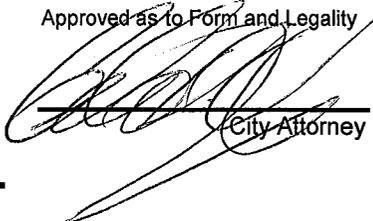


FILED
OFFICE OF THE CITY CLERK
OAKLAND

OAKLAND CITY COUNCIL

RESOLUTION No. 86361 C.M.S.


City Attorney

2016 OCT -2 AM 11:44

REVISED RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR OR HER DESIGNEE TO:

- 1) ENTER INTO A POWER PURCHASE AGREEMENT (PPA) WITH VANIR MANAGEMENT, INC. (VANIR) TO BUY SOLAR ELECTRICITY DELIVERED FROM EQUIPMENT THAT IS OWNED AND MAINTAINED BY VANIR ON SIX CITY FACILITIES AT A COST NOT TO EXCEED ONE HUNDRED TWENTY THOUSAND DOLLARS (\$120,000) IN THE FIRST YEAR AND THREE MILLION TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$3,225,000) DURING THE 20-YEAR TERM OF THE AGREEMENT, PAID FROM THE CITY FACILITIES FUND (FUND 4400) WITH TWO (2) 5-YEAR OPTIONS TO EXTEND THE PPA UPON THE SAME TERMS AND CONDITIONS, ONLY IF FINANCIALLY BENEFICIAL TO THE CITY;
- 2) ACCEPT AND APPROPRIATE A PROJECT MANAGEMENT REIMBURSEMENT FEE FROM VANIR TO REIMBURSE THE CITY FOR PROJECT MANAGEMENT EXPENSES IN THE ESTIMATED AMOUNT OF SEVENTY THOUSAND DOLLARS (\$70,000) TO CITY FACILITIES ENERGY CONSERVATION PROJECTS FUND (FUND 4450); AND
- 3) PAY VANIR, IF COSTS FOR PACIFIC GAS & ELECTRIC COMPANY INTERCONNECTION, OR FOR NECESSARY BUILDING UPGRADES, OR OTHER UNFORESEEN CONDITIONS ARISE, IN AN AMOUNT NOT TO EXCEED ONE HUNDRED FIFTY THREE THOUSAND DOLLARS (\$153,000) IN THE FIRST YEAR AND NOT TO EXCEED THREE MILLION THREE HUNDRED SIXTY-THREE THOUSAND DOLLARS (\$3,363,000) DURING THE 20-YEAR PPA TERM, PAID FROM THE CITY FACILITIES FUND (FUND 4400); AND
- 4) TAKE THE ACTIONS HEREIN WITHOUT RETURNING TO THE CITY COUNCIL FOR FURTHER APPROVALS.

WHEREAS, the City's Energy and Climate Action Plan calls upon Oakland to use 62 million kilowatt-hours of electricity from renewable sources to help achieve the goal of reducing community-wide greenhouse gas emissions by 36% below 2005 levels by 2020; and

WHEREAS, the County of Alameda (County) provided the Regional Renewable Energy Procurement (R-REP) project to assist public agencies throughout Alameda, Contra Costa, San Mateo, and Santa Clara Counties with developing and implementing solar energy projects; and

WHEREAS, the City has six sites for renewable energy projects, capable of generating approximately 447 kilowatts of solar photovoltaic (PV) electricity during periods of maximum sunshine and approximately 661,716 kilowatt-hours of electricity annually; and

WHEREAS, a PPA will allow the City to purchase renewable energy from a contractor that builds, finances and owns the PV system, and provides operations and maintenance; and

WHEREAS, R-REP provided participants with access to many County-solicited contractors, free technical assistance and free financial analysis; and

WHEREAS, Vanir was selected through the R-REP program process; therefore, now be it

RESOLVED: That the City Administrator or her designee is authorized to enter into a PPA with Vanir for purchasing electricity generated from solar PV systems at six City facilities, which include: (1) solar PV systems that are financed, constructed, owned, operated and maintained by Vanir; (2) at a cost in the first year not to exceed \$120,000.00; and (3) at a cost not to exceed \$3,225,000.00 over the 20-year term of the PPA; and, be it

FURTHER RESOLVED: That the City Administrator or her designee is authorized to agree to PPA language to pay Vanir an estimated amount of \$100,000.00 of project development fees from the Solar Phase 2 Project (Fund 4450, Org 30689, Project C256517, Program SC26), which will be reimbursed and appropriated to the City Project C256517 if the project proceeds to construction, or forfeited if the project is terminated; and be it

FURTHER RESOLVED: That the City Administrator or her designee is authorized to accept and appropriate the management fee to the City from Vanir in the estimated amount of \$70,000 to the Solar Phase 2 Project (Fund 4450, Org 30689, Project C256517, Program SC26) to cover any City solar power project expense; and be it

FURTHER RESOLVED: That if costs for Pacific Gas & Electric Company (PG&E) interconnection, or necessary building upgrades, or other unforeseen conditions arise, the City Administrator or her designee is authorized to amend the PPA to a cost not to exceed one hundred fifty three thousand dollars (\$153,000) in the first year and not to exceed three million three hundred sixty-three thousand dollars (\$3,363,000) during the 20-year PPA term, paid from the City Facilities Fund (Fund 4400); and be it

FURTHER RESOLVED: That the funds required to pay Vanir for solar PV electricity will be sourced from the same City utility accounts from which the City pays PG&E for electricity; and be it

FURTHER RESOLVED: That the City Administrator or her designee is authorized to extend the PPA terms for an additional two (2) 5-year Periods at the end of the 20-year term, if beneficial to the City; and be it

FURTHER RESOLVED: That the City Administrator or her designee is hereby authorized and empowered to approve any subsequent amendments to, or extensions of, said PPA with Vanir with the exception of those related to an increase in compensation or the allocation of additional funds provided that such amendments or extensions shall be reviewed by the City Attorney and filed with the City Clerk's Office; and be it

FURTHER RESOLVED: That a copy of the agreement will be on file in the City Clerk's Office and will be approved by the Office of the City Attorney.

IN COUNCIL, OAKLAND, CALIFORNIA, SEP 20 2016

PASSED BY THE FOLLOWING VOTE:

AYES - ~~BROOKS~~, CAMPBELL WASHINGTON, GALLO, ~~QUINN~~, KALB, KAPLAN, ~~REID~~, AND PRESIDENT GIBSON MCELHANEY - 5

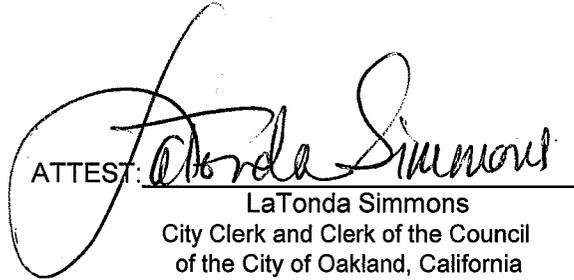
NOES - Brooks, Guillen - 2

ABSENT - 0

ABSTENTION - 0

Excused - Reid - 1

ATTEST:



LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California