

RESOLUTION 22- Solar Project at Pine Valley Community Village

Whereas, Pine Valley Community Village (PVCV) desires to add onsite solar electric generation as a compliment to its energy efficiency measures and geothermal system, and

Whereas the funding for this project will be provided through a combination of grants from 'Solar for Good', and 'Focus on Energy'; \$100,000 from the Pine Valley Foundation, (thanks to pledged designated gifts of \$50,000 each from Ray Schmitz and Bob Simpson), and \$142,553 from PVCV's own capital fund, and

Whereas the scope of the project will be a 180 kw DC solar array to be located just east of County Road O on county land directly east of PVCV's campus, and provide an estimated annual energy savings to PVCV of more than \$17,300 in the first year, and estimated cumulative savings of more than \$337,369 (after expenses) over the course of 25 years, and

Whereas through competitive bidding, Solar Connection Inc. of Onalaska, Wisconsin, has been chosen to construct the array for a total cost not to exceed \$285,523, and

Whereas the Pine Valley/Child Support Standing Committee and the Finance & Personnel Committee have carefully reviewed this request and now bring it forward to the County Board for its consideration,

Now therefore be it resolved that PVCV be granted approval to enter into a construction agreement with Solar Connection Inc. from Onalaska, Wisconsin, for an amount not to exceed \$285,523, and

Be it further resolved that this resolution shall be effective on its passage and publication.

Solar Project financing (highlighting revisions from previous plan)

Previous Plan – involved setting up a special contract with Ray Schmitz and Bob Simpson, who would become owners of the DC side of the Solar Array for a minimum of 5 years. The contract would have had to meet IRS regulations for such arrangements.

Revised Plan – has no contract; no special arrangements needed.

Previous Plan – had no involvement from the Pine Valley Foundation.

Revised Plan – has \$100,000 coming from the Foundation, thanks to \$50,000 pledged from Ray Schmitz, and \$50,000 pledged from Bob Simpson.

Previous Plan – had Pine Valley making annual payments for 5 years, plus a buy out in year 6.

Revised Plan – Pine Valley will not be making payments to anyone. Total out of pocket to be only \$142,553, as compared to \$237,111 from previous plan.

Previous Plan – had no grant coming from Focus on Energy.

Revised Plan – estimates Focus on Energy grant for this project of \$42,970

Previous Plan – had Pine Valley setting aside funds for 5 years in order to cover the cost of the buyout in year 6 of the contract.

Revised Plan – there is no buyout in year 6. However, funds from the capital fund are being used, therefore consideration should be given to eventually replenish those funds for future Pine Valley needs.

Previous Plan – had Pine Valley not breaking even until year 13.

Revised Plan – has Pine Valley breaking even in year 9.

Previous Plan – had Pine Valley's cumulative energy savings at \$272,163 after 25 years.

Revised Plan – estimates savings of \$337,369 after 25 years.

Richland County Finance and Personnel Committee

Agenda Item Cover

Agenda Item Name: Pine Valley Solar Project

Department	Pine Valley	Presented By:	Tom Rislow, PV Administrator & Kurt Reinhold, President & CEO of Legacy Solar Coop
Date of Meeting:	June 7, 2022 June 17, 2022	Action Needed:	Vote to approve sending onto the County Board
Disclosure:	Open	Authority:	county board rule 14
Date submitted:	June 2, 2022 June 13, 2022	Referred by:	Pine Valley & Child Support standing committee

Recommendation and/or action language: Recommend a motion, "to present a resolution to the County Board for approval for Pine Valley Community Village to ~~1) enter into an agreement with Solar Connection, Inc. from Onalaska, Wisconsin, for the construction of a 180 kW DC (approximately 150 kW AC) Solar Array, to be ground mounted on Pine Valley property east of County O, for a sum not to exceed \$285,000 and 2) enter into financial agreement with 'tax sponsor' Richland County resident, Ray Schmitz, for the funding of the Solar Array."~~ Enter into an agreement with Solar Connection, Inc. from Onalaska, Wisconsin, for the construction of a 180 kw DC (approximately 150 kw AC) Solar Array, to be ground mounted on Pine Valley property east of County O, for a sum not to exceed \$285,523.

Attachments and References:

Legacy Solar Coop — who they are Proposed Resolution for county board	ROI estimate over 40 years ROI estimate over 25 years
Background of PV solar project	Components of tax sponsor/financial agreement Financing plan revisions

Financial Review:

(please check one)

<input type="checkbox"/>	In adopted budget	Fund Number	
<input type="checkbox"/>	Apportionment needed	Requested Fund Number	
<input type="checkbox"/>	No financial impact		

Project funding coming from: Focus on Energy grant; estimated to be \$42,970.

Solar for Good grant of \$51,000; already included in construction contract numbers.

Pine Valley Foundation of \$100,000; thanks to pledged designated gifts of \$50,000 each from Ray Schmitz and Bob Simpson.

The remaining \$142,553 to come from Pine Valley's capital account.

The break-even point will be after year 8, as compared to year 12 from previous financial plan.

Number of solar panels (all bifacial) = 334 Approximate size of array = .3 of an acre

Percentage of annual electrical needs estimated to be provided by the solar array = 17%

Estimated annual savings = \$17,300 in 2023; each year savings to increase by 2%

Value of grant awarded through Solar for Good = \$51,000

Funds for Buyout in year six to come from PV capital fund

~~Funds needed to put aside for first 5 years in order to cover cost of buyout in year 6 — \$33,000 annually X 5 years = \$165,000.~~

Richland County Finance and Personnel Committee

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Approval:

Review:

Department Head

Administrator, or Elected Office (if applicable)
