



**Contra
Costa
County**

To: Board of Supervisors
From: Brian M. Balbas, Public Works Director/Chief Engineer
Date: December 15, 2020

Subject: Approval of Consent and Agreement associated with SunPower Power Purchase Agreement

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Public Works Director, or designee, to execute a Consent and Agreement, dated December 8, 2020 with SunPower (Solar Star Co Co 1), LLC and ST TOTAL Strong Statutory Trust, as lessor (together, with its successors in such capacity, the ‘System Lessor’) in accordance with the original Power Purchase Agreement.

FISCAL IMPACT:

No fiscal impact.

BACKGROUND:

The originally executed Power Purchase Agreements established the County’s obligation in Section 14.17 to reasonably cooperate with SunPower and its financing parties in connection with such financing including the giving of a Financing Party acknowledgment form attached in the Power Purchase Agreement as Exhibit B. On March 26, 2020, the Contra Costa Public Works Department received the Notice of Assignment from SunPower, and on October 16, 2020 was advised that TOTAL Strong Construction Holdco, LLC entered into the finance agreement, and on September 22, 2020 the Board approved the finalized

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **12/15/2020** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

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 15, 2020

Contact: Ramesh Kanzaria
925-957-2480

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

By: , Deputy

cc:

Consent and Agreement that allowed the construction loan to be funded.

BACKGROUND: (CONT'D)

This subsequent Consent and Agreement is a financing document required by the project financier before it will (a) fund the project to allow payoff of the construction loan and (b) allow the PV systems to be turned on. This Consent and Agreement replaces and terminates the construction loan consent, and updates party names and other facts relevant to the projects' progression from construction financing to operations financing. The Consent and Agreement 1) establishes a relationship between the financier (as lessor in a sale-leaseback financing structure) and the County; 2) provides consent by the County if the financier needs to cure any defaults in the operation of the project by SunPower; and 3) memorializes the Commercial Operation Date and PPA rate at the time of completion of the projects). Execution of the Consent and Agreement is one of the final steps to be complete before turning on the systems.

CONSEQUENCE OF NEGATIVE ACTION:

Without approval of the Consent and Agreement the County would not be in accordance with the original Power Purchase Agreement.

CLERK'S ADDENDUM

RELISTED to a future date uncertain.