

**AGENDA ITEM** 10

- ☐ Public Hearing
- ☐ Ordinance
- ☐ Consent Calendar
- ☒ Discussion/Transaction

WALNUT CITY COUNCIL**AGENDA DATE: OCTOBER 14, 2015****TO: Mayor Pacheco and Council Members****VIA: Robert Wishner, City Manager** *RW*
Tom Weiner, Director of Community Development *TW***FROM: Derrick Womble, Senior Management Analyst** *DW***SUBJECT: Mt. SAC Photovoltaic Solar System****RECOMMENDATION:**

It is recommended that the City Council direct Staff as deemed appropriate.

BACKGROUND:

Originally the Photovoltaic Solar System was approved as part of the 2012 Mt. SAC Facility Master Plan dated February 18, 2013, and received CEQA clearance by the Mt. SAC Board of Trustees on December 11, 2013.

The ground-mounted photovoltaic solar system will provide approximately two (2) megawatts of clean power for the campus, and an operation and maintenance agreement for the operation, maintenance, and repair of the system. The solar system will be located on the property southwest of Grand and Temple Avenues, adjacent to the main Mt. SAC campus.

On July 8, 2015, the Mt. SAC Board approved a Design-Build Agreement for the purchase and installation of the solar system. The Agreement was resubmitted to the Board on September 9, 2015, to consider an increase in funding, and to allow the opportunity to hold a Public Hearing.

On September 9, 2015, the Mt. SAC Board held a Public Hearing to consider approval of the revised Design-Build Agreement and Resolution No. 15-01 (Attachment 1). Due to opposition from Walnut residents, the Mt. SAC Board continued the item to a Special Meeting held on September 16, 2015.

On September 16, 2015, the Mt. SAC Board reviewed the West Parcel Solar Presentation (Attachment 2), and voted unanimously to approve the revised Design-Build Agreement, Resolution No. 15-01, and award the contract to Borrego Solar Systems, Inc.

Per Mt. SAC's timeline, construction of the solar system is estimated to begin late spring/early summer 2016. Under a separate contract, construction of an electrical duct bank from the solar site to the Mt. SAC campus main switchgear is scheduled to occur concurrently with the design of the solar system. Site preparation and grading is planned for Winter 2015/2016.

As of the date of preparation for this report, Mt. SAC has not submitted a Conditional Use Permit (CUP), requesting the City to review their proposal.

STAFF ANALYSIS:

Per the Walnut Municipal Code, Title VI, Chapter 25, Article II, Section 25-39, "*Public buildings and uses, public utilities or utilities operated by mutual agencies located in the R-1 zone, may be used provided a conditional use permit has first been obtained, pursuant to provisions of Article XIX (Conditional Use Permits).*"

On July 8, 2015, the City Attorney sent a letter to the Mt. SAC Board of Trustees, informing the Board that the solar system is subject to the City's approval process, and requested the Board limit the scope of any action until the project is considered by the City.

Staff has contacted State regulatory agencies, California Energy Commission and California Public Utilities Commission, which have indicated exemption from local zoning authority is not applicable for this type of project.

Staff continues its efforts to remain in constant contact with Mt. SAC representatives, in order to facilitate a collaborative environment between both agencies. Staff will continue to keep the City Council apprised of any changes or updates.

FISCAL IMPACT:

At this time, there is no material fiscal impact.

RELATION TO MISSION STATEMENT:

We will exceed expectations by striving to be educated, well informed, and collaborate by encouraging open discussion.

Attachments:

1. Mt. SAC Board of Trustees Report & Resolution No. 15-01
2. Mt. SAC West Parcel Solar Presentation

ATTACHMENT 1

Mt. SAC Board of Trustees Report & Resolution No. 15-01

**BOARD OF TRUSTEES
MT. SAN ANTONIO COLLEGE**

DATE: September 16, 2015

ACTION

SUBJECT: Resolution No. 15-01 – Assessment, Design, Installation, and Operation
and Maintenance of a Photovoltaic Solar System (West Parcel Solar
Project – Request for Qualifications/Request for Proposal No. 3005)
(REVISED)

BACKGROUND

On July 8, 2015, the Board of Trustees approved a design-build agreement for the purchase and installation of a ground-mount solar photovoltaic system. This item is being resubmitted for approval of an increase to the allowance and to allow the opportunity for the Board of Trustees to hold a Public Hearing on this matter.

This project is for a design-build agreement for the purchase and installation of a ground-mount solar photovoltaic system which will provide approximately two megawatts of clean power for the campus, and an operation and maintenance agreement for the operation, maintenance, and repair of the system. The new solar field will be located on the property southwest of Grand and Temple Avenues, adjacent to the main campus. This project was originally approved as part of the Mt. San Antonio College Facility Master Plan 2012 (2012 Master Plan) dated February 18, 2013, and received California Environmental Quality Act (CEQA) lead agency clearance by the Board of Trustees' certification of the 2012 Master Plan's Subsequent EIR on December 11, 2013, under Agenda Item No. 18. The project, as currently designed, could have significant effects on the environment; however, all potentially significant effects have been analyzed in the 2012 Master Plan EIR (SCH 2002041161) pursuant to applicable standards and have been avoided or mitigated pursuant to the 2012 Master Plan EIR including mitigation measures that were adopted in the 2012 Mitigation Monitoring Program that are applicable to the project. For these reasons, no additional environmental analysis is required under CEQA.

This design-build and operations and maintenance procurement is authorized by Government Code §§ 4217.10 *et seq.*, and more specifically Government Code §4217.12(a), which authorizes a public agency, such as the College, after holding a regularly scheduled public hearing, public notice of which is given at least two weeks in advance, to enter into energy services contracts if the public entity's governing board finds that its anticipated cost to the College for the energy conservation facilities (as defined in Government Code §4217.11) will be less than its anticipated marginal cost to the College of thermal, electrical, or other energy that would have been consumed in the absence of such purchases and, if a facility ground lease is proposed, that the fair rental value of the real property occupied by the energy conservation facilities will also be offset by the energy savings.

ANALYSIS AND FISCAL IMPACT

The College has sought proposals for the design, construction, installation, operation, maintenance, and repair of the Photovoltaic Solar System, meeting technical criteria developed by the College's consultant, Newcomb Anderson McCormick (NAM), through a Request for Qualifications and Request for Proposals (RFQ/RFP) issued in April 2015.

Prepared by: Gary L. Nellesen/Teresa Patterson

Reviewed by: Rosa M. Royce/Michael D. Gregoryk

Recommended by: Bill Scroggins

Agenda Item: Action #1

SUBJECT: Resolution No. 15-01 – Assessment, Design, Installation, and Operation and Maintenance of a Photovoltaic Solar System (West Parcel Solar Project – Request for Qualifications/Request for Proposal No. 3005)
(REVISED)

DATE: September 16, 2015

The RFQ/RFP was legally advertised, and over 100 solar providers were invited to submit proposals. A mandatory pre-proposal conference was held on April 20, 2015, in which 16 solar providers attended. The College received two proposals by the deadline of May 7, 2015. Proposals were evaluated by the six-member evaluation committee based on financial benefits, technical strengths, implementation approach, the amount of solar photovoltaic experience of each company and the proposed team, and the track record of the proposer in delivering similar projects. Proposals were scored using a common evaluation matrix. The financial benefits of each proposal were analyzed by NAM and added to the committee's scores for the non-financial criteria.

Based on the results of the committee evaluations, both solar providers were invited for interviews with the committee. Upon conclusion of the interviews, the College submitted a Request for a Best and Final Offer (BAFO) for a 2.2 MW system from each solar provider. Responses to the BAFO were received by the deadline, and the financial benefits of the revised proposals under Government Code §4217.16 were analyzed by NAM. Based on the final analysis, staff has identified Borrego Solar Systems, Inc., located in San Diego, California, as best meeting the College's needs and providing the lowest cost for construction, operation, and maintenance to the College for a Photovoltaic Solar System. The costs associated with this procurement are as follows:

Capital Costs	\$5,367,180.00
Allowance for unforeseen soil or underground conditions at the site	\$125,000.00 (increased from \$25,000)
Annual Operation and Maintenance Costs	\$31,668.02 (plus 2% annual escalation)

The above costs include a 20-year Performance Guarantee, which ensures that the Photovoltaic Solar System will achieve the specified energy production, or the energy services contractor will compensate the College for the shortfall. The term of the Annual Operations and Maintenance Agreement will be for a period of five years with the option to renew for one additional five-year term.

All permit and approval conditions imposed by the responsible agencies will be applied to the project by the design-builder, as required by the Design-Build Agreement contained in Attachment C.2 to the RFQ/RFP. Since the responsible agencies are conducting their own CEQA reviews and approvals of the project, any project changes imposed by the responsible agencies as a condition of approval will not create a potentially new significant environmental impact or exacerbate any of the existing significant environmental impacts disclosed in the 2012 Master Plan Subsequent EIR. If any of the responsible agencies do not approve the project, the Design-Build Agreement would be terminated, and the project would not proceed.

Funding Sources

Proposition 39 Energy funds.
Energy Incentives.
California Energy Commission (CEC) loans.

SUBJECT: Resolution No. 15-01 – Assessment, Design, Installation, and Operation
and Maintenance of a Photovoltaic Solar System (West Parcel Solar
Project – Request for Qualifications/Request for Proposal No. 3005)
(REVISED)

DATE: September 16, 2015

RECOMMENDATION

It is recommended that the Board of Trustees approves Resolution No. 15-01 – Assessment, Design, Installation, and Operation and Maintenance of a Photovoltaic Solar System – Revised, as presented, and authorizes the College to negotiate, prepare, and enter into a Design-Build Agreement for the design, procurement, installation, and construction of the system, and a separate ongoing Operations and Maintenance Agreement with Borrego Solar Systems, Inc.

RESOLUTION NO. 15-01

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT Assessment, Design, Installation, and Operation and Maintenance of a Photovoltaic Solar System - Revised

WHEREAS, the following revision is submitted for Resolution No. 15-01 for the Assessment, Design, Installation, and Operation and Maintenance of a Photovoltaic Solar System, which was approved by the Board of Trustees on July 8, 2015; and

WHEREAS, Government Code sections 4217.10 *et seq.*, and more specifically section 4217.12(a), authorizes a public agency, such as the Mt. San Antonio Community College District (College), after holding a regularly scheduled public hearing, public notice of which is given at least two weeks in advance, to enter into energy services contracts if the public entity's governing board finds that its anticipated cost to the College from the energy conservation facilities (as defined in Government Code section 4217.11) will be less than its anticipated marginal cost to the College of thermal, electrical, or other energy that would have been consumed in the absence of such purchases; and

WHEREAS, the College wishes to reduce its energy costs and improve the quality and reliability of the campus electrical service by contracting to produce and implement certain new and upgraded energy systems including related equipment and materials; and

WHEREAS, the College has issued a Request for Qualifications and a Request for Proposals for the Assessment, Design, Installation, and Operation and Maintenance of a Photovoltaic Solar System; and

WHEREAS, Borrego Solar Systems, Inc. is an energy services consultant and has represented to the College that it can design, procure, install, construct, operate, maintain, and repair certain energy conservation measures and energy conservation facilities, as defined in Government Code section 4217.11 (ECMs), that would result in net energy savings to the College; and

WHEREAS, Newcomb Anderson McCormick, in conjunction with P2S Engineering, Inc. provided a comprehensive energy analysis (CEA) and recommended an energy plan to implement certain ECMs in the form of solar panels, monitoring systems, and tracking devices, as identified in the CEA; and

WHEREAS, the College desires to enter into a design-build agreement for the design, procurement, installation, construction, and commissioning of the Photovoltaic Solar System (Energy Project) with Borrego Solar Systems, Inc. of San Diego, California (Borrego), for the not-to-exceed amount of \$5,392,180.00, which includes an allowance of \$125,000.00 for unforeseen site conditions, and enter into an Operations and Maintenance Agreement for the operation, maintenance, and repair of the Energy Project with Borrego at annual payments of \$31,668.02, with a 2% annual escalation (collectively the Contracts); and

WHEREAS, the College's total cost for the Energy Project is estimated to be in the amount of \$6,951,147.00, and the 25-year total energy savings estimate for the Energy Project is \$15,311,830.00, which results in a 25-year net energy savings estimated at \$8,360,683.00 if the College were to not incur the cost of the Energy Project; and

WHEREAS, the cost to the College for electrical power from the ECMs will be less than the anticipated marginal cost to the College of thermal, electrical, or other energy that would have been consumed by the College in the absence of the ECMs; and

WHEREAS, on August 26, 2015, the College published a two-week notice of a public hearing at which the College would consider the Energy Project and make findings as required under Government Code Section 4217.16; and

WHEREAS, the Board finds that, although the Energy Project could have significant effects on the environment, because all potentially significant effects have been analyzed in the 2012 Master Plan EIR (SCH 2002041161) pursuant to applicable standards and have been avoided or mitigated pursuant to the 2012 Master Plan EIR, including mitigation measures that were adopted in the 2012 Mitigation Monitoring Program that are applicable to the project, no additional environmental analysis is required under CEQA;

NOW THEREFORE, BE IT RESOLVED that the Board of Trustees of the Mt. San Antonio Community College District (Board) hereby finds, determines, declares, and resolves as follows:

Section 1. Recitals. The Board hereby finds and determines that all the above recitals are true and correct.

Section 2. Notice of Public Hearing. This resolution is adopted following a public hearing at a regularly scheduled meeting of the Board for which a minimum of two weeks public notice has been duly given pursuant to Government Code § 4217.12(a).

Section 3. No EIR Required. Based upon the Agenda Report and the referenced documents therein, the facts developed at the public hearing, the Contracts, and the administrative record as a whole, there are no substantial changes in the Energy Project, no substantial changes in the circumstances under which the Energy Project is undertaken, and no new significant information of substantial importance exists that would cause a new significant environmental impact or substantially increase the severity of a previously identified significant environmental impact by the Energy Project, and thus, no further environmental impact report or CEQA clearance is required.

Section 4. Cost Benefit. Based upon the Agenda Report, the facts developed at the public hearing, the Contracts, and the administrative record as a whole, pursuant to Government Code §4217.12(a)(1), the Board hereby finds that the anticipated cost to the College for electrical energy under the Contracts will be less than the anticipated marginal costs to the College of thermal, electrical, or other energy that would have been consumed by the College in the absence of such purchases under the Contracts.

Section 5. No Facility Ground Lease. The College is not entering into a facility ground lease for the Energy Project, and the findings otherwise required in Government Code §4217.12(a)(2) are inapplicable.

Section 6. Best Interests. Based upon the Agenda Report, the facts developed at the public hearing, the Contracts, and the administrative record as a whole, it is in the best interests of the College to enter into the Contracts.

Section 7. Authority to Take All Actions Necessary. The College President or his designee is 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 the Contracts with Borrego Solar Systems, Inc. of San Diego, California. The College President may designate and delegate to other College management personnel, as deemed necessary, tasks associated with the negotiating, drafting, and/or preparing the Contracts and any related documents.

Section 8. Effect. This Resolution shall take effect immediately upon its passage.

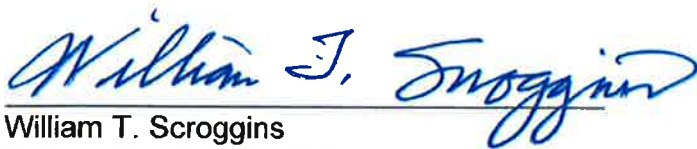
PASSED and ADOPTED this 9th day of September 2015, by the Board of Trustees of the Mt. San Antonio Community College District of the County of Los Angeles, State of California, by the following vote:

AYES: Baca, Bader, Chen Haggerty, Chyr, Hall, Hidalgo, Santos

NOES: None

ABSENT: None

This is to certify that this is a true and correct copy of the resolution as adopted and approved at a regular meeting of the Board of Trustees of the Mt. San Antonio Community College District.



William T. Scroggins
College President & CEO and
Secretary to the Board of Trustees
Mt. San Antonio Community College District

ATTACHMENT 2

Mt. SAC West Parcel Solar Presentation



WEST PARCEL SOLAR

Special Meeting of the Board of Trustees

MT. SAN ANTONIO COLLEGE // 16 SEPTEMBER 2015

*The **Mt. SAC Promise** is our commitment to our students and community to provide quality facilities, current technology and a campus environment that fosters innovative instruction and learning well into the 21st century.*

AGENDA

West Parcel Solar Project:

- Project Overview
- Funding Sources
- Costs
- California Environmental Quality Act (CEQA)
- Environmental Permits
- Conceptual Array Layout
- Line of Sight + Photo Simulations
- Next Steps



SOLAR PROJECT OVERVIEW

- The Solar Project is located on Mt.SAC's property, referred to as the "West Parcel," southwest of Grand and Temple Avenues.
- The Project provides a 2.2MW ground-mounted solar photovoltaic system.
- Resolution 15-01 recommends approval of design-build agreement with Borrego Solar Systems, Inc.





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WEST PARCEL SOLAR PROJECT **Funding Sources**



SOLAR PROJECT COSTS

\$5.3M Project Cost of Acquisition and Installation of the Solar Panels:

- **\$3.0M** Proposition 39 Loan
 - California Energy Commission (CEC)
 - Approval of Borrego Solar Systems, Inc. contract
- **\$1.7M** Proposition 39 (California Clean Energy Jobs Act) Grant Funds
- **\$759K** Southern California Edison (SCE) Incentives
 - California Solar Initiative (CSI)
 - Deadline: September 27, 2015
 - Upload approved Borrego Solar Systems, Inc. contract to CSI program



SOLAR PROJECT CALIFORNIA ENVIRONMENTAL QUALITY ACT

December 2013:

- The Board of Trustees certified the “Final Environmental Impact Report (EIR)” for the Mt. San Antonio College 2012 Facility Master Plan and adopted the Facts and Findings and a Statement of Overriding Considerations.

There are no new or exacerbated significant environmental impacts associated with the proposed Project that were not analyzed in the certified Final EIR.



SOLAR PROJECT ENVIRONMENTAL PERMITS

The Project is currently under review by the following responsible agencies:

- US Army Corps of Engineers
- US Fish & Wildlife Service
- California Department of Fish & Wildlife
- State Water Resources Control Board

All permit and approval conditions imposed by the responsible agencies will be applied to the Project.

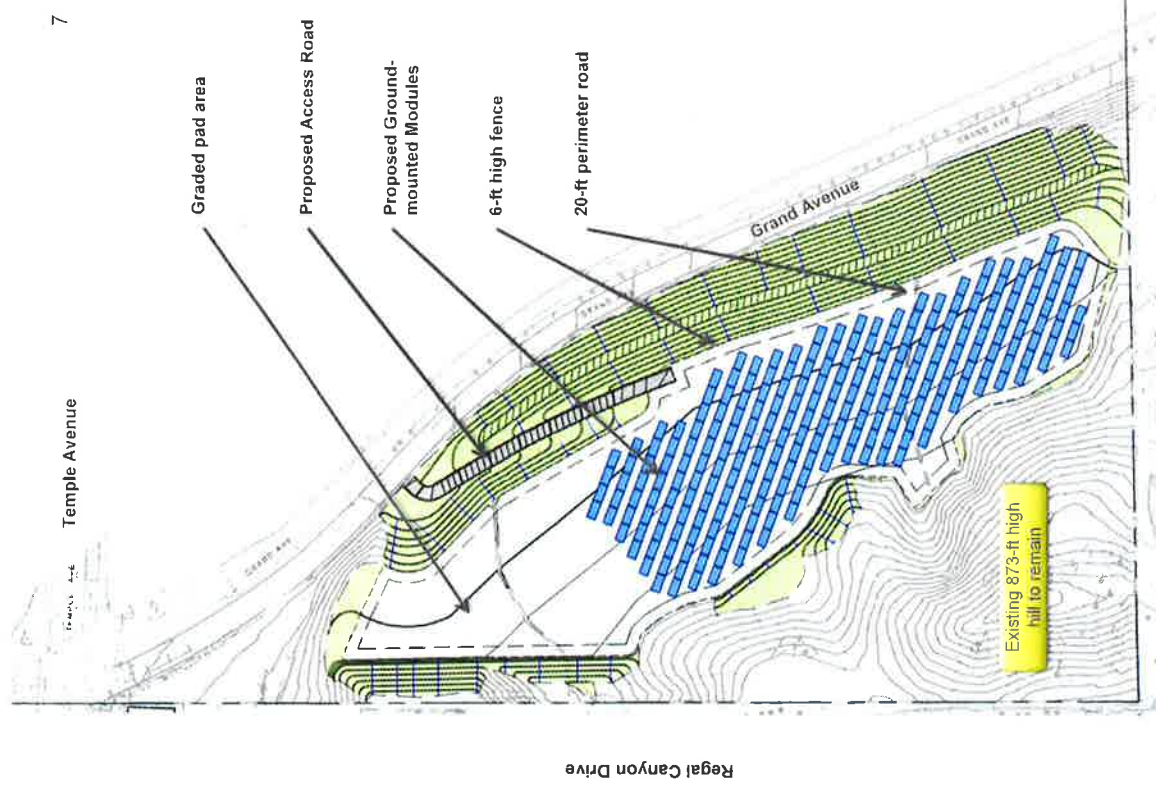


**US Army Corps
of Engineers®**



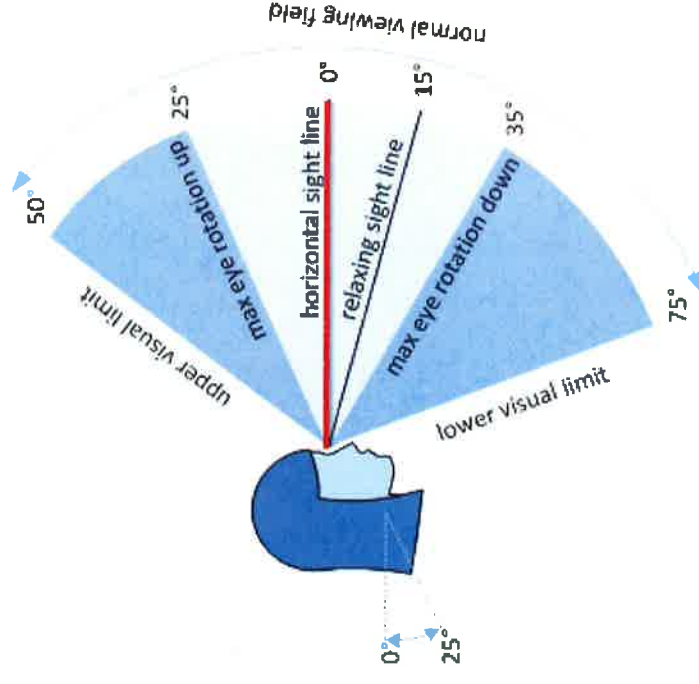
SOLAR PROJECT CONCEPTUAL ARRAY LAYOUT

- **Location:** The array is located on the southernmost portion of the graded pad to minimize impact on adjacent residences.
- **Horizontal Distance:** The closest solar panel is approximately **300-ft** from the nearest Regal Canyon Drive residence with a view of the Project.
- **Vertical Distance:** The residences on Regal Canyon Drive are located at an approximate elevation of 790-ft above sea level which is almost 30-ft higher than the proposed Solar Project pad elevation of 761-ft.



SOLAR PROJECT LINE OF SIGHT

- **Line of Sight (LoS)** is a phrase used to described the unimpeded view or access from one point to another point across a terrain or surface.
 - LoS is used to understand the visible and obstructed (non-visible) points in terrain which contains significant changes in elevation (in the form of mountains/hills and valleys).
- **Horizon line/eye level** refers to the actual height of the viewer's eyes when looking at an object, interior scene, or an exterior scene.
 - The existing site photographs used for the following photo simulations were shot at 5'-8" above finished grade (approximately eye level).



SOLAR PROJECT PHOTO SIMULATIONS

Photo simulations depict potential planning and design changes through realistic digitally-manipulated photographs.

- The District has retained the services of a professional photo simulation firm to prepare the following images to allow the entire Mt. SAC community to visualize the before and after conditions of the Solar Project more accurately.



BORREGO SOLAR



WW Design & Consulting, Inc.

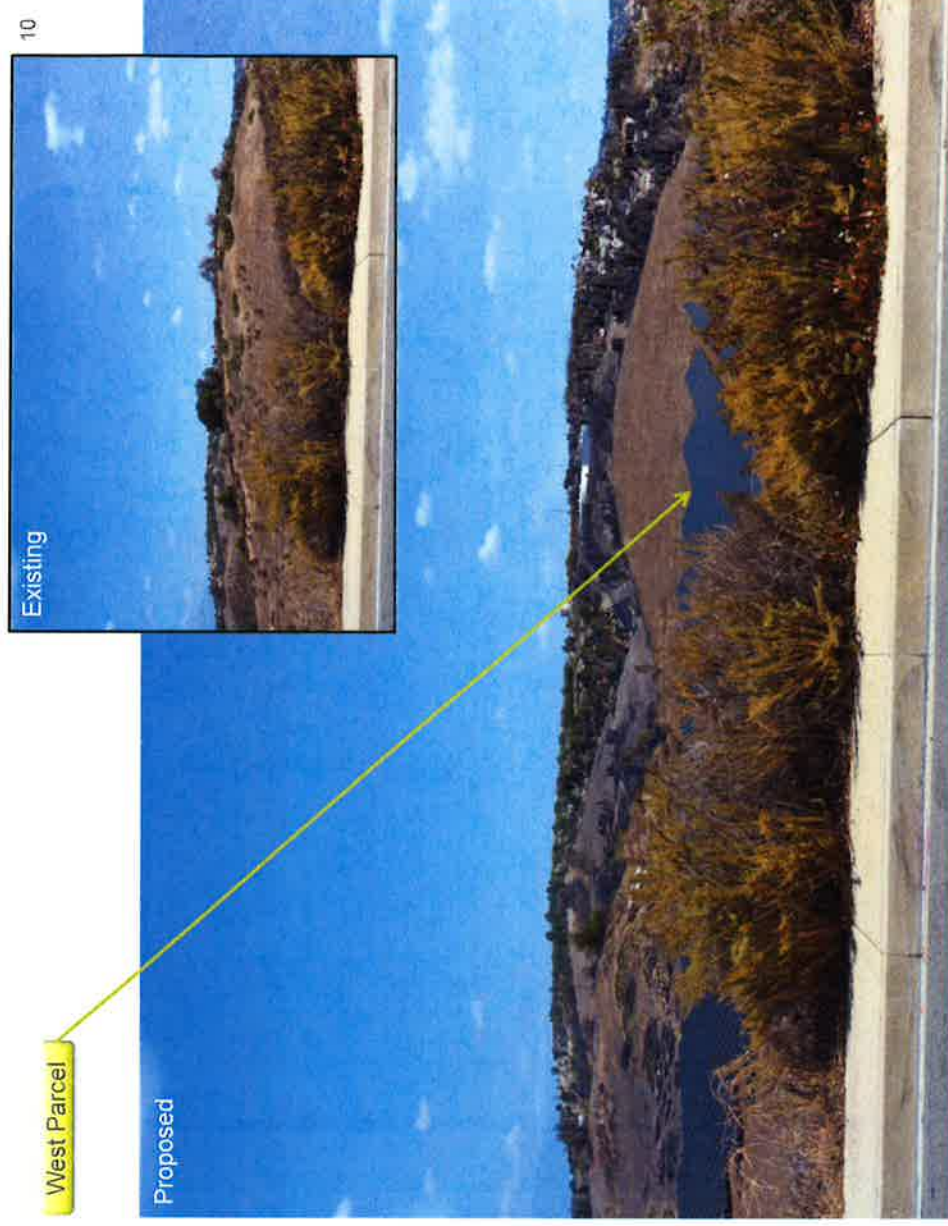


SOLAR PROJECT PHOTO SIMULATIONS

View 1:

1131 Regal Canyon Drive

- Photograph taken from the sidewalk in the middle of the driveway of 1131 Regal Canyon Drive.



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WWD Design & Consulting, Inc.



Mt. San Antonio College

SOLAR PROJECT PHOTO SIMULATIONS

View 2:

20331 Shadow Mountain Road

- Photograph taken from rear of vacant lot across the street from 20331 Shadow Mountain Road.



SOLAR PROJECT PHOTO SIMULATIONS

View 3:

20939 Stoddard Wells Road

- Photograph taken from the sidewalk in front of 20939 Stoddard Wells Road.



SOLAR PROJECT PHOTO SIMULATIONS

View 4:

21119 Granite Wells Drive

- Photograph taken across the street from 21119 Granite Wells Drive.



WW Design & Consulting, Inc.

SOLAR PROJECT PHOTO SIMULATIONS

View 5:

21775 Buckskin Drive

- Photograph taken from the street next to 21775 Buckskin Drive.



WW Design & Consulting, Inc.

SOLAR PROJECT NEXT STEPS

- Upon Board of Trustees contract approval, Borrego Solar Systems, Inc. will proceed with the **design**, procurement, installation and construction of the system.
- The line of sight study will be further used to guide our efforts to improve aesthetics and views for adjacent neighbors and explore options for landscape that will eventually screen the view of the Project.



QUESTIONS & COMMENTS

THANK YOU