

Sauk Valley Community College
August 26, 2019

Action Item 4.4

Topic: Solar Project

Strategic Direction: College Health – Metric 3 – Financial Stability – The College uses its revenue conservatively. The College pursues and utilizes alternative revenue streams.

Presented by: Dr. David Hellmich

Presentation:

On September 24, 2018, the administration presented the information below and the Board approved the administration’s recommendation for the expenditure of \$28,900 for the engineering costs of the Solar Project.

	<u>Block 1</u>	<u>Block 4</u>
<u>System Size in kilowatts (kWh)</u>	124.44	124.44
<u>System Cost Calculation</u>	(in \$'s)	(in \$'s)
<u>Gross System Cost</u>	<u>\$278,880</u>	<u>\$278,880</u>
<u>ComEd Rebates</u>	<u>(\$31,110)</u>	<u>(\$31,110)</u>
<u>Less Solar Renewable Energy Credits (SRECs)</u>	<u>(\$150,570)</u>	<u>(\$133,215)</u>
<u>Net System Cost</u>	<u>\$97,200</u>	<u>\$114,555</u>
<u>Payback in Years</u>	<u>7.3</u>	<u>8.6</u>
<u>FIRST-YEAR ESTIMATED ELECTRIC BILL SAVINGS</u>	<u>\$10,174</u>	<u>\$10,174</u>
<u>AVERAGE ESTIMATED ELECTRIC BILL SAVINGS</u>	<u>\$13,825</u>	<u>\$13,825</u>

Once this engineering was completed by Willett, Hoffman & Associates, the project was publicly advertised on July 19, 2019, a pre-bid meeting was held on July 25, 2019, and fourteen contractors and two plan rooms requested and were provided bid documents. Three bid proposals were received, opened, and read aloud. One additional bid proposal did not include a bid security and, therefore, was not read.

The bid package requested a Base Bid along with five alternate bids. The alternate bids were prioritized, evaluated, and selected by SVCC staff based on project needs and budget considerations. It was determined that the Base Bid, Alternate Bid #1, Alternate Bid #3, and Alternate Bid #4 would be accepted (see below). Based on these selections, the low bidder was Moxie Solar, Inc. of North Liberty, Iowa with a bid amount of \$267,117.20.

BIDDER	<u>BASE BID</u>	<u>Alternate Bid #1</u> Chain Link Fence and Gate ADD to Base	<u>Alternate Bid #2</u> Ornamental Fence and Gate ADD to Base	<u>Alternate Bid #3</u> Weed Barrier, Gravel Base and Edging ADD to Base	<u>Alternate Bid #4</u> Solar Field Metering and Reporting ADD to Base	<u>Alternate Bid #5</u> New Trees ADD to Base
GRNE Solutions, LLC	\$299,212.00	\$29,700.00	\$39,500.00	\$75,000.00	\$11,385.00	\$7,000.00
<u>Moxie Solar, Inc.</u>	<u>\$215,117.20</u>	<u>\$12,000.00</u>	NA	<u>\$40,000.00</u>	\$0.00	NA
McGinn & McGinn, Inc. Engel Electric Company	\$335,670.00	\$26,500.00	\$39,450.00	\$33,400.00	\$13,170.00	\$1,000.00

	Base	+ 10% Contingency
Base Solar Quote	\$ 215,117	\$ 215,117
10% Contingency	\$ -	\$ 26,712
Chain Link Fencing	\$ 12,000	\$ 12,000
Chain Link Upgrades	\$ -	\$ -
Gravel Base & Edging	\$ 40,000	\$ 40,000
Funding Bond Cost	\$ 267,117	\$ 293,829
ComEd Smart Inverter Rebate	\$ (25,000)	\$ (25,000)
ComEd SREC Block 4 Payment over 5 Years	\$ (133,225)	\$ (133,225)
Install Costs after SREC & Rebates	\$ 108,892	\$ 135,604
Electrical costs saved per year	\$ 13,284	\$ 13,284
Payback years	8.2	10.2
Internal Rate of Return (IRR)	7.39	5.67

Recommendation:

The administration recommends the Board approve the solar project as presented, pending confirmation of the College receiving the ComEd SREC and rebate, to be paid from Funding Bond Proceeds.