# 34305 ADOPTED – BOARD OF TRUSTEES COMMUNITY COLLEGE DISTRICT NO. 508 AUGUST 5, 2021

# BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508 COUNTY OF COOK AND STATE OF ILLINOIS

SOLAR PHOTOVOLTAIC ELECTRICITY PURCHASE AGREEMENT
COMMUNITY POWER GROUP, LLC.
OFFICE OF ADMINISTRATIVE AND PROCURMENT SERVICES
OLIVE-HARVEY COLLEGE
(AMENDMENT TO BOARD REPORT #33991, ADOPTED JUNE 4, 2020)

#### THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair, upon final approval of the General Counsel of the legal form of such agreement, to amend an agreement with Community Power Group, LLC. to install, secure, and maintain a 500 kWac (alternating current) / 750 kWdc (direct current) Solar Photovoltaic Array at Olive-Harvey College and provide electricity generated by the array via a power purchase agreement (PPA) at a total electricity supply cost not to exceed \$350,000 for fifteen years from the date of system energizing, estimated to be January 1, 2038. The Board shall also have the option to buy the system after a minimum of ten (10) years, or sign another PPA and lease term after fifteen (15) years. This agreement is contingent upon project acceptance in the *Illinois Solar for All* program.

**VENDOR:** Community Power Group, LLC.

5636 Connecticut Ave. NW #42729

Washington, DC 20015

**USER:** Olive-Harvey College

#### TERM:

The term of this agreement with Community Power Group, LLC. shall commence no earlier than August 5, 2021 and will continue through fifteen (15) years from the date of system energizing, estimated to be January 1, 2038. The District shall have the option to buy the system at an agreed upon buyout schedule after a minimum of ten (10) years, or sign another PPA and lease term at an agreed upon rate schedule and term length after fifteen (15 years), if so authorized by the Board of Trustees.

# **SCOPE OF SERVICES:**

Community Power Group, LLC. will furnish and install a Solar Photovoltaic (PV) Array at Olive-Harvey College that is 500 kWac / 750 kWdc. This procurement is subject to acceptance in the *Illinois Solar for All* program, which will provide incentives to Community Power Group, LLC. for the estimated 14,847 MWh to be produced by the solar PV array over the next 15 years. Community Power Group, LLC. will provide site security, including fencing for the array,

maintenance and operations for 15 years, and be responsible for preparing and submitting all project design and interconnection documents to the local utility.

The locked-in supply rate for all solar electricity produced under this agreement is \$0.01 per kilowatt-hour for the first eight (8) years, escalating to \$0.025 per kWh in year 9, \$0.03 per kWh in year 10, \$0.035 per kWh in year 11, \$0.03560 per kWh in year 12, \$0.03620 per kWh in year 13, \$0.03682 per kWh in year 14 and \$0.03744 per kWh in year 15. The not to exceed amount of \$350,000 shall be inclusive of a \$180,000 payment to made in year 1 with the next supply payment due only when 11,313,954 kWh have been produced, approximately 11 years after system energizing. If the Board exercises its option to buy the system prior to the reaching that level of kWh production any unused portion of the initial payment shall be applied to the buyout provision.

# **BENEFIT TO CITY COLLEGES OF CHICAGO:**

Olive-Harvey College is located within an area designated as an environmental justice community by *Illinois Solar for All*, making the campus eligible for this incentive program. The Solar PV Array will provide a net savings to the District estimated at more than \$200,000 in avoided electricity supply payments under current supply rates, and additional savings in reduced capacity and transmission charges due to the on-site generation over the next 15 years. This array will also provide an instructional asset to our expanding renewable energy academic offerings.

### **VENDOR SELECTION CRITERIA:**

The District contracted with Constellation Energy Services Inc., based upon state law which provides that contracts for goods and services procured from another governmental entity are exempt from the District's competitive bidding requirements.

In March of 2021, Constellation Energy Services, Inc. completed the sale of its Distributed Solar Business. As per Article 12 of the Lease Agreement and Article 10 of the PPA authorized by Board Report 33991, Community Power Group, LLC was delegated the Olive-Harvey College site lease and power purchase agreement from Constellation Energy Services via assignment and assumption.

After engineering due diligence, the original site plan and power purchase agreement terms require modification for compliance with *Illinois Solar For All*, site conditions, and Com Ed interconnection.

#### MBE/WBE COMPLIANCE:

Community Power Group, LLC. has made a commitment to meeting the District's MBE and WBE goals for this amended Solar PV Array project scope.

#### **GENERAL CONDITIONS:**

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General's authority under Article 2, Section 2.7.4(b) of the Board Bylaws.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board's Ethics Policy adopted January 7, 1993, and as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

# **FINANCIAL:**

**Total:** \$350,000

**Charge to:** Office of Administrative and Procurement Services

**Source of Funds:** Operations & Maintenance Fund

**FY22:** 573000-05501-5070800-70000

Respectfully submitted,

Juan Salgado Chancellor

August 5, 2021 – Office of Administrative and Procurement Services – District Office