



**Contra
Costa
County**

To: Contra Costa County Fire Protection District Board of Directors
 From: Jeff Carman, Chief, Contra Costa County Fire Protection District
 Date: December 6, 2016

Subject: Energy Services Contract with OpTerra Energy Solutions, Inc.

RECOMMENDATION(S):

1. OPEN the public hearing on the Energy Services Contract with OpTerra Energy Services, Inc.
 2. RECEIVE testimony, and CLOSE the public hearing.
 3. FIND that the anticipated cost to the District for thermal or electrical energy or conservation services provided by the energy conservation facility under the contract will be less than the anticipated marginal cost to the District of thermal, electrical, or other energy that would have been consumed by the District in the absence of those purchases.
 4. APPROVE and AUTHORIZE the Fire Chief, or designee, to execute an Energy Services Contract with OpTerra Energy Services, Inc., a Delaware corporation, in an amount not to exceed \$4,534,787.
 5. FIND that the project services to be performed under the Energy Services Contract are exempt from California Environmental Quality Act (CEQA), Class 1(d) Categorical
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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **12/06/2016** ☐ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes: CONTINUED to January 17 2016 at 1:30 p.m

VOTE OF SUPERVISORS

AYE: John Gioia, Director
 Candace Andersen,
 Director
 Mary N. Piepho, Director
 Federal D. Glover, Director

ABSENT: Karen Mitchoff, Director

Contact: Aaron McAlister,
 925-383-5003

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 6, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

cc:

Exemption, pursuant to CEQA Guidelines section 15301 (Existing Facilities) (d) of the CEQA Guidelines, and.

RECOMMENDATION(S): (CONT'D)

6. DIRECT District staff, through the Conservation and Development Department to file a Notice of Exemption with the County Clerk.

FISCAL IMPACT:

The total cost of the project including construction and development is \$4,418,845. The Fire District intends to use \$300,000 of available funds and finance the remainder of the project using a lease purchase arrangement over a maximum 19 year period. The lease purchase payments are projected to be fully offset by the combined program savings resulting in a net savings to the District in excess of \$50,000 annually.

In the fall of 2016 the Fire District issued an RFP for competitive financing to pay the costs of the Energy Services Contract. The Fire District has entered into negotiations with the successful proposer and the District anticipates returning to the Board within 60 days for authorization to enter into a financing agreement. The energy services contract requires financing to be in place within 60 days of executing the contract.

This contract is contingent upon the District obtaining financing that will allow it to make the payments to OpTerra Energy Services required by this contract. The Fire District will have sixty (60) calendar days after the contract effective date to obtain such financing. If the financing is not obtained within this time, for any reason, either party may declare this contract to be null and void. OpTerra Energy Services will have no obligation to commence performance of the work unless and until the financing has been obtained

BACKGROUND:

The Fire District has identified energy efficiency and HVAC improvements as a high priority project. On May 10, 2016, the Board authorized a Program Development Agreement with OpTerra Energy Services for energy assessment services and identification of potential energy conservation measures at Fire District facilities.

Under the Program Development Agreement, the assessment has concluded the cost of the energy conservation measures will be less than amounts the District would otherwise spend on energy without the implementation of the energy conservation measures. OpTerra has designed a program to install solar panels at four locations, water conservation measures at over a dozen sites as well as upgrade HVAC equipment at 12 facilities. The solar panels will be installed on shade canopies at three locations and one ground mounted system will be installed at the District's Delta Fair site. The solar shade canopy at the training center will provide cover for training and reserve fire apparatus currently stored outside.

A project of this scope allows us to rapidly address many of our deferred HVAC

maintenance needs. The installation of solar systems results in direct energy savings of \$192,000 per year. Additionally, the district will avoid some ongoing maintenance costs as well as future capital costs related to upgrading HVAC systems of approximately \$72,000 annually for a total combined savings of approximately \$264,000 per year. These savings will be used to offset the cost of financing installation of the equipment.

The project is a substantial commitment to renewable energy and is consistent with the Contra Costa County Climate Action Plan.

CONSEQUENCE OF NEGATIVE ACTION:

The Fire District would not be able to install solar and other energy efficiency upgrades. The HVAC improvements would have to be accomplished through other unidentified means.

CHILDREN'S IMPACT STATEMENT:

No impact.

CLERK'S ADDENDUM

CONTINUED to January 17, 2016 at 1:30 p.m.

ATTACHMENTS

CEQA Document

ESC OpTerra

OpTerra Presentation