

Portland Community Solar RFQ Pre-submission meeting

6-13-12

Present at the meeting

- Stanley Florek- CEO Tangerine Power
 - Mickey Lee – Carbon Concierge
 - Kyle Diesner - City of Portland, Bureau of Planning and Sustainability
 - Lee Rahr - City of Portland, Bureau of Planning and Sustainability
 - Lizzie Rubado - City of Portland, Bureau of Planning and Sustainability

 - Paul Israel – Sunlight Solar
 - Rob Lavigne – Solar City
 - Amy Chomowicz – City of Portland, Ecoroof Program
 - Dante James – City of Portland Office of Equity
 - Greg Wooley – City of Portland, Small Business Marketing Manager
 - Robin Rabicoff – EC Electric
 - Suzanne Olsen – Integra
 - Mark Bassett – Imagine Energy
- Participating Remotely
- Brian Shull of REC solar
 - Craig Strobeck - Advanced Energy Systems

Question and Answers

- Q: Is there a penalty for using offshore modules or favoritism for domestic panels?

A: We are not specifically favoring in-state or domestic modules as a selection criteria for this RFQ.

- Currently you list the monitoring system that you prefer as an inverter vs 3rd party. Why this type of monitoring system?

A: The cost of the inverter is typically lower than using 3rd party monitoring. We are being conscious of requirements for financial return to the community investors in the system.

- Structural analysis of the engineering is not included in the RFQ. Are you saying that this is not a part of the cost? Because of the time constraints laid out in the deadlines and the time needed to get engineering and permitting complete in a 6 week process it may be an issue in the time needed to complete this process.

A: Correct, we have not included the structural engineering or any re-roofing component in the cost. We wanted to have apples to apples comparison on pricing so if you thought you were bidding complete structural plus of the system we knew that you would put you at a disadvantage. We know this work needs to be done. We also know that teams may bring these resources to the table in their bids through existing relationships

- How are you doing on fundraising, is the project fully funded?

A: We have construction financiers in final talks and the follow-up phase will be the community investment piece that will eventually take out a loan to cover the investment piece. We expect a construction funding term sheet in the next one to two weeks.

- In the event that the project doesn't get funded and there are contractors here that will be deploying funds to go after this contract, how does that work if the project doesn't go forward?

A: Good question and feedback. That is the risk that you take when doing business and making a bid on a project. We understand the risk that this involves and yet we hope you realize this is a new and innovative way to fund projects which is the up side for taking that risk.

- If the job is awarded and the project is not funded the project will not start without the funding in place?

A: That is correct. Vendors will not be asked to begin work on the project if funding is not in place for the initial phases of design.

- On inclusionary employment. In section 2.4.3 for Personnel the RFQ requests that *contractor to include names of key personnel who would likely be assigned to this project, including subcontractors that might be working on this project even if it turns out that they would not be assigned to the project.* How does this project hold to inclusionary practices if there is a statement like this that allows a company to identify an employee that may not actually work on the project but that may be named, in this case through inclusionary measures, to maintain the level of diversity on paper but maybe not actually on the project.

A: We intend to take a holistic approach to looking at the responses to the requirements. We intend to look at what companies have done in the past and how they represent inclusionary practices throughout their process, not just in how they call out personnel. One of the things that we did on this project is to ask stakeholders to be a part of the process for building this RFQ. That way we felt that many voices were at the table. (See the Exhibits for RFQ Advisory Committee members).

This project is also a pilot for a larger vision of how community solar can be built and funded. We are not going to get this part perfect where everyone feels good about how we handle this. What we can say is that we care about this issue and we want this to succeed and the feedback that we receive through this process will be helpful in how we help shape community solar in the future.

(This was not said at the meeting but we feel needs to be stated. Section 2.4.3 was not intended to address this issue of inclusion, thus to allow bidders to use this in a way to exclude people that might make them look more inclusionary than they might otherwise be. It was added to fill a gap that often happens outside of the inclusionary measurement in regards to staffing and management of projects. Often times companies shift personnel around because they have multiple projects going on at once

and team members that they may have originally intended to work on a project wind up working on another project. This was the only intention of this statement. In future RFQ's and RFP's we will reevaluate the structure of this statement)

- (A comment) The project owners should recognize that the Inclusionary criteria is important and that they hope the team is able to recognize that the cost shouldn't water down the notion that these issues of social justice need to be addressed and should be an important part of the winning process regardless of price. Also that the weighting of the Inclusionary Practices should be higher.

A: That is a point well taken and we will put it into the bucket of considerations for the advisory council both for this project as well as future community solar projects.

- If these issues of inclusion are not adhered to fundamentally because of the ARRA grant funding, that was put into this project, does this somehow hurt the City's chances to gain additional federal funding in the future?

A: The funding for the construction portion of the project is not at all tied to the ARRA grant funding that was provided to fund the structure of this project. They don't overlap in any way other than the seed ARRA funding was used to build the Community Solar projects infrastructure, ie the marketing, legal, and fund raising portion of the project. That Dep. Of Energy, ARRA funding expires on June 30th 2012. The funding for the construction phase is totally dependant on investors and loans to make the projects happen. Here is a link to the original RFP if you would like to read it.

<http://www.portlandonline.com/bps/index.cfm?c=57643>

- On the monitoring there is mention of a weather reporting requirement. How important is this to the winning bid?

A: While we mention weather reporting as a potential feature of a monitoring system a vendor may proposed, it is not a mandatory nor a crucial element of reporting for the winning bidder.

- So if the structural engineering and roofing is not a part of the bid, who pays for the engineer?

A: It will come out of the up-front investor funding but it will be a separate line item from construction. You may have a relationship with an engineer that you can bring to the table. We just wanted to make sure that we had a clear and fair price from each contractor to show what the actual installation of the panels alone would cost. We have our own engineering resources but want to see what other partners are available.

- So the flashing the contractor is responsible for? But the re-roofing would not be a part of the bid process?

A: Any work normally completed by a solar installation company in regard to racking and connections to the building should be part of your cost proposal. Work normally done by a roofer should NOT be included in your bid.

- Can you identify subcontractor opportunities? In other words what type of subcontracting would there be for solar construction?

A: Electrical and roofing are two main subcontracting elements to solar installation.

- Some of these roofs are older on these older buildings, so it would make sense to have a roofer do the flashing on the projects? Especially if it interferes with the warranties? So that could be a grey area?

A: We will work to get more info on the roof warranties and the manufactures of the roofs as needed.

(offline answer: The roofs at Portland Public School buildings are no longer under warranty so there is no waiting or asking for permission from roofing manufacturer. It will be a part of the pre-construction process to carefully and visually document roof condition before we start work so everyone has a common understanding of what roof changes would or wouldn't be a result of the solar. For the Portland International Raceway site that will be a ground mounted system so there is no issue there. The SE Uplift Building is installing a new roof this summer so we will work with the roofing company to ensure the correct elements are used and work with the roofing contractor at the time of the install. For the Southwest Community Center we are identifying the installer and manufacture and will provide that information at the time that the bid is awarded.)

- (Comment) City of Portland's Eco roofs program has women and minority owned structural engineers listed in their resource page.

<http://www.portlandonline.com/bes/index.cfm?c=44422>

- Does the City also have a list of electricians?

A: (from guest in the room) Yes they do. Whether they are certified or experienced in solar installations is another question.

- Assuming that PGE has been approached to potentially extend the time for the Feed in tariff?

A: We have approached PGE to see if they will extend it but we don't have a lot of leverage there. This project is a clear extenuating circumstances and public benefit so we feel that there is good reason to extend it, however we felt that we needed to get the RFQ process moving forward.

A: (from guest in the room) The extension goes to a committee at Portland Development Commission and they vote on it so PGE really doesn't have any control over whether it's extended or not.

- The RFQ states there is a potential that the project could be split by two main contractors. If this is the case many contractors will likely be bidding on this based on the fact that they get a lower costs on the parts based on economies of scale. So this

would definitely impact their pricing model going in if this were to happen. How can you address this?

A: Our goal is to get one main contractor and then use subcontractors on the project. We realize the difficulty in getting multiple contractors on a project like this for multiple reasons namely the time line and the cost associated with reduced opportunity. The language was put in there as a boilerplate to give us an out if we couldn't get the type or quality of contractors needed with the project. However in this market and this timeline we don't think this will be an issue.

- Given that we're excluding the engineering and roofing, we should assume that the \$4.50 excludes the engineering and the roofing portions of the bid/cost?

A: That is correct.

- Can you give more information about the individual investor or funding system in the process?

A: Because of regulatory constraints we are unable to comment until August to reveal the public funding model. The construction funding source has asked to remain confidential at this time at least until the contract becomes final.

- Will there be an accelerated permitting process since this is on such a tight timeframe on this project?

A: The City will work with the building department to make them aware of the project and help flag any milestones that we need to meet to move this through the permitting process as soon as possible.

Exhibits:

RFQ Advisory Council

Stanley Florek	Tangerine Power
Mickey Lee	Carbon Concierge
* Ryan Clemmer	Clean Energy works of OR
Greg Wolley	City of Portland
Connie Ashbrook	Oregon Tradeswomen
Don Hull	Portland Public Schools
** Jaimes Valdez	Bureau of Planning and Sustainability
Kyle Diesner	Bureau of Planning and Sustainability
Claire Carlson	Solar Oregon
* Rob Delmar	Energy Trust of OR
Lizzie Rubado	Bureau of Planning and Sustainability

* Indicates advisory members that may not be able to sit on final selection committee because of conflict of interest

** Indicates no longer on project