



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 19-814, **Version:** 1

DATE: December 17, 2019

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Adopt a Resolution Authorizing the City Manager to Execute an Operations and Maintenance Agreement with Engie Services U.S., Inc., for the First Phase (Phase IIA) of the Two-Megawatt Solar Photovoltaic Energy System at the Water Pollution Control Facility (WPCF)

RECOMMENDATION

That Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute a 20-year Operations and Maintenance (O&M) Services Agreement with Engie Services U.S., Inc., to perform maintenance services for the Phase IIA 600 kilowatt (kW) solar photovoltaic energy system installed at the Water Pollution Control Facility (WPCF).

SUMMARY

On March 6, 2018, Council approved construction of a new two-megawatt solar photovoltaic facility at the WPCF. The approved project was for construction of the entire facility supplying the electricity generated to two recipients - East Bay Community Energy (EBCE) and Pacific Gas & Electricity (PG&E). Staff began conversations with EBCE to purchase the power under the municipal feed-in-tariff or MuniFIT program. When it became clear that the timing and availability of the FIT program was uncertain and had significant implications on the construction schedule of the solar facility, staff presented three scenarios to the Council Sustainability Committee that would allow the project to proceed. The Committee's preferred approach was to build the project in a single phase with a portion to be provided to PG&E through RES-BCT and a portion to EBCE through the FIT program. Staff continued talks with EBCE but were unable to successfully negotiate terms of an economically viable power purchase agreement with EBCE. Subsequently, in November of this year, Council approved a phased approach beginning with the first phase (Phase IIA), which is the portion of the project that will generate power for the City facilities. Construction of the Phase IIA solar photovoltaic energy system is nearing completion and an on-going O&M services agreement is needed to maintain the equipment warranty and to ensure the system operates properly.

ATTACHMENTS

Attachment I Staff Report
Attachment II Resolution