



Legislation Text

File #: 19-0239, **Version:** 1

Chief Administrative Office, Facilities Division, recommending the Board:

- 1) Receive a presentation regarding Solar Design options at the Public Safety Facility; and
- 2) Provide direction concerning options for a potential Solar Power Purchase Agreement (PPA) and Cost Reimbursement Agreement (CRA). (Est. Time: 20 Min.)

FUNDING: Accumulated Capital Outlay Fund (initially); components of the PPA and CRA provide cost reimbursement to the County over a 25 year period.

DISCUSSION / BACKGROUND

The County is considering financing two new solar photovoltaic projects through Power Purchase Agreements/Cost Reimbursement Agreements. One would be located at the new Public Safety Facility (PSF) and the other on the County-owned land adjacent to the PSF site. County Staff has worked closely with TerraVerde Energy, LLC's (TerraVerde) team to determine the preferred locations for the proposed solar photovoltaic systems and energy storage system. Each project would require a separate Power Purchase Agreement tailored to the specifics of the project.

TerraVerde, in conjunction with County staff, evaluated various site configurations and preliminary pro formas. Terra Verde has issued a Request for Proposal (RFP) to assist in identifying and selecting a PPA Provider to design, construct, own and operate the two systems. The power generated would offset the electrical use at the Public Safety Facility (PSF) and other County buildings

Other tasks have involved the development of conceptual site plans and economic pro formas for three solar farm options and an Interconnection Agreement entered into with PG&E for the solar farm. The site design of the PSF would allow the solar farm to be graded at no cost to the County.

Description of Public Safety Facility Carport System

Three carport structures for patrol car parking that integrate photovoltaic arrays will generate power to offset the usage at the Public Safety Facility using a "net metering" program. The design of the PSF anticipates the installation of the system by the PPA Provider. Depending upon the option chosen, four more arrays could be installed that would be included within the Solar Farm array that will feed back into the PG&E grid.

Description of the Solar Farm

The County owned land west of the PSF is planned for a ground mounted solar array. This array will feed power into the PG&E grid offsetting the billings to some of the County's PG&E accounts at other locations through a Renewable Energy Self-Generation-Bill Credit Transfer (RES-BCT) program.

During the construction of the PSF, this adjacent land served as a borrow and fill site which resulted in a parcel suitable for the installation of the solar farm at no added cost to the County. As a bonus, the northerly 2 ½ acres of the site presents an attractive building pad for a possible future building,

however this would reduce the size of the solar farm.

Options for Consideration

Staff is looking to the Board for direction as how to proceed so that the terms of the PPA can be finalized. Several options can be considered:

Option "A": Utilize all the available land for the solar farm.

25-Year economic benefit from solar farm: \$4,288,000

Option "B": Preserve the northerly buildable 2 ½ acres for a County building not presently identified and construct a smaller solar farm on the southerly portion.

25-Year economic benefit from solar farm: \$988,000

Option "C": Same as Option "B" plus construction of additional carport arrays on the PSF.

25-Year economic benefit from solar farm: \$1,850,000

Option "D": Build no solar facilities

Should the Board decide on option A, B or C, the Division will return in March for a Public Hearing concerning the execution of the respective PPA/CRA.

ALTERNATIVES

The Board could choose to direct staff to pursue any of the options, or could provide direction to pursue none of the options.

PRIOR BOARD ACTION

18-1645 10/30/18 - PG&E Interconnection agreement for potential Solar Project

18-1228 9/11/18 Receive and file solar presentation; Amendment III to Agreement for Services No. 317-S1810 with TerraVerde Energy, LLC (TerraVerde) to increase compensation by \$95,950 and extend the term an additional two years. Amendment III provided the additional services necessary to assist in the development, solicitation and review/analysis of a Request for Proposal (RFP) process.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

NA

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board receive and file the presentation, consider the options for the PPA, and provide direction to staff.

FINANCIAL IMPACT

Initial projects costs have been budgeted for in the current ACO Fiscal Year Work Plan. Depending upon the option chosen by the Board the reimbursement amount to the County will vary over a 25 year span.

CLERK OF THE BOARD FOLLOW UP ACTIONS

None

STRATEGIC PLAN COMPONENT

Infrastructure

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