



Willows City Council Special Meeting

March 21, 2023
Willows City Hall
6:00 PM

City Council
Rick Thomas, Mayor
David Vodden, Vice Mayor
Gary Hansen, Council Member
Jeff Williams, Council Member
Casey Hofhenke, Council Member

City Manager
Marti Brown

City Clerk
Vacant

201 North Lassen Street
Willows, CA 95988
(530) 934-7041

Agenda

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. CHANGES TO THE AGENDA

5. DISCUSSION & ACTION CALENDAR

All matters in this section of the agenda are discussed and will be acted on individually. Individuals wishing to address the City Council concerning any of these items are invited to make oral comments of up to three minutes at this time. Please address your comments to the Mayor and Councilmembers, and not to staff and/or the audience. When the Mayor calls for public comment, please raise your hand to be acknowledged. While not required, the city requests that you please state your name clearly for the audio recording. By State law, the Council is not permitted to undertake any action or discussion on any item not appearing on the posted agenda. If you have any documentation that you would like distributed to the City Council, please mail it to the City Clerk at 201 North Lassen Street, Willows, CA 95988 or email it to: cityclerk@cityofwillows.org.

a. Solar Power Purchase Agreement with Trinary Energy - Additional Components

Recommended Action: Approve additional components to the Power Purchase Agreement (PPA) between the City of Willows and Trinary Energy, to include solar infrastructure on the roofs of the Civic Center and the Fire Station, and to replace the roof on City Hall at no cost to the City.

Contact: Patrick Piatt, Community Development & Services Director, ppiatt@cityofwillows.org

6. CLOSED SESSION

Pursuant to Government Code Sections §54954.3, the public will have an opportunity to directly address the legislative body on the item below prior to the Council convening into closed session. Public Comments are generally restricted to three minutes.

a. Public Employee Discipline/Dismissal Release (§ 54957(b))

7. ADJOURNMENT

This agenda was posted on March 17, 2023.

Marti Brown,
Acting City Clerk

A complete agenda packet, including staff reports and back-up information, is available for public inspection during normal work hours at City Hall or the Willows Public Library at 201 North Lassen Street in Willows or on the City's website at www.cityofwillows.org.

In compliance with the Americans with Disabilities Act, the City of Willows will make available to members of the public any special assistance necessary to participate in this meeting. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132). The public should contact the City Clerk's office at 934-7041 to make such a request. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

The City of Willows is an Equal Opportunity Provider



Date: March 21, 2023

To: Honorable Mayor and Councilmembers

From: Patrick Piatt, Community Development & Services Director
Marti Brown, City Manager

Subject: Solar Power Purchase Agreement with Trinary Energy - Additional Components

Recommendation:

Approve additional components to the Power Purchase Agreement (PPA) between the City of Willows and Trinary Energy, to include solar infrastructure on the roofs of the Civic Center and the Fire Station, and to replace the roof on City Hall at no cost to the City.

Rationale for Recommendation:

The original estimate of kilowatts provided by Trinary Energy, included an offset of the cost of electricity for the Civic Center and the Fire Station. As part of the installation of the solar facility on the roof of the Civic Center, Trinary Energy has offered to replace the roof at no additional cost to the City. The installation of solar infrastructure on the Civic Center and the Fire Station will bring additional energy cost savings to the City of Willows and reduce its dependency on PG&E.

Background:

On February 21, 2023, the City Council directed the City Manager to execute an agreement, and other related and associated documents, with Trinary Energy to build and operate a new solar energy array (array) adjacent to the Willows Wastewater Treatment Plant (WWTP) located at 1600 South Tehama Street. The agreement presented to the City Council included an estimated 780-kilowatt hours (kWh) system that had been sized by Trinary to include systems that would offset the cost of energy for the Civic Center and for the Fire Station, however, language in the staff report did not note that those facilities were incorporated in the estimate for 780-kWh system. Staff informed the City Council during the February 21, 2023, meeting that approval of additional arrays to offset the cost of the Civic Center and the Fire Station would be presented to the Council at a future Council meeting.

During the recent heavy rains, staff discovered that there are significant instances of water ponding on the Civic Center roof (Exhibit A). The current roof system is a single-ply, rubberized membrane, installed in 2011 and includes a 20-year warranty for the material. The roofing material has been effective to date, however, there is a portion of the roof that is structurally deficient and may void the manufacture warranty if the roof were to begin to fail or if it was breached to perform repairs. The estimated cost of a new roof on the Civic Center, including build up or replacement of the areas of failing substrate, is approximately \$150,000.

Staff has discussed with Trinary Energy the possibility of including in the PPA the replacement of the roof over the Civic Center, as a necessary component of a functional solar system. After considering the anticipated buy-out of the current array and reviewing the costs associated with the installation of the arrays at the Wastewater Treatment Plant (WWTP), Civic Center, and Fire Station, Trinary Energy has determined that it can include a new roof on the Civic Center (as part of the PPA) at no additional cost to the City because of the added tax credit incentives that Trinary will receive through the added project cost.

The current annual cost of energy for the Civic Center is approximately \$12,600 and the cost of energy for the same kWh with a new solar array would be approximately \$9,325. This would represent a savings of \$3,275 annually, and approximately \$81,875 over the life of the solar array. The Fire station's approximate current annual cost is \$19,160, and using the same kWh with a new solar array, the cost would be approximately \$11,235. This would represent an annual savings of approximately \$7,925, and over the term of the Trinary agreement would be approximately \$198,125.

Discussion & Analysis:

While the language regarding the roof on the Civic Center and Fire Station was not included in the February 21 staff report for the PPA with Trinary Energy, the kWh necessary to cover 90% of the energy needs for both of these buildings was included in the Trinary Energy proposal and proposed PPA as presented to the City Council. As a result, there would be no cost to the City for the two new arrays and no increase to the \$0.179 cost per kWh for the WWTP. The City would receive the same benefits from the NEM 2 plan, including the same \$0.179 per kWh cost (already presented to the Council on February 21, 2023) and provide the required energy for both buildings. All benefits and elements related to the PPA already approved by City Council would apply to the solar array installed on the Civic Center and the Fire Station.

The project also provides for budgeting consistency and cost increase stability for the energy needs of the Civic Center and the Fire Station as memorialized in the Trinary Energy PPA over the next 25 years. In contrast, should the city continue to rely solely on PG&E for its energy needs, it runs the risk of uncertain and unpredictable rate increases and spikes (as seen in recent years and projected in future years) bringing additional challenges to the budgeting process.

Additionally, the cost of the roof on the Civic Center could be included in the PPA as part of an effective and comprehensive installation and is a permitted activity under the NEM 2 plan. With eight-years remaining on the existing warranty and roof material, and the likeliness that the warranty would be void in the event of a failure due to the condition of the existing substrate, replacement of the roof at this time for no out-of-pocket cost to the City is a benefit that would be unattainable in the future. The warranty on the material of a new roof would be commensurate with the terms of the PPA with Trinary for the new solar array. In addition, the life of the new roof would correspond with the life of the PPA increasing the likelihood that the Civic Center roof would not need to be replaced until the PPA expired.

Fiscal Impact:

There is no fiscal impact to the General Fund as a result of this action. Future payments for energy for the operations at the Civic Center and the Fire Station will result in a savings to the General Fund.

Exhibit A: Existing Civic Center Roof

