

**Request for Legislation**

**An ordinance authorizing the Mayor's Office of Capital Projects to enter into one or more professional service contracts for the designing, building, operating and maintaining of on-site solar photovoltaic (PV) installations at select City facilities.**

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**Background/Purpose:**

As part of the City of Cleveland's commitment to climate action, the Cleveland Climate Action Plan (CAP) established a goal of reducing overall emissions in our region by 80% over a 2010 baseline by 2050, and the Sustainable Cleveland Municipal Action Plan (SC-MAP) established a goal of reducing emissions from City operations by 45% over a 2010 baseline by 2030. As nearly 50% of all regional emissions come from energy use, identifying opportunities and implementing solutions to support the transition to renewable and clean energy sources is critical.

To help meet this commitment, the Mayor's Office of Sustainability in conjunction with the Mayor's Office of Capital Projects has identified multiple City facilities that are conducive to the installation of on-site solar photovoltaic (PV) equipment. This includes both roof mounted and ground mounted solar PV equipment. This ordinance would authorize a vendor to design, build, operate and maintain the equipment with costs recovered through a 25-year purchase power agreement (PPA). Under this PPA, there are no anticipated upfront costs to the City, and the City would only pay for power produced and received by the facilities from the solar PV equipment.

**Scope of Work/Commodities/Services:**

This legislation authorizes the City to enter into one or more contracts to meet the following scope:

- Detailed site analysis, design, financial computations and pricing.
- Installation, utility interconnection and net metering of the on-site solar PV systems, with potential for special PPA sale of excess power back to the utility.
- Entering into up to a 25-year PPA with the selected vendor based on a 'take and pay' model (pay for output only after project has been successfully completed, generating and interconnected. No anticipated upfront costs to the City with the PPA model).
- Ongoing Operations, Maintenance (O&M) and monitoring of the installations, for the duration of the PPA term.
- Implementing resiliency options with battery storage at select facilities ranging from emergency power, to more advanced functions such as but not limited to demand response, peak shaving and grid harmonization.
- Banking and selling of Renewable Energy Credits (RECS) with monetary and carbon savings due to the City.

- Set up of an escrow/dedicated fund source to set aside potential savings as well as additional revenues from the project, from which the City could pay for the Fair Market Value of the Solar installations, or any potential unforeseen breakage/severance fees.

**Justification/Urgency:**

The importance of this request for legislation is high, owing to time-sensitive vendor pricing, which has factored in 2020 Solar investment tax credits, which declines each year hence.

**Anticipated Costs and funding source:**

No upfront costs anticipated. Costs associated with the project will be recovered through the payment for electricity received from the solar installations.

**Schedule or Term of Contract:**

25 years

**Current Contract (s):**

N/A

**Cleveland-Area Small Business Participation:**

Contract Type: Design/Build

Subcontracting Goals: 15%MBE/7% FBE /8 % CSB Construction; 10% Professional Services