



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Public Works



**Date:** January 5, 2015  
**Board Meeting Date:** February 10, 2015  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** James C. Porter, Director of Public Works

**Subject:** Maintenance Agreement with SolarCity Corporation for Solar Installations

**RECOMMENDATION:**

Adopt a Resolution authorizing an agreement with SolarCity Corporation, for the operation, maintenance, and repair of two solar photovoltaic systems, for a term of ten years commencing upon PG&E's approval of the utility interconnection, in an amount not to exceed \$375,000.

**BACKGROUND:**

Your Board adopted Resolution 073291, which approved a contract with SolarCity Corporation on July 15, 2014, to design, furnish, and install two solar photovoltaic systems: a 119 kW rooftop system on the Election Building, and a 223.2 kW carport style system at the East Palo Alto Government Center (EPA). Both systems require a five-year manufacturer's warranty to qualify for utility rebates. This can only be achieved by contracting with the original installer to maintain the systems.

**DISCUSSION:**

SolarCity was selected as a result of the regional RFP process conducted by Alameda County. Proposers bid complete packages for each location which included design, construction, and ongoing preventive maintenance and repair. Staff elected to pursue separate contracts, one for design/construction, and a second for follow-on operations and maintenance.

Construction of the carport structure at the EPA began on December 15, 2014, and is scheduled for completion on/or about February 15, 2015. Similarly, the rooftop system at the Elections Building is currently under design and that installation is expected to be complete within the next four months. Pacific Gas and Electric Company (PG&E) requires a system warranty to qualify for a rebate to be paid annually for the first five years based on actual system production. A maintenance contract with the original

installer for the full five-year rebate period is the only means of obtaining the required overall system warranty. Staff considers a 10-year term in the best interest of the County as all of the major components carry at least a 10-year warranty and the use of County staff and/or outside contractors to service and repair the systems may result in voiding any applicable warranties.

The Contracts Compliance Committee has approved the three-year waiver for this Agreement.

The Department requests that your Board authorize the Director of Public Works or his designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate) and/or modify the contract terms and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

County Counsel has reviewed and approved the Resolution and Agreement as to form.

Approval of this Agreement contributes to the Shared Vision 2025 outcome of an Environmentally Conscious Community by maintaining the two solar systems to insure the maximum possible production of clean, renewable energy.

**FISCAL IMPACT:**

The term of this Agreement is from February 10, 2015 through February 9, 2025, dependent on PG&E's approval of the utility interconnection. The annual cost of preventive maintenance for the two systems combined is \$8,052 with an annual inflation factor of up to 3%. Staff estimated \$25,000/per year in non-warranty related repairs, also adjusted by 3% annually, together comprising the not-to-exceed amount of \$375,000. Funding has been included in the Facilities budget and will be financed through rent charges.

There is no additional impact to the General Fund.