

RESOLUTION NO.

A RESOLUTION WAIVING FORMAL BIDDING REQUIREMENTS AND AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A PURCHASE POWER AGREEMENT WITH TODAY'S POWER, INC.; AND FOR OTHER PURPOSES.

WHEREAS, Ark. Code Ann. 14-58-303 requires City purchases exceeding the amount of \$35,000 to follow statutory procedures of local advertisement and opening of sealed bids which may only be waived in exceptional situations where bidding is deemed not feasible or practical; and

WHEREAS, in order to mitigate financial and regulatory risk within its wholesale power portfolio, improve its renewable portfolio, and foster community confidence in its utility operations, the North Little Rock Electric Department ("NLRED") sought proposals from contractors to construct a solar powered electric generating facility ("Project") with a generating capacity of up to 5.0 MW AC within NLRED's service territory and to sell the full output of the Project to NLRED under a power purchase agreement for a term between 20 and 30 years, with an option to purchase the facility after 6 years; and

WHEREAS, the City has determined that consideration of price alone is not most advantageous to the City and its residents, and that it is not feasible or practical to consider price alone, but that references and experience, project deliverability, system design and equipment, the terms of the purchase option, and operational assurances should also be considered in order to provide the maximum benefit and risk avoidance to the City for this long term contract; and

WHEREAS, NLRED considered proposals and determined that the proposal submitted by Today's Power, Inc. was most advantageous to the City; and

WHEREAS, the essential terms of the proposed Purchase Power Agreement are set forth in the Letter of Intent attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That formal bidding is hereby waived in connection with a 5.0 MW AC Purchase Power Agreement with Today's Power, Inc., the essential terms of which are set forth in the Letter of Intent attached hereto as Exhibit A.

SECTION 2: That the Mayor and City Clerk are authorized to enter into the formal Purchase Power Agreement, which shall be reviewed and approved by the City Attorney prior to execution.

SECTION 3: That the costs associated with the Agreement shall be paid from the Electric Department Budget.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Terry C. Hartwick

SPONSOR:

ATTEST:

Terry C. Hartwick
Mayor Terry C. Hartwick

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

Amy Beckman Fields
Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/ABF

FILED	<u>10:50</u>	A.M.	_____	P.M.
By	<u>A. Fields, City Atty</u>			
DATE	<u>7/13/23</u>			
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas				
RECEIVED BY	<u>BTAN</u>			

July 12, 2023

North Little Rock Electric Department
1400 W Maryland Ave.
North Little Rock, AR 72120
Attn: Amy Fields (AFields@nlr.ar.gov)
Attn: Ryan Wilson (RWilson@nlr.ar.gov)

RE: Letter of Intent to Enter a PPA for a 5.0 MW AC Purchase Power Agreement

Ms. Fields and Mr. Wilson:

Today's Power, Inc. (TPI) is pleased to have the opportunity to present North Little Rock Electric Department with this binding letter of intent to enter into a 5.0 MW AC purchase power agreement (PPA). The details of our negotiations are as follows:

Facility: 5.0MWAC, single axis tracking system.

Location: Approximately 47 acres of TPI owned property within NLRED's service territory.

Interconnection: NLRED distribution network along a recently upgraded extension studied, approved, and constructed by NLRED near TPI's Offices located at 7300 Industry Drive.

Energy Rate: \$0.03766 / kWh, without escalation, reflecting NLRED's avoided cost rate established by city council Resolution Number 9997.

Service Charge: Fixed service charge for operations and maintenance of \$100/month for Contract Years one through five, without escalation. \$2,877.51/month for operations and maintenance starting in Contract Year 6, escalating annually at the lesser of 2% or the Consumer Price Index for the South Region as published by the U.S. Bureau of Labor Statistics.

Term: 25 years with extension options available to NLRED.

Purchase Option: Initial purchase option available to NLRED in Contract Year six.

This letter of intent is contingent upon (i) approval by the North Little Rock City Council for NLRED to enter into a PPA based upon such terms and conditions noted above, and (ii) TPI and NLRED agreeing to any remaining form, content, and legal terms within such PPA. Through the signatures below, TPI and NLRED agree to not conduct discussions or negotiations with any other person or entity regarding the PPA (or a like transaction) for a period of 60 days following the acceptance of this letter.

Thank you for your involvement and interest.



Regards,

Derek Dyson
President/CEO

ACCEPTED BY:

Signature

Printed Name

Title

Date