



**Contra
Costa
County**

To: Board of Supervisors
From: Brian M. Balbas, Public Works Director/Chief Engineer
Date: July 28, 2020

Subject: APPROVE Third Amendment to Power Purchase Agreement [Non-New Tax Credit Project Sites] with MFP CO II, LLC, 1750 Oak Park Blvd., Pleasant Hill area.

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute on behalf of the County, an amendment to a power purchase agreement between the County and MFP CO II, LLC, and a related bill of sale, to pay MFP \$329,428 to purchase solar facilities at 1750 Oak Park Blvd. and terminate the agreement as to those facilities, effective July 31, 2020.

AUTHORIZE the Auditor-Controller to wire funds in the amount of \$329,428 made payable to KeyBank NA, 11501 Outlook, Ste. 300, Overland Park, KS 66211, ACH ABA # 041001039, Account Name: MFP CO II, LLC, Revenue Account, Account No. 359681511605, Attn: Holly A. Warren, (913) 317-4277.

FISCAL IMPACT:

100% General Fund. Accumulated expenditures paid by the County General Fund are to be reimbursed through proceeds from the sale of the Property.

BACKGROUND:

☒ APPROVE ☐ OTHER
☒ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **07/28/2020** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

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: July 28, 2020

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

By: Laura Cassell, Deputy

Contact: Angela Bell, (925)
957-2451

cc:

In October 2010, the

BACKGROUND: (CONT'D)

County's Board of Supervisors approved the Power Purchase Agreement [Non-New Tax Credit Project Sites] with Main Street Power Company, Inc. ("Agreement") for the installation of photovoltaic panels at 13 County-owned sites, including 1750 Oak Park Boulevard, and the sale of all electricity produced by the panels to the County. The Agreement was subsequently assigned to MFP CO II, LLC. The Agreement has a term of 20 years. The Agreement includes a Termination Option during the ninth year, which enables the County to evaluate the benefits of ownership. The County has the option to purchase the photovoltaic panels at fair market value, or at a pre-determined rate per watt, as identified in Exhibit 1A, Termination Price, of the Agreement. The Agreement is in its ninth year allowing for a buy-out of 95,763 kilowatts at a rate of \$3.44/kilowatts for a total buy-out price of \$329,428.00 for the 1750 Oak Park Blvd. site.

The County is the owner of real property located at 1750 Oak Park Blvd., Pleasant Hill (Property), consisting of approximately 4.8 acres of land improved with a County-owned building formerly operated as the Oak Park Blvd. Library (Library). The Library officially closed on June 3, 2020 at 6pm.

On July 14, 2020, the County's Board of Supervisors authorized the sale of the Property. The County is in the process of clearing the Property for sale to a prospective buyer to build a single-family residential development. In order to move forward with that process, the existing Library will need to be demolished. Before the Library can be demolished, the County needs to exercise its Termination Option under the Agreement and take ownership of the solar facilities at the Library. The Amendment makes changes to the power purchase agreement to remove the 1750 Oak Park Blvd. solar facilities from the Agreement, buy out MFP's rights under the agreement as to those facilities, and transfer title to the facilities to the County by a bill of sale, for payment to MFP in the amount of \$329,428. The Agreement will remain effective as to all other solar facilities.

The Public Works Director recommends approval of the amendment to ensure that the Oak Park project moves forward.

CONSEQUENCE OF NEGATIVE ACTION:

Without approval from the Board of Supervisors, the County will not be able to move forward with the sale of the 1750 Oak Park Blvd. property or demolition of the former Oak Park Blvd. Library.

ATTACHMENTS

Power Purchase Agreement Amendment

Bill of Sale