



Oregon Parks and Recreation Commission

February 11, 2010

3:30 p.m. – 4:00 p.m. Business Meeting

Oregon Parks and Recreation

725 Summer St NE, Suite C

Salem, OR 97301

2/11/2010 Meeting Minutes

Those attending all or part of the meeting included:

Commissioners via teleconference:

Jim Parr, Chair

Jay Graves, Vice-chair

Robin Risley

Sharon Rudi

Brad Chalfant

Jim Brown

Sue Musser

Staff via teleconference:

Tim Wood, Director

Steve Shipsey, AAG

Staff present:

Chris Havel, Communications Coordinator

Vanessa DeMoe, Commission Assistant

Lisa Van Laanen, Assistant Director of Administration

John Potter, Assistant Director of Operations

Brian Silcott, Assistant Director of the Oregon Expo Center

Darin Wilson, Engineering Manager

David Solomon, Safety and Risk Manager

Business Meeting

Chair Parr called the meeting to order and explained that the Commission was meeting in special session by teleconference to discuss entering into an agreement with SolarCity to install and produce a solar power facility on the grounds of the Oregon Exposition Center.

1. State Fairgrounds Solar Energy Project (Action)

Director Wood gave a brief introduction to the agenda item and introduced John Potter, Assistant Director of Operations and Brian Silcott, Assistant Director of the Oregon Exposition Center, as the presenters of the agenda item.

Mr. Potter stated that in the big picture this project is providing an opportunity to reduce the department's environmental impact and costs while supporting sustainable practices that benefit local economies.

Mr. Potter said the cost to the department is zero but locks our electric rate for 20 years. He believes the project brings positive attention to the OEC and the risks are relatively low and manageable, the benefits outweighing the risks.

Mr. Silcott said that the project is a joint effort. The project is now something he is very much on board with for multiple reasons; the greatest influence being the project can make money for the OEC, the other being savings, while not huge savings can be significant. Another reason is through sponsorship, an item that OEC needs to improve on. Mr. Silcott said that this installation provides an excellent opportunity to showcase a product that will be a tremendous value to the community. He was additionally pleased that SolarCity's proposal mentioned sponsorship as an additional element of the agreement. The OEC is in a transitional phase, putting in a project like this is going to attract attention and presents us with an opportunity to show that we are moving in new directions. Mr. Silcott discussed his prior concerns with placing the panels on the fixed structures. He said that SolarCity's flexibility and the contract language have led him to overcome his earlier concerns.

Chair Parr said that he would like each Commissioner to have an opportunity to ask questions. Chair Parr called on each Commissioner for comment and questions.

Commissioner Chalfant commented that he did not have any questions and stated he felt he was fairly clear about how he felt about the project at the meeting in Gladstone. He said that the materials emailed to the Commission were more complete and thanked the staff. He said it is a great project and there are always opportunities to find questions to raise. Commissioner Chalfant stated that he strongly encouraged the Commission move forward and commented that this is a remarkable opportunity.

Commissioner Brown asked about the update brought to the Commission in April 2009. He said that from his perspective there should have been a conversation after the RFP was done and before negotiations started with SolarCity. Mr. Potter said that Commissioner Brown was right that another update should have occurred after the April 2009 update. Mr. Potter apologized and said that he is instituting changes to ensure more timely information in the future.

Commissioner Brown asked how long the energy credit SolarCity applied for will last. Mr. Potter replied that there are two timeframes staff were focusing on. He said that in order to take advantage of the opportunity to have an installation for the 2010 State Fair the agency would have to move forward within the next two weeks. Mr. Potter stated that if negotiations had to wait until mid-April, it would most likely prevent the project from going forward as planned.

Commissioner Brown asked Mr. Potter to explain the RFP process. Mr. Potter explained and reported that the department solicited for RFP's with a November 13, 2009 due date. The agency can award to one of those vendors within 180 days from the due date.

Commissioner Brown asked the status of the roofs on the pavilion and the horse warm up barn. Mr. Potter stated that the pavilion roof is 6 years old, the 4H Barn is 2 years old and the horse warm up arena is 9 years old, each has an expected life of 40 years and are in very good condition.

Commissioner Brown asked about the sponsorship opportunity with SolarCity; he said that one of the terms used by staff was that SolarCity wanted sponsorship. Commissioner Brown asked for clarification on that relationship.

Mr. Silcott said that the idea would be to create signage that highlighted the existence and purpose of the panels. In addition there may be an opportunity to negotiate a deal where SolarCity would pay for us to be an advertiser for them. Solar City would be the sponsor.

Commissioner Risley asked if any other states have this kind of project at their State Fairgrounds or if the Oregon State Fair would be the first.

Mr. Silcott said that of the states that he has had a chance to research none of them have major solar installations; there are a few that use solar panels as a means of showcasing solar energy as a way to advertise. Commissioner Risley said from a realtor standpoint this is very positive and cutting edge.

Commissioner Rudi stated that she appreciated the extra information sent out to the Commission. She said her questions have been answered.

Commissioner Musser said that she is excited about the project and looks forward, as a retired educator, to the education opportunities that this project could bring. She thanked the staff for a great presentation and the Commission for bringing forward pertinent questions.

Commissioner Graves asked about the savings option after 20 years.

Mr. Potter said that there would be additional savings beyond the 20 years. He explained that the department could purchase the depreciated system and generate our own power or renegotiate the contract with SolarCity and to get an improved rate for an additional period.

Commissioner Graves asked how the project would attract visitors.

Mr. Silcott replied that one of the first things that we would be doing is inviting Salem-Keizer schools for field trips, staff would be prepared to teach people about solar energy. He shared it would be our hope to, in our arrangement with Solar City, promote it as a location to demonstrate and showcase solar energy for the public year around.

Mr. Silcott said that general PR around the project would draw people in with television, newspaper, and other media coverage. Commissioner Graves commented that although it was addressed in a previous agenda item he would like this agenda item to clarify that this is for 1.25 megawatts. Director Wood confirmed that the project would produce 1.25 megawatts of power.

Commissioner Brown asked what percentage of our power will come from this project.

Mr. Potter explained that it would be approximately 50 percent of our annual 2.6 kilowatt hours.

Commissioner Brown asked about buying green power off the grid, was that option considered.

Mr. Potter replied yes, buying green power has been done in some of our parks. He explained buying a more expensive power at the OEC would be difficult to justify when this project can be done at a cost savings.

Commissioner Brown said the Legislature is currently considering making changes in the tax credit law; if that Legislature passed how would it influence this project

Mr. Potter said the department is not considering that an issue, we have a proposal and will negotiate on the basis of the proposal. He said the department understands that the vendor is not pre-certified under that program and may or may not use it. Staff further explained that if the Commission approves the RFP it would be under the parameters listed; if the vendor cannot meet our needs the department can back out and an agreement may not be made. Staff are asking for an opportunity to try.

Chair Parr referred to Attachment 1, and the Governor's Renewable Action Plan. He asked if the agency has met the 25 percent renewable energy use requirement. Mr. Potter replied no, the agency has purchased some green power and a large number of parks have instituted significant efficiencies. He said that this project would get the department headed towards the goal.

Chair Parr referred to the seven targets in the original attachment provided at the January meeting. He asked if staff went back through those targets and do staff feel that this project meets the targets.

Mr. Potter replied yes, the feasibility analysis helped us to refine the overall project in many areas. Director Wood explained that the feasibility study led us to understand the net metering process; no more than 50 percent of your total load can be generated through renewable sources. He said that is one of the factors that scaled it down to 1.25 mw.

Chair Parr asked each Commissioner if they had any additional comments or questions. There were not additional comments or questions from staff. Chair Parr called for a motion.

Commissioner Graves moved to approve the staff recommendation to enter into a contract with SolarCity to provide power at the OEC and meet the objectives outlined. Commissioner Chalfant seconded. The motion passed unanimously, 7-0.

Commissioner Graves – Yes
Commissioner Risley – Yes
Commissioner Rudi – Yes
Commissioner Chalfant – Yes
Commissioner Brown – Yes
Commissioner Musser – Yes
Commission Chair Parr – Yes

There was no further business.

Chair Parr adjourned the meeting, 4:22 p.m.