

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor’s Legislative Team

at MileHighOrdinance@DenverGov.org by 11:00am on **Monday**. Contact the Mayor’s Legislative team with questions

Date of Request: December 12, 2022

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
- Dedication/Vacation Appropriation/Supplemental DRMC Change
- Other:

2. Title: (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Approves Solar Power Subscription Agreement with McKinstry Essention, LLC for \$6,500,000.00 for the term ending November 30, 2046, for Community Solar Garden Bill Credits to be applied to the City’s monthly invoices from Xcel Energy for retail electric service for City meters. Contract Control Number: CASR-202266138.

3. Requesting Agency: Climate Action, Sustainability, and Resiliency (CASR)

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Jonathan Rogers	Name: Drew Halpern
Email: jonathan.rogers@denvergov.org	Email: Andrew.Halpern@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

This agreement with McKinstry Essention, LLC provides the mechanism to apply community solar bill credits to City electric meters as part of the Renewable Denver Community Solar Initiative. The Renewable Denver Community Solar program structure guarantees a net utility bill cost savings for the city, while ensuring that CASR can cover the ongoing operations and maintenance costs of the solar projects.

Relevant related contracts include CASR’s Solar Operator Agreement with McKinstry Essention, LLC (CASR-202160096 and CASR-202263562) and a \$1,000,000 grant award from the Colorado Department of Local Affairs (CASR-202055160).

This contract is to enable Denver’s solar host facilities to receive bill credits from the Phase 1 RDCS solar projects Phase 1 project implementation details:

- Contract: CASR-202160096
- Term: Through November 30, 2046
- Ten projects totaling (4.6 MWdc; 7.3 million kWh annually)
 - The first two projects hosted at the National Western Center are anticipated to achieve commercial operation in January 2023.
 - The other eight projects will be completed on a rolling basis through 2023
- The projects include a combination of solar carports (6), rooftops (2), and ground mounted systems (2) across several City facilities
- The is power shared between host facilities (70%) and low-income Denver households (30%)
 - The low-income households can live anywhere in Denver and are being identified by Denver Public Schools, Energy Outreach Colorado, and the Denver Housing Authority.

To be completed by Mayor’s Legislative Team:

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- CASR will provide an update on the geographic diversity and demographic information of the low-income households in the future as projects come on-line and that information is made available.

Not included in this Subscription Agreement is the eleventh project in the RDCS program (added through amendment CASR-202263562).

- The project is a 1.2 MWdc agrivoltaics (solar + farming) project in partnership with the Denver Botanic Gardens
- Chatfield Farms will donate the crops to local food pantries
- 80% of the power from this project will be donated to low-income households
- 20% of the power will be subscribed to Denver Botanic Gardens at a guaranteed utility-bill discount
- Note: The Subscription Agreement for this project will be brought to Council at a later date
- This project is expected to mobilize for installation in the summer of 2023

6. **City Attorney assigned to this request (if applicable): Lee Zarzecki**

7. **City Council District: All**

8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property):
Professional Services

Vendor/Contractor Name: McKinstry Essention, LLC

Contract control number: CASR-202266138

Location: Citywide

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):
December 21, 2022 to November 30, 2046

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$6,500,000	\$0	\$6,500,000

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
12/21/2022 – 11/30/2046	n/a	n/a

Scope of work:

This agreement with McKinstry Essention, LLC provides the mechanism to apply community solar bill credits to City electric meters as part of the Renewable Denver Community Solar Initiative. The subscription fee effectively redirects payments from Xcel Energy towards the operations and maintenance of the City owned community solar projects, at a net electricity cost savings.

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Was this contractor selected by competitive process? YES

If not, why not? N/A

Has this contractor provided these services to the City before? Yes No

Source of funds:

- 01010 General Fund
- 3011700 Denver Energy Office
- CFMS Account: 62110: Utilities
- Spend Category: 83101800 - Electric utilities

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? N/A

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