

City of Milwaukee

200 E. Wells Street Milwaukee, Wisconsin 53202

Legislation Text

File #: 180457, Version: 1

180457 SUBSTITUTE 1 091066, 091269, 131035, 170337, 171843 ALD. JOHNSON, KOVAC, MURPHY, BAUMAN

Substitute resolution authorizing the Department of Administration to enter into a Solar Services Agreement to design, supply, install, commission, maintain, finance, and co-own 1.1 megawatts of solar photovoltaic (PV) panels on 6 City buildings.

This resolution authorizes the Department of Administration to enter into a Solar Services Agreement to design, supply, install, commission, maintain, finance, and co-own 1.1 megawatts of solar photovoltaic (PV) panels on 6 City buildings. Council File Number 171843 previously authorized the Department of Administration to accept \$211,882 of incentive funding from the Focus on Energy program, with the panels being co-owned by the City and a participant investor. The approach allows the project to use federal tax credits to reduce the system cost to the City and the amount of capital needed to fund the project. The project needs to be installed by the end of 2018 to ensure that the Focus on Energy incentive can be used on the project.

Whereas, On December 22, 2009, the Common Council adopted File Number 091066 supporting the "25 x 25" goal, which called for generating 25 percent of the City's electricity from renewable resources by 2025; and

Whereas, On February 9, 2010, the Common Council adopted File Number 091269, expressing a commitment to promoting solar energy in the City; and

Whereas, On December 17, 2013, the Common Council adopted File Number 131035, approving and directing implementation of the City's sustainability plan, ReFresh Milwaukee; and

Whereas, The City's sustainability plan calls on the City to reduce energy use 20% by 2020 and increase reliance on renewable energy to 25% by 2025; and

Whereas, According to the Solar Energies Industry Association, the cost to install solar panels has dropped by more than 70% since 2010; and

Whereas, On June 20, 2017, the Common Council adopted File Number 170337, expressing the City's support for the Paris Climate Accord; and

Whereas, The City has made a commitment to take actions to reduce climate pollution in alignment with the City's energy efficiency and renewable energy goals, and continues to support the principles of the Paris Climate Accord; and

Whereas, The City Energy Reduction Team is working to reduce energy use across City operations; and

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Whereas, The Department of Administration issued a Request for Proposal (#15921) to identify the most financially advantageous proposal from qualified solar installers and participant investors to design, supply, install, commission, maintain and finance 6 solar electric systems totaling 1.1 megawatts; and

Whereas, The Department of Administration has reviewed the proposals and selected a recommended vendor; and

Whereas, The proposal is for a 25-year agreement that is cash-flow-positive annually for the City over the life of the project, as compared to existing energy costs, assuming an annual electricity rate increase of 2.5%; and

Whereas, The solar developer shall be responsible for insurance and maintenance of the system over the life of the agreement unless the City buys the developer's share of the system; and

Whereas, The City will co-own the PV systems with a participant investor so that the project can utilize federal investment tax credits that are available for solar PV; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Administration is authorized to enter into a 25-year Solar Services Agreement to design, supply, install, commission, maintain, finance, and co-own 1.1 megawatts of solar photovoltaic (PV) panels on 6 City buildings.

LRB171684-2 Eric Shambarger Environmental Collaboration Office Teodros W. Medhin 7/12/2018