

**BEFORE THE GOVERNING BOARD OF SUPERVISORS
OF THE COUNTY OF EL DORADO
EL DORADO COUNTY, CALIFORNIA**

RESOLUTION NO. _____

**RESOLUTION MAKING FINDINGS, AUTHORIZING AND APPROVING
POWER PURCHASE AGREEMENTS AND COST REIMBURSEMENT AGREEMENT
WITH REC SOLAR COMMERCIAL CORPORATION, AND AUTHORIZING
EXECUTION AND DELIVERY OF OTHER DOCUMENTS, AND OTHER ACTIONS
REQUIRED IN CONNECTION THEREWITH**

WHEREAS, it is the policy of the State of California and the intent of the State Legislature to promote all feasible means of energy conservation and all feasible uses of alternative energy supply sources; and

WHEREAS, California Government Code Section 4217.10 et seq. authorizes a public agency to contract for energy services without going through a formal bid process if its governing body determines, at a regularly scheduled public hearing, public notice of which is given at least two weeks in advance, that the anticipated cost to the agency for the alternative energy project will be less than the anticipated marginal cost to the agency of electrical energy that would have been consumed by the agency in the absence of the energy services contract; and

WHEREAS, County of El Dorado (“County”) desires to utilize a qualified contractor to design, construct, install, own, operate, and maintain solar photovoltaic facilities located at the Public Safety Facility parking lot and Public Safety Facility vacant land (“Solar Project”) to reduce the steadily rising costs of meeting the energy needs at its facilities and generate cost savings; and

WHEREAS, the County proposes to enter into a Power Purchase Agreement for each Solar Project site, a Cost Reimbursement Agreement, and a lease agreement with REC Solar Commercial Corporation (“REC Solar”), pursuant to which REC Solar will design, construct, install, own, maintain, and operate on County property the Solar Project and arrange with the local utility for interconnection of the facilities, which will generate energy for the sites on which such facilities are located; and

WHEREAS, TerraVerde Energy, LLC (“TerraVerde”), has provided the County with analysis showing the benefits of implementing certain energy conservation measures through the installation of certain solar photovoltaic systems, and TerraVerde’s analysis (“Analysis”) is attached hereto as Exhibit A and made part hereof by this reference; and

WHEREAS, the Analysis includes data showing that the anticipated cost to the County for the electrical energy provided by the Solar Project will be less than the anticipated marginal cost to the County of electrical energy that would have been consumed by the County in the absence of those purchases; and

WHEREAS, the County proposes to enter into the Power Purchase Agreement and Cost Reimbursement Agreement substantially in the form presented at this meeting, subject to such changes, insertions or omissions as the County’s representative or their designee reasonably deems necessary following the Board’s adoption of this Resolution provided such changes, insertions, or omissions do not change the price and term period of such agreement; and

WHEREAS, the County and REC Solar also contemplate entering into a lease agreement for the Solar Project site, which requires the consent and approval of the United States of America, acting through the Rural Housing Service (“USDA”), and County staff will return to the Board of Supervisors with the lease agreement after USDA approval; and

WHEREAS, pursuant to Government Code section 4217.12, the Board has held a public hearing, public notice of which was given at least two weeks in advance, to receive public comment; and

NOW, THEREFORE, based upon the above-referenced recitals, the Board hereby finds, determines and orders as follows:

1. The Board finds that the terms of the Power Purchase Agreement with REC Solar for each Solar Project site are in the best interests of the County.

2. In accordance with Government Code section 4217.12, and based on data provided by the Analysis, the Board finds that the anticipated cost to the County for electrical energy provided by the Project under the Power Purchase Agreement will be less than the anticipated marginal cost to the County of electrical energy that would have been consumed by the County in the absence of those purchases.

3. The Board hereby approves and authorizes the Chair to execute the Power Purchase Agreement for each Solar Project site and Cost Reimbursement Agreement which shall be subject to such changes, insertions or omissions as the County’s Chief Administrative Officer or designee reasonably deems necessary provided such changes, insertions, or omissions do not change the price and term period of such agreement.

4. The County’s Chief Administrative Officer or designee is further authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this resolution and said agreements.

PASSED AND ADOPTED by the Board of Supervisors of the County of El Dorado at a regular meeting of the Board held on 19th day of March, 2019, by the following vote of said Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

Sue Novasel, Chair, Board of Supervisors

ATTEST:
James S. Mitrisin
Clerk of the Board of Supervisors

By _____
Deputy Clerk

EXHIBIT A
ANALYSIS OF BENEFITS

[Attached]

Cash Flow

Project: El Dorado County
Scenario: #1 - NEM 2.0: Power Purchase Agreement

Term	Electricity		Utility Savings		Expenses			Net Savings		Term
	Annual Solar Production (kWh)	Solar Savings per kWh Produced	Savings from Solar	Subtotal: Annual Gross Benefits	PPA Payments	Asset Management Service	Subtotal: Annual Operating Expenses	Net Benefits (Solar)	Cumulative Net Benefits	
2019	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0
2020	860,574	\$ 0.1599	\$ 137,630	\$ 137,630	\$ (112,305)	\$ (6,024)	\$ (118,329)	\$ 19,301	\$ 19,301	1
2021	856,271	\$ 0.1650	\$ 141,276	\$ 141,276	\$ (111,743)	\$ (6,205)	\$ (117,948)	\$ 23,328	\$ 42,629	2
2022	851,990	\$ 0.1699	\$ 144,787	\$ 144,787	\$ (111,185)	\$ (6,391)	\$ (117,576)	\$ 27,211	\$ 69,840	3
2023	847,730	\$ 0.1750	\$ 148,385	\$ 148,385	\$ (110,629)	\$ (6,583)	\$ (117,211)	\$ 31,173	\$ 101,013	4
2024	843,491	\$ 0.1803	\$ 152,072	\$ 152,072	\$ (110,076)	\$ (6,780)	\$ (116,856)	\$ 35,216	\$ 136,230	5
2025	839,274	\$ 0.1857	\$ 155,851	\$ 155,851	\$ (109,525)	\$ (6,983)	\$ (116,509)	\$ 39,342	\$ 175,572	6
2026	835,077	\$ 0.1913	\$ 159,724	\$ 159,724	\$ (108,978)	\$ (7,193)	\$ (116,171)	\$ 43,553	\$ 219,125	7
2027	830,902	\$ 0.1970	\$ 163,693	\$ 163,693	\$ (108,433)	\$ (7,409)	\$ (115,841)	\$ 47,852	\$ 266,977	8
2028	826,747	\$ 0.1894	\$ 156,554	\$ 156,554	\$ (107,891)	\$ (7,631)	\$ (115,522)	\$ 41,033	\$ 308,009	9
2029	822,614	\$ 0.1950	\$ 160,445	\$ 160,445	\$ (107,351)	\$ (7,860)	\$ (115,211)	\$ 45,234	\$ 353,243	10
2030	818,500	\$ 0.2009	\$ 164,432	\$ 164,432	\$ (106,814)	\$ (8,096)	\$ (114,910)	\$ 49,522	\$ 402,765	11
2031	814,408	\$ 0.2069	\$ 168,518	\$ 168,518	\$ (106,280)	\$ (8,339)	\$ (114,619)	\$ 53,899	\$ 456,663	12
2032	810,336	\$ 0.2131	\$ 172,705	\$ 172,705	\$ (105,749)	\$ (8,589)	\$ (114,338)	\$ 58,368	\$ 515,031	13
2033	806,284	\$ 0.2195	\$ 176,997	\$ 176,997	\$ (105,220)	\$ (8,846)	\$ (114,067)	\$ 62,931	\$ 577,962	14
2034	802,253	\$ 0.2261	\$ 181,396	\$ 181,396	\$ (104,694)	\$ (9,112)	\$ (113,806)	\$ 67,590	\$ 645,552	15
2035	798,242	\$ 0.2329	\$ 185,903	\$ 185,903	\$ (104,171)	\$ (9,385)	\$ (113,556)	\$ 72,348	\$ 717,899	16
2036	794,250	\$ 0.2399	\$ 190,523	\$ 190,523	\$ (103,650)	\$ (9,667)	\$ (113,316)	\$ 77,206	\$ 795,106	17
2037	790,279	\$ 0.2471	\$ 195,257	\$ 195,257	\$ (103,131)	\$ (9,957)	\$ (113,088)	\$ 82,169	\$ 877,275	18
2038	786,328	\$ 0.2545	\$ 200,110	\$ 200,110	\$ (102,616)	\$ (10,255)	\$ (112,871)	\$ 87,238	\$ 964,513	19
2039	782,396	\$ 0.2621	\$ 205,082	\$ 205,082	\$ (102,103)	\$ (10,563)	\$ (112,666)	\$ 92,416	\$ 1,056,930	20
2040	778,484	\$ 0.2700	\$ 210,179	\$ 210,179	\$ (101,592)	\$ (10,880)	\$ (112,472)	\$ 97,706	\$ 1,154,636	21
2041	774,592	\$ 0.2781	\$ 215,402	\$ 215,402	\$ (101,084)	\$ (11,206)	\$ (112,291)	\$ 103,111	\$ 1,257,747	22
2042	770,719	\$ 0.2864	\$ 220,754	\$ 220,754	\$ (100,579)	\$ (11,543)	\$ (112,121)	\$ 108,633	\$ 1,366,380	23
2043	766,865	\$ 0.2950	\$ 226,240	\$ 226,240	\$ (100,076)	\$ (11,889)	\$ (111,965)	\$ 114,275	\$ 1,480,655	24
2044	763,031	\$ 0.3039	\$ 231,862	\$ 231,862	\$ (99,576)	\$ (12,246)	\$ (111,821)	\$ 120,041	\$ 1,600,696	25
	20,271,636		\$ 4,465,776	\$ 4,465,776	\$ (2,645,448)	\$ (219,631)	\$ (2,865,080)	\$ 1,600,696	\$ 1,600,696	

Cash Flow

Project: El Dorado County
Scenario: #1 - RES-BCT: Power Purchase Agreement

Term Year	Electricity		Utility Savings		Expenses			Net Savings		Term
	Annual Solar Production (kWh)	Solar Savings per kWh Produced	Savings from Solar	Subtotal: Annual Gross Benefits	PPA Payments	Asset Management Service	Subtotal: Annual Operating Expenses	Net Benefits (Solar)	Cumulative Net Benefits	
2019	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0
2020	3,141,620	\$ 0.1746	\$ 548,433	\$ 548,433	\$ (384,754)	\$ (21,991)	\$ (406,746)	\$ 141,688	\$ 141,688	1
2021	3,125,912	\$ 0.1559	\$ 487,250	\$ 487,250	\$ (382,830)	\$ (22,651)	\$ (405,481)	\$ 81,768	\$ 223,456	2
2022	3,110,282	\$ 0.1606	\$ 499,358	\$ 499,358	\$ (380,916)	\$ (23,331)	\$ (404,247)	\$ 95,111	\$ 318,567	3
2023	3,094,731	\$ 0.1654	\$ 511,767	\$ 511,767	\$ (379,012)	\$ (24,031)	\$ (403,042)	\$ 108,725	\$ 427,292	4
2024	3,079,257	\$ 0.1703	\$ 524,485	\$ 524,485	\$ (377,117)	\$ (24,751)	\$ (401,868)	\$ 122,616	\$ 549,909	5
2025	3,063,861	\$ 0.1754	\$ 537,518	\$ 537,518	\$ (375,231)	\$ (25,494)	\$ (400,725)	\$ 136,793	\$ 686,702	6
2026	3,048,542	\$ 0.1807	\$ 550,875	\$ 550,875	\$ (373,355)	\$ (26,259)	\$ (399,614)	\$ 151,262	\$ 837,963	7
2027	3,033,299	\$ 0.1155	\$ 350,322	\$ 350,322	\$ (371,488)	\$ (27,047)	\$ (398,535)	\$ (48,213)	\$ 789,751	8
2028	3,018,132	\$ 0.1190	\$ 359,028	\$ 359,028	\$ (369,631)	\$ (27,858)	\$ (397,489)	\$ (38,461)	\$ 751,290	9
2029	3,003,042	\$ 0.1225	\$ 367,949	\$ 367,949	\$ (367,783)	\$ (28,694)	\$ (396,476)	\$ (28,527)	\$ 722,763	10
2030	2,988,027	\$ 0.1262	\$ 377,093	\$ 377,093	\$ (365,944)	\$ (29,555)	\$ (395,498)	\$ (18,405)	\$ 704,358	11
2031	2,973,086	\$ 0.1300	\$ 386,464	\$ 386,464	\$ (364,114)	\$ (30,441)	\$ (394,555)	\$ (8,091)	\$ 696,267	12
2032	2,958,221	\$ 0.1339	\$ 396,067	\$ 396,067	\$ (362,293)	\$ (31,354)	\$ (393,648)	\$ 2,420	\$ 698,686	13
2033	2,943,430	\$ 0.1379	\$ 405,910	\$ 405,910	\$ (360,482)	\$ (32,295)	\$ (392,777)	\$ 13,133	\$ 711,819	14
2034	2,928,713	\$ 0.1420	\$ 415,997	\$ 415,997	\$ (358,679)	\$ (33,264)	\$ (391,943)	\$ 24,053	\$ 735,872	15
2035	2,914,069	\$ 0.1463	\$ 426,334	\$ 426,334	\$ (356,886)	\$ (34,262)	\$ (391,148)	\$ 35,186	\$ 771,058	16
2036	2,899,499	\$ 0.1507	\$ 436,928	\$ 436,928	\$ (355,102)	\$ (35,290)	\$ (390,391)	\$ 46,537	\$ 817,596	17
2037	2,885,001	\$ 0.1552	\$ 447,786	\$ 447,786	\$ (353,326)	\$ (36,348)	\$ (389,674)	\$ 58,112	\$ 875,707	18
2038	2,870,576	\$ 0.1599	\$ 458,914	\$ 458,914	\$ (351,559)	\$ (37,439)	\$ (388,998)	\$ 69,915	\$ 945,623	19
2039	2,856,223	\$ 0.1647	\$ 470,318	\$ 470,318	\$ (349,802)	\$ (38,562)	\$ (388,364)	\$ 81,954	\$ 1,027,577	20
2040	2,841,942	\$ 0.1696	\$ 482,005	\$ 482,005	\$ (348,053)	\$ (39,719)	\$ (387,771)	\$ 94,234	\$ 1,121,810	21
2041	2,827,733	\$ 0.1747	\$ 493,983	\$ 493,983	\$ (346,312)	\$ (40,910)	\$ (387,223)	\$ 106,760	\$ 1,228,570	22
2042	2,813,594	\$ 0.1799	\$ 506,258	\$ 506,258	\$ (344,581)	\$ (42,138)	\$ (386,719)	\$ 119,540	\$ 1,348,110	23
2043	2,799,526	\$ 0.1853	\$ 518,839	\$ 518,839	\$ (342,858)	\$ (43,402)	\$ (386,260)	\$ 132,579	\$ 1,480,689	24
2044	2,785,528	\$ 0.1909	\$ 531,732	\$ 531,732	\$ (341,144)	\$ (44,704)	\$ (385,848)	\$ 145,884	\$ 1,626,573	25
	74,003,846		\$ 11,491,612	\$ 11,491,612	\$ (9,063,251)	\$ (801,788)	\$ (9,865,039)	\$ 1,626,573	\$ 1,626,573	