

BOARD OF ALDERMEN

ITEM NO.: C(5)

AGENDA ITEM ABSTRACT

MEETING DATE: OCTOBER 16, 2012

TITLE: Photovoltaic Installation Opportunity at Town Commons

DEPARTMENT: PLANNING, MANAGER, ECD	PUBLIC HEARING: YES __ NO <u>X</u>
ATTACHMENTS: A. Resolution B. Lease agreement template	FOR INFORMATION CONTACT: RANDY DODD, 918-7326

PURPOSE: The purpose of this agenda item is to seek approval for the Town Manager to enter into agreement with Carrboro Community Solar (CCS) LLC for the installation of a photovoltaic system at the Town Commons.

INFORMATION: Town staff, with assistance from UNC Delta Fellows and Appalachian Institute for Renewable Energy (AIRE), have investigated the opportunity for a solar photovoltaic installation at the Town Commons. With Board approval in January, 2012, staff have pursued a third party/community financing approach. AIRE completed a feasibility study in the summer of 2012 which supported the formation of CCS. CCS needs to complete the installation by mid-December to take advantage of 2012 tax credits and time-limited available rates for the sale of renewable energy credits to NC Green Power. In order to complete the administrative and construction tasks within this time frame, the Town and CCS need to quickly enter into a lease agreement. AIRE has provided a template for this agreement, which staff are in the process of reviewing. In order to provide sufficient time for CCS to complete the installation of the 5-kilowatt system by mid December, the lease agreement should be executed no later than the end of October. Staff have brought this item to the Board at this time since the Board will not hold a regular business meeting again until mid-November, a time table that could hinder CCS's ability to complete the project by the end of 2012 and thereby jeopardize the project's feasibility.

FISCAL AND STAFF IMPACT: No immediate fiscal impact is anticipated. The project will result in the Town receiving a nominal rent for the roof space, and a donated solar electric system worth approximately or slightly greater than \$20k (present day \$) in approximately 6 years. During this period, Carrboro Community Solar will be responsible for system operation and maintenance. Completion of the installation will require some staff time to work with all involved parties.

RECOMMENDATION: Staff recommends that the Board approve the resolution provided authorizing the Town Manager to enter into agreement with Carrboro Community Solar for a 5 kilowatt system to be installed on the south facing market stall roof at the Town Commons and negotiate a nominal rent.