

8.1 CONSIDERATION OF CANCELATION OF WOODSTOCK NORTH HIGH SCHOOL SOLAR PROJECT CONTRACT

A. SUBJECT

This item is included on the agenda so the Board of Education (“**Board**”) can consider termination of the originally approved ground mounted photovoltaic system project.

B. INFORMATION

To reduce energy costs while having a positive impact on the environment, at the April 9, 2024, Board meeting, the Board approved a proposal to install a ground mounted photovoltaic system, also known as a solar field, on the vacant property just north of Woodstock North High School. The District engaged the expertise of our architects, Wold Architects & Engineers, as well as electrical engineers from TLC Engineering, to facilitate compiling specifications for a comprehensive request for proposal for a system that would meet the electrical needs of the Woodstock North High School campus.

The bid was awarded to the net lowest responsible bidder, Althoff Industries, for a stationary, 2,050 kWh system. The accepted bid price of the project was \$4,295,188 with an additional \$194,681 for 10 years of maintenance and support and extended warranty for a total cost of \$4,489,869.

The initial phases of the project required submission of engineering documents to the District’s electricity provider, ComEd, for the purpose of confirming the sizing and approval of the proposed project. The approval process can take between 60 and 90 days.

Because of the size and connectivity of the project, engineering by Althoff suggested the project have two parts: a smaller part providing 590 kWh of power and a larger one for the 1,490 kWh. Engineering was then submitted to ComEd for both segments of the project.

The smaller project was approved within 90 days. ComEd requested additional information about the larger segment and after further review, the larger segment was denied due to the available space on the electrical grid and lack of ability to accept any net metering (sending excess energy to the grid for credit from ComEd).

Upon notification from ComEd, Althoff worked with District architects and related electrical engineers to develop a smaller system to work with the already approved system. The engineering from this proposal is still under review with ComEd.

The proposed combined system will not address all the energy needs of the Woodstock North campus but will provide a significant reduction in energy costs. Furthermore, due to ComEd constraints, any new system proposal cannot participate in any net metering with ComEd but instead can only produce enough energy to be used on the Woodstock North campus.

Per discussion with ComEd representatives, reserving space on the grid for solar projects is a dynamic process. Once space is assigned it is held for 1 year. If the project is not completed and the space is forfeited, the possibility of retaining space in the future is not guaranteed.

Therefore, Althoff proposed an updated version of the original plan resulting in the attached change order reducing the original cost by \$2,022,823. The new total cost will be \$2,467,046 for a 953kWh system.

Since architects, engineers, attorneys, and tax accountants have been involved in this project since April of last year, costs have been incurred that will not be recovered unless a system is completed.

Proposed options include:

1. Terminating the project completely.
2. Termination with the intent of going out to bid again.
3. Accept the change order as presented and build the 953KWh system if the second array is approved by ComEd.
4. Build only the fully approved 590kWh system at this time.

Options 3 and 4 allow for inclusion of costs incurred to date in calculation of any credits.

C. RECOMMENDATION

The Superintendent is providing the above four options for consideration by the Board.

D. SUGGESTED MOTION(S)

Should the Board decide to terminate the Althoff Agreement for convenience, the following motion should be made:

Move to terminate the Althoff Industries contract for convenience as provided in the contract documents.

Should the Board decide to continue with Althoff Industries and accept the original change order to build the 953KWh system if the second array is approved by ComEd., the following motion should be made:

Move to approve the Althoff Industries change order to build the 953KWh system if the second array is approved by ComEd, as presented, and in approving such change order, the Board makes the following findings: that (i) the circumstances necessitating the change were not reasonably foreseeable at the time the contract was signed, (ii) the change order is germane to the original contract as signed and (iii) approving the change order is in the best interests of the School District and is authorized by law.

Finally, should the Board choose option 4 and continue with Althoff building only the fully approved 590kWH system at this time, the following motion should be made:

Move to authorize the Superintendent, or his designee, to execute a change order to the Althoff Industries contract, changing the scope of the contract to build only the 590kWH system for an amount not to exceed \$1,400,000, and in approving the execution of such change order, the Board makes the following findings: that (i) the circumstances necessitating the change were not reasonably foreseeable at the time the contract was signed, (ii) the change order is germane to the original contract as signed and (iii) approving the change order is in the best interests of the School District and is authorized by law.