

Minutes of the Special Board Meeting

Thermalito Water and Sewer District
Minutes of the Special Board Meeting
December 14, 2011 – 3:00 pm

1. CALL TO ORDER

The meeting was called to order by President Thompson at 3:00 pm

1.1 Flag Salute

Director Huston led the flag salute

1.2 Roll Call

Present were President Thompson, Vice President Hatley, Directors Taggart, Huston and Reynolds. Also present were Recording Secretary Padilla, Attorney Carter and Manager Boucher.

2. PERSONS DESIRING TO ADDRESS THE BOARD

None

3. GENERAL ADMINISTRATION BUSINESS

3.1 Solar Power

Manager Boucher informed the Board that he requested a proposal from Solar City but due to the fact that they do not offer a 7-year lease product, they are unable to supply the District with a proposal. He reported that both Elite Solar and AES have provided the District with a Construction Agreement along with an Equipment Lease Agreement from Belvedere Equipment Finance. He explained that the proposals are a little different in cost per kilowatt. Elite Solar is coming in at \$3.12kw and AES is coming in at \$3.24kw. The cost difference between the two is that AES presented that their system will be running approximately 441.8kw versus Elite at 488.52kw.

Attorney Carter reported that he has reviewed the contracts that were given to the Board and has some continuing concerns. He mentioned that he feels comfortable that regardless of which proposal the Board should go with, it can be worked out from a contractual standpoint. He stated that he needs to make certain that both the Construction Agreement and the Lease Agreement are seamless and that everything is spelled out correctly.

There were several concerns and questions from the Board regarding the Construction and Lease Agreement. Director Reynolds said that he does not feel comfortable with some of the wording in the Construction Agreement. He stated that nowhere does it read that if they do not complete the work on time, what the penalty would be for them. It only reads what the District is obligated for and what the penalty would be for the District.

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The Board unanimously decided to accept the proposal of Elite Solar and its Financing Company, Belvedere Equipment Finance subject to contracts being concluded in form and contents acceptable to the District. The Board directed staff and the Financial Committee to meet with Elite Solar on December 15th to square up contract concerns and to get new draft contracts written which the Board will consider on Friday, December 16th at 8:30 am. If no agreement is made at the meeting on December 15th, the Boards further resolution is that the committee goes to AES and tries to work it out with AES. If no agreement can be met, the Special Board meeting scheduled for December 16th will be cancelled.

4. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:39 pm.

Secretary of the Board

President of the Board