



Legislation Details (With Text)

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Title:	Approve Amendment to City Hall Solar Power Purchase Agreement (PPA) to adjust the construction schedule and project completion date to provide additional time as requested by Fresno Street Solar Project, LLC.				
Sponsors:	Public Works Department				
Indexes:					
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Attachments:	1. 21-154 Amendment to the PPA				

Date	Ver.	Action By	Action	Result
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REPORT TO THE CITY COUNCIL

January 28, 2021

FROM: SCOTT MOZIER, Director
Public Works Department

BY: ANN D. KLOOSE, Sustainability Division Manager
Public Works Department

SUBJECT

Approve Amendment to City Hall Solar Power Purchase Agreement (PPA) to adjust the construction schedule and project completion date to provide additional time as requested by Fresno Street Solar Project, LLC.

RECOMMENDATION

Staff recommends Council authorize the Director of Public Works to sign the requested amendment to provide the additional time requested to complete the solar carport project(s) currently underway in the City Hall and Promenade parking lots.

EXECUTIVE SUMMARY

The Public Works Department has been working to implement the City Hall and Municipal Service Center (MSC) energy efficiency and solar projects during the past year. The MSC solar project(s) are

completed and the City Hall solar projects are underway. Due to unforeseen delays associated with COVID-19, project design and permitting, the City Hall and Promenade lots will require additional time to complete, and as such require an amendment to the dates of completion in the Power Purchase Agreement (PPA).

BACKGROUND

In November of 2019 the City Council authorized the City Manager to enter into a Design Build Agreement with Alliance Building Solutions (ABS), Inc. for an Energy Performance Contract which included PPAs for solar with subcontractor DSD Renewables. The project(s) at the MSC and City Hall included both upgrades to existing solar, and installs new solar carports. The energy efficiency upgrades are near complete and the solar upgrades and installation at the MSC are concluded. Due to unforeseen delays associated with COVID-19, project design and permitting, the City Hall and Promenade lots will require additional time to complete. The City and DSD Renewables have been coordinating and in mutual agreement regarding the need for additional time. During this time, a formal amendment to the PPA has not been necessary. Currently, the financing agency for DSD Renewables has requested an updated document prior to funding the capital budget, and as such requires an amendment to the dates of completion as indicated in the attached PPA. It should be noted that there are no changes to the pricing, policies or conditions of the agreements. The request for date changes are as follows:

1. Outside Install Commencement Date: **3/1/21**. Previously dated 6/30/20. This is the outside date in which due diligence, development and permitting activities need to be completed to begin installations.
2. Anticipated Commercial Operation Date (COD): **7/4/2021**. Previously dated 12/31/20. The estimated date which the system needs to be online and selling electricity to the City.
3. Outside COD: **12/31/21**. Previously dated 7/4/2021. This is the date in which the City can terminate the contract if the project has not achieved COD.

Additional Information

The City Attorney's Office has reviewed the amendment to the agreement and approved as to form.

ENVIRONMENTAL FINDINGS

The approval of this amendment is to a previous agreement and is not a project as defined by the California Environmental Quality Act.

LOCAL PREFERENCE

Local preference was not implemented because this is an amendment to an existing agreement. However, both ABS and DSD Renewables have enlisted the work of local crews during the implementation and construction of these projects.

FISCAL IMPACT

There is no fiscal impact associated with this request.

Attachment:

Amendment to the PPA