

NOVATO UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 11-2015/2016

IN THE MATTER OF MAKING FINDINGS UNDER CALIFORNIA GOVERNMENT CODE SECTION 4217.10 ET SEQ. AND DELEGATING THE AUTHORITY TO THE SUPERINTENDENT TO EXECUTE THE PROPOSED POWER PURCHASE AGREEMENT AND PERFORMANCE GUARANTEE CONTRACTS WITH SOLARCITY CORPORATION FOR THE DESIGN, CONSTRUCTION AND OPERATION OF SOLAR PHOTOVOLTAIC SYSTEMS AT TEN SCHOOL SITES

WHEREAS, California Government Code Section 4217.10 *et seq.* authorizes a public agency, including public school districts, to sole source or utilize an informal procurement process, such as a request for proposals, to contract for energy services 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 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, the District requested proposals from qualified contractors to design and construct Solar Systems and, based on the overall proposed project cost and cost-savings, among other factors, selected SolarCity Corporation (“SolarCity”) to design, construct, and operate the Solar Systems under a Power Purchase Agreement (“PPA”) and Performance Guarantee Contract; and

WHEREAS, consistent with California Government Code Section 4217.10 *et seq.*, the Novato Unified School District (“District”) desires to proceed with the Solar Photovoltaic Projects at ten sites (“Solar Projects”) in order to generate energy cost savings and meet the sustainability goals of the District; and

WHEREAS, in accordance with Government Code section 4217.10 *et seq.*, the District posted a notice of a public hearing at which the District governing body would consider this Resolution by publishing said notice in the Marin Independent Journal on February 9th and 16th, 2016; and

WHEREAS, on this date, at a regularly scheduled meeting of the District Board of Education, the District Board held a public hearing with respect to the District entering into a number of PPAs with SolarCity; and

WHEREAS, the total development cost of the Solar Projects for the District under the proposed contract with SolarCity is expected to be approximately \$600,000; and

WHEREAS, solar photovoltaic modules have a standard manufacturer warranty of twenty-five (25) years; and

WHEREAS, over the twenty-five (25) year life of the Solar Projects, the Solar Projects are estimated to generate approximately \$6,550,000 in energy cost-savings; and

WHEREAS, the energy cost savings to be generated by the proposed Solar Projects offset by the development cost of the Solar Projects under a PPA with SolarCity will be less than the anticipated marginal cost to District of electrical or other energy that would have been consumed by District if such Solar Projects were not completed (“Net Cost Savings”). A copy of the energy cost analysis is attached as Attachment “A” and incorporated herein (“Energy Savings Analysis”).

NOW, THEREFORE, BE IT RESOLVED, that the Novato Unified School District Board of Education hereby finds and determines as follows:

1. That all of the recitals set forth above are true and correct.

2. That per California Government Code section 4217.10 *et seq.*, this Resolution is adopted following a public hearing at a regularly scheduled meeting of the District Board for which a minimum of two weeks' public notice has been duly given.

3. That based on all available information, the District Board finds and determines that, pursuant to California Government Code section 4217.10 *et seq.*, the cost of the Solar Projects contemplated by the PPAs with SolarCity will be less than the anticipated marginal cost to District of electrical or other energy that would have been consumed by District if such Solar Projects were not completed.

4. That the District Board finds that it is in the best interest of the District to enter into PPAs with SolarCity for the Solar Projects.

5. That the Superintendent is hereby authorized to do all things that are necessary to give effect to and comply with the terms and intent of this Resolution, including but not limited to, the finalization and execution of PPAs with SolarCity, and to take any actions deemed necessary to protect the interest of the District. The Superintendent may designate and delegate to other District management personnel, as deemed necessary, tasks associated with the negotiating, drafting, and/or preparing of a PPA and any related documents.

PASSED AND ADOPTED this 1st day of March 2016, by the following vote to wit:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

State of California,
County of Marin

I, _____, President of the Novato Unified School District Board of Trustees, do hereby certify that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Trustees at a regularly called and conducted meeting held on said date.

President, NUSD Board of Trustees

ATTEST: _____
Clerk, NUSD Board of Trustees

Attachment A – Energy Savings Analysis

Year	Solar PPA Energy Cost	Residual Utility Cost	Development & Operating Costs	Total Annual Energy Cost With Solar	Utility Energy Costs Without Solar	Utility Savings	Cumulative Project Savings
0			\$ 596,185				\$ (596,185)
1	\$ 317,681	\$ 11,949	\$ 1,422	\$ 331,052	\$ 490,987	\$ 159,934	\$ (436,251)
2	\$ 316,093	\$ 15,344	\$ 1,464	\$ 332,901	\$ 505,716	\$ 172,815	\$ (263,436)
3	\$ 314,513	\$ 94,212	\$ 1,508	\$ 410,233	\$ 520,888	\$ 110,655	\$ (152,781)
4	\$ 312,940	\$ 99,749	\$ 1,553	\$ 414,242	\$ 536,514	\$ 122,272	\$ (30,509)
5	\$ 311,375	\$ 105,519	\$ 1,600	\$ 418,495	\$ 552,610	\$ 134,115	\$ 103,607
6	\$ 309,818	\$ 111,532	\$ 1,648	\$ 422,998	\$ 569,188	\$ 146,190	\$ 249,797
7	\$ 308,269	\$ 117,795	\$ 1,698	\$ 427,762	\$ 586,264	\$ 158,501	\$ 408,298
8	\$ 306,728	\$ 124,320	\$ 1,748	\$ 432,796	\$ 603,852	\$ 171,056	\$ 579,354
9	\$ 305,194	\$ 131,114	\$ 1,801	\$ 438,109	\$ 621,967	\$ 183,858	\$ 763,212
10	\$ 303,668	\$ 138,188	\$ 1,855	\$ 443,711	\$ 640,626	\$ 196,915	\$ 960,127
11	\$ 302,150	\$ 145,552	\$ 1,911	\$ 449,613	\$ 659,845	\$ 210,232	\$ 1,170,359
12	\$ 300,639	\$ 153,218	\$ 1,968	\$ 455,825	\$ 679,640	\$ 223,816	\$ 1,394,175
13	\$ 299,136	\$ 161,195	\$ 2,027	\$ 462,358	\$ 700,030	\$ 237,672	\$ 1,631,847
14	\$ 297,640	\$ 169,496	\$ 2,088	\$ 469,224	\$ 721,031	\$ 251,807	\$ 1,883,653
15	\$ 296,152	\$ 178,131	\$ 2,150	\$ 476,434	\$ 742,662	\$ 266,228	\$ 2,149,881
16	\$ 294,671	\$ 187,114	\$ 2,215	\$ 484,001	\$ 764,941	\$ 280,941	\$ 2,430,822
17	\$ 293,198	\$ 196,457	\$ 2,281	\$ 491,937	\$ 787,890	\$ 295,953	\$ 2,726,775
18	\$ 291,732	\$ 206,173	\$ 2,350	\$ 500,255	\$ 811,526	\$ 311,271	\$ 3,038,046
19	\$ 290,273	\$ 216,275	\$ 2,420	\$ 508,969	\$ 835,872	\$ 326,903	\$ 3,364,949
20	\$ 288,822	\$ 226,778	\$ 2,493	\$ 518,093	\$ 860,948	\$ 342,855	\$ 3,707,804
21	\$ -	\$ 237,696	\$ 97,113	\$ 334,809	\$ 886,777	\$ 551,968	\$ 4,259,771
22	\$ -	\$ 249,043	\$ 98,864	\$ 347,907	\$ 913,380	\$ 565,473	\$ 4,825,245
23	\$ -	\$ 260,836	\$ 100,678	\$ 361,514	\$ 940,781	\$ 579,267	\$ 5,404,512
24	\$ -	\$ 273,090	\$ 102,559	\$ 375,649	\$ 969,005	\$ 593,356	\$ 5,997,868
25	\$ -	\$ 285,821	\$ 104,508	\$ 390,329	\$ 998,075	\$ 607,746	\$ 6,605,614
Totals	\$ 6,060,697	\$ 4,096,597	\$ 1,138,108	\$ 10,699,216	\$ 17,901,016	\$ 7,201,799	