as a zero-emission fuel** within state and federal policy frameworks;
- **Funding and incentives** that promote the deployment of hydrogen production, storage, and fueling facilities;
- **Regulatory consistency and streamlining** to facilitate project development while maintaining public safety and environmental standards; and
- **Regional collaboration** among local agencies and Joint Powers Authorities to maximize the benefits of hydrogen development.

At its regular meeting November 20, 2025, the FPH2 Board considered the proposed Legislative and Regulatory Policy Platform. At that meeting, the Board directed this Policy be brought back to the Board with the addition of procedures and for further discussion.

The updated Draft Legislative and Regulatory Policy Platform includes the addition of the procedures.

Adoption of this Platform will allow staff and designated representatives to efficiently and consistently advocate on behalf of FPH2's mission to advance clean hydrogen as a public resource.

**Attachments:**

Draft FPH2 2025-### Legislative and Regulatory Policy Platform



<b>POLICY TITLE:</b>	<b>Legislative and Policy Platform</b>	
<b>POLICY NUMBER:</b>	<b>FPH<sub>2</sub> 2025-###</b>	<b>PROPOSED: December 18, 2025</b>

The First Public Hydrogen Authority (FPH<sub>2</sub>) Board of Directors desires to establish the Legislative and Regulatory Policy Platform (Platform) to guide the FPH<sub>2</sub> Board and staff in their advocacy efforts and engagement on policy matters of interest to FPH<sub>2</sub>. The Platform allows both Board Members and staff to pursue actions at the legislative and regulatory levels in a consistent manner and with the understanding that these actions are taken in the best interest of FPH<sub>2</sub>, its mission, its member agencies, and its partners. The Platform enables the organization to move swiftly in response to legislative and regulatory events and provides guidance on the support or opposing positions that should be taken on such matters.

### Policy Objectives

FPH<sub>2</sub> supports legislation and regulatory actions that enable, protect, and enhance FPH<sub>2</sub>'s priorities and ability to foster a transparent, affordable, and sustainable hydrogen economy.

The Legislative and Regulatory Policy Platform is centered around the following basic principles:

1. **Strong and Competitive Markets:** Supporting efficient and cost-effective hydrogen energy markets
2. **Local Control:** Preserving the ability of local governments to self-procure hydrogen resources and to self-determine rates through the mechanisms of local governance.
3. **Vertical Collaboration:** Promoting collaboration with regional, state, and federal governments and private partners to advance policies and funding opportunities that accelerate hydrogen infrastructure development.
4. **Stakeholder Engagement:** Advancing key stakeholder engagement to advance collaborative efforts for policy and regional investments.
5. **Technology Advancement & Adoption:** Encouraging innovation, development, and equitable access to hydrogen technologies to ensure broad community and economic benefits.
6. **Jobs and Workforce Development:** Supporting policies and projects frameworks to create jobs and increase pool of skilled hydrogen workforce to scale with new hydrogen supply and infrastructure
7. **Hydrogen Supply and Energy Diversity:** Supporting increased supply of new domestic hydrogen and energy, and increasing diversity of energy supply in California, including new renewable hydrogen production sites and related delivery logistics and infrastructure.

## **Policy Principles**

FPH<sub>2</sub> will support legislation and regulatory actions that enable, protect, and enhance the development and expansion of the hydrogen economy and that support independence in hydrogen procurement, program deployment, management, and decision-making.

FPH<sub>2</sub> will support legislation and regulatory actions that allow FPH<sub>2</sub> to develop and procure local hydrogen resources to meet the needs of its members and customers.

FPH<sub>2</sub> will support legislation and regulatory actions that promote a neutral, fair, and competitive hydrogen market.

FPH<sub>2</sub> will oppose legislation and regulatory actions that jeopardize FPH<sub>2</sub>'s independence to self-procure hydrogen resources, establish rates, or implement programs that serve customers in the present- or that could restrict its independence to do so in the future.

FPH<sub>2</sub> will support legislation and regulatory policies that drive down the cost of hydrogen for the end user.

FPH<sub>2</sub> will support policies that expand hydrogen end uses across the economy, including transportation, ports goods movement, rail, shipping, stationary power, microgrids and distributed energy, and new commercial customer applications.

FPH<sub>2</sub> will support policies for high safety standards for hydrogen with consistent statewide rules and regulations.

FPH<sub>2</sub> will support policies that facilitate local municipal government entities to purchase hydrogen and invest in hydrogen and related infrastructure.

## **Policy Procedures**

To ensure consistent, transparent, and aligned engagement on legislative and regulatory matters, FPH<sub>2</sub> staff shall follow the procedures below when monitoring activity or recommending positions:

### **1. Monitoring and Internal Review**

Staff may continuously monitor legislative, regulatory, and policy developments at the local, state, and federal levels. Staff may evaluate such matters and prepare internal analyses and recommendations regarding potential positions for FPH<sub>2</sub>.

### **2. Recommendation to the Chairman**

If staff identifies a legislative or regulatory matter for which a formal public position may be appropriate, staff shall present that recommendation to the Chairman for consideration. This includes support, opposition, or requests for amendment.

### 3. Chairman's Discretion

Upon receiving a recommendation, the Chairman may, at their discretion:

- Approve staff to proceed with the recommended position;
- Decline to proceed; or
- Form an ad hoc committee to further evaluate the matter.

### 4. Ad Hoc Committee Formation

The Chair retains full discretion to:

- Determine whether an ad hoc committee is necessary;
- Appoint members to the committee; and
- Decide whether the committee shall convene, how often, and for what purpose specific to the policy matter under review.

### 5. Committee Review (if convened)

If an ad hoc committee is convened, the committee may review the matter, request additional information, and make recommendations to the Chair regarding FPH2's potential public position

Any ad hoc committee formed under this Procedure shall be temporary in nature, composed of two (2) or fewer board members and may include the Chairman at their discretion, and tasked with reviewing a discrete legislative or regulatory matter.

### 6. Final Direction

Based on staff analysis and/or ad hoc committee recommendations, the Chair may direct staff to:

- Take a formal position consistent with the Legislative and Regulatory Policy Platform;
- Refrain from taking a position; or
- Bring the matter back to the full Board for consideration, if warranted by material significance or policy impact.