



Board Agenda Item 25

DATE: March 17, 2026

TO: Board of Supervisors

SUBMITTED BY: Raymond T. Hunter, Director, General Services Department

SUBJECT: Omnibus Amendment, Change Acknowledgements, and Assignment of Energy Services Agreements

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute an Omnibus Amendment to Energy Services Agreement Nos. A-23-675 through A-23-681 with FFP BTM Solar, LLC, amending terms relating to the financing, design, construction, installation, operation, and maintenance of photovoltaic energy systems, including solar panels, and increasing the potential 25-year term to a 35-year term, with an initial twenty-year term and three optional five-year renewal terms;**
- 2. Approve and authorize the Chairman to execute Change Orders to Energy Services Agreement Nos. A-23-675 through A-23-681, amending the scope of each photovoltaic energy project, inclusive of the kilowatt per hour purchase rate, construction timelines, and termination values; and**
- 3. Approve and authorize the Chairman to execute an Assignment and Consent to Assignment of Project Documents and Acknowledgement of Energy Services Agreement Nos. A-23-675 through A-23-681, assigning the development, design, procurement, construction, operation, maintenance, and ownership of the resulting photovoltaic systems from FFP BTM Solar LLC to Greenskies Clean Energy LLC.**

There is no additional Net County Cost associated with the recommended actions. The first recommended action will amend the special conditions detailed in each Energy Services Agreement Nos. A-23-675 through A-23-681 (ESAs) with FFP BTM Solar LLC (ForeFront Power), including the Construction Start Date and Guaranteed Commercial Operation Dates (COD), as well as other specifics for sunlight insolation and water source available at various sites.

The second recommended action will amend the scope of each ESA, including the power purchase agreement (PPA) rates and termination values at various sites, resulting from unknown costs and scope changes realized during construction.

The third recommend action will approve the Assignment and Consent to Assignment of Project Documents and Acknowledgement (Assignment) of the ESAs to assign the development, design, procurement, construction, operation, maintenance and ownership of the photovoltaic systems (System or collectively, Systems) from ForeFront Power to Greenskies Clean Energy, LLC (Greenskies). This item pertains to locations in Districts 1, 2, 3 and 5.

ALTERNATIVE ACTION(S):

There are no viable alternative actions that would prevent termination of the ESAs and the related solar projects. Should your Board not approve the first recommended action, staff would return before your Board with recommendations relating to the termination of the respective ESAs, as ForeFront Power requires the recommended Omnibus Amendment to achieve project completion within approaching deadlines. Your Board may also direct staff to remove the language that allows for two additional five-year extensions.

Regarding the second recommended action, your Board may instead choose to (1) approve some but not all of the Change Orders, (2) approve the Change Orders but direct staff to pay the total Change Order amounts in full, rather than adding the cost to the PPA rates, or (3) not approve any of the Change orders, in which case staff would return to your Board with termination options as the Change Orders are required to complete the projects.

Should your Board not approve the third recommended action, the County would be unable to receive energy services under the respective ESAs, as services transition from ForeFront Power to Greenskies.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. By design, the ESAs are expected to yield a positive cashflow as the PPA rates, outlining the purchase price per kilowatt hour (kWh) generated, will be less than what the County is currently paying for energy from Pacific Gas and Electric Company (PG&E). Though the second recommended action increases the purchase price per kWh of generated electricity for six of the seven sites, the County is still expected to realize savings in excess of \$22,000,000 over a 20-year period.

Costs associated with the ESAs will be charged back to user departments, including the Department of Behavioral Health, Department of Public Health, Fresno County Sheriff's Office, General Services Department (GSD), Information Technology Services Department, and Library. Sufficient appropriations and estimated revenues are included in the GSD Facility Services Org 8935 FY 2025-26 Adopted Budget and will be included in future Recommended Budget requests for the duration of the ESA terms.

DISCUSSION:

On December 13, 2022, the Board approved a non-binding Letter of Interest (LOI) authorizing ForeFront Power to evaluate ten County facilities for solar feasibility. For the seven sites determined to be feasible, ForeFront Power submitted interconnection applications to PG&E on behalf of the County, securing grandfathered eligibility under the California Public Utilities Commission's Net Energy Metering (NEM) 2.0 tariff prior to the April 14, 2023, deadline. This preserves NEM 2.0 status for 20 years from the date of operation, provided the systems are operational by April 14, 2026, or February 15, 2027, for load-aggregated (NEMA) sites.

On December 12, 2023, the Board held a public hearing determining that the terms of the ESAs with ForeFront Power were in the best interests of the County, as the anticipated costs for electrical energy or conservation services to be provided by the solar photovoltaic energy systems would be less than the County's anticipated marginal costs for the purchase of energy in absence of the ESAs. The ESAs allow ForeFront Power the ability to design, construct, install, operate, and maintain seven separate Systems located at (1) Animal Control at 1510 W. Dan Ronquillo Drive, (2) the Area 2 Sheriff Substation at 1129 N. Armstrong Avenue, (3) the to-be constructed Olive Campus (labeled "Behavioral Health and Mental Health" in the ESA) located at 5555 E. Olive Avenue, (4) Hamilton Yard for multiple buildings at the corner of S. Maple and E. Hamilton Avenues, (5) the Health and Wellness Center at 1925 E. Dakota Avenue, (6) Pontiac Building 6 at 333 W. Pontiac Way, and (7) the Woodward Regional Library at 944 E. Perrin Avenue. Each ESA has a possible 25-year term, inclusive of a 20-year initial term and one optional five-year renewal period, as well as the ability for the County to purchase each System after the fifth anniversary of the

Guaranteed COD.

Omnibus Agreement (Recommended Action No. 1)

The recommended Omnibus Amendment will update the potential term length for all seven ESAs, increasing the optional five-year extensions from one to three. This change was proposed by Greenskies and included in the Omnibus Amendment because it allows the County to lock in the PPA rate for up to ten additional years. After the initial 20-year term and prior to each optional extension period, GSD will evaluate whether it's more financially prudent for the County to execute the extension or purchase the Systems and assume maintenance on the equipment.

Additionally, the recommended Omnibus Amendment revises the Construction Start Date and Guaranteed COD for both the Hamilton Yard and Olive Campus locations to align with the NEMA extension deadlines applicable to load-aggregated meters, while prioritizing the other five projects that do not qualify for an extension.

Lastly, the recommended Omnibus Amendment would better define terms in all seven ESAs relating to System insolation and access to water sources as requested by Greenskies. More specifically, the insolation language requires the County to maintain unobstructed solar access for each system, provide notice of any potential interference, cooperate with mitigation efforts, and allow the system owner to seek specific performance to enforce these obligations. The proposed language also confirms the County will provide access to an on-site or nearby water source, at no cost, for installation, operation, and maintenance of the Systems for their useful life.

Change Orders (Recommended Action No. 2)

The recommended Change Orders incorporate scope revisions for each project to address unforeseen conditions encountered during construction, which include canopy height increases; permanent casings for canopy beam support; Americans with Disabilities Act compliance, such as parking lot repaving and restriping; and updates to Construction Start Dates and Guaranteed COD to minimize impact to County operations. Additionally, the scope update for the Area 2 Substation incorporates the existing canopy structures into the System plans, rather than building new canopies.

Greenskies is serving as the Engineering, Procurement, and Construction (EPC) contractor for these projects. As such, a portion of the amounts reflected in the recommended Change Orders corresponds to work performed by Greenskies in connection with the development, design, procurement, and construction of the Systems; the rates presented do not include any ForeFront Power-related upcharges beyond the direct costs associated with Greenskies' EPC responsibilities and involvement.

With the exception of the current Area 2 Substation rates, the recommended Change Orders would increase the PPA rates and termination values for the remaining six locations. The potential for these unforeseen costs and rate increases was acknowledged during the December 12, 2023, Board meeting with approval of the ESAs. GSD still believes the benefits of the Systems outweigh the increase in rates, as the County is still expected to realize savings in excess of \$22,000,000 over a 20-year period.

Assignment of Energy Services Agreements (Recommended Action No. 3)

Finally, the General Terms and Conditions approved by the Board on February 4, 2020 (Agreement No. A-20-066) permit assignment of the ESAs to a new entity with County consent. The recommended Assignment will transfer the ESAs from ForeFront Power to Greenskies, allowing Greenskies to assume responsibility for the development, design, procurement, construction, operation, maintenance, and ownership of the systems. Accordingly, assignment is necessary to transfer all rights, obligations, and duties to Greenskies.

REFERENCE MATERIAL:

BAI #8, December 12, 2023
BAI #49, December 13, 2022
BAI #5, February 4, 2020

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Omnibus Amendment
On file with Clerk - Change Order to ESA No. A-23-675
On file with Clerk - Change Order to ESA No. A-23-676
On file with Clerk - Change Order to ESA No. A-23-677
On file with Clerk - Change Order to ESA No. A-23-678
On file with Clerk - Change Order to ESA No. A-23-679
On file with Clerk - Change Order to ESA No. A-23-680
On file with Clerk - Change Order to ESA No. A-23-681
On file with Clerk - Assignment of ESAs

CAO ANALYST:

Amy Ryals