

**THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE**

**July 18, 2012**

**Staff Report**

**REQUEST FOR A RE-ALLOCATION OF QUALIFIED ENERGY CONSERVATION BOND ALLOCATION  
FOR A QUALIFIED ENERGY CONSERVATION BOND PROJECT/PROGRAM**

*Prepared by: Richard Fischer*

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**Eligible QECB Reallocation Applicant:** County of Solano

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**Eligible QECB Reallocation Issuer:** Solano Community College District

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**Allocation Amount Requested:**  
**Governmental Use:** \$12,300,000

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**Project/Program Information:**  
**Name:** Solano Community College District Solar Project  
4000 Suisun Valley Road;  
**Project/Program Address:** 2001 North Village Parkway; 545  
Columbus Parkway  
**Project/Program City, County, Zip Code:** Fairfield; Vacaville; Vallejo, Solano,  
94534; 95688; 94591

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**Project Financing Information:**  
**Bond Counsel:** Stradling, Yocca, Carlson & Rauth  
**Underwriter:** Not Applicable  
**Credit Enhancement:** Not Applicable  
**Private Placement Purchaser:** Banc of America  
**Public Sale:** Investor grade rating of AA

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**QECB Reallocation Category and Type:**  
**Qualified Facility Type:** Solar

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**Qualified Conservation Purpose Requirement:**

The Applicant has provided a legal memo from bond counsel confirming that the project/program meets the "qualified conservation purpose" requirement as defined by IRS Notice 2009-29.

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**Readiness Requirement:**

The Applicant has provided a thorough and complete time schedule for the project/program, and the Applicant has certified that the time schedule is a realistic estimate of their project's/program's timeline.

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**Public Entitlements Requirement:**

The Applicant has certified that they have obtained (or will obtain before issuance) all required public entitlements that are required for QECS to be issued.

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**Description of Public Benefits:**

Estimated Production of Kilowatt Hours of Electricity = 5,611,575 kWh per year

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**Comments:**

The County of Solano has requested \$12,300,000 in QECB Allocation. That amount of allocation is unavailable. The County understands that they will be placed on a wait list for the balance of the allocation request (\$10,794,235) when it becomes available.

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**Details of Project Financing:**

<b>Estimated Total Project/ Program Cost:</b>	\$12,300,000
<b>Sources of Funds:</b>	
Qualified Energy Conservation Bond Proceeds	\$ 12,300,000
Other Sources	\$ <u>0</u>
<b>Total Sources</b>	\$ 12,300,000

<b>Uses of Funds:</b>	<u>QECB Proceeds</u>
Fees and Other Charges Related To Sale	\$ 885,000
Site Preparation	\$ 288,000
Utilities Connection	\$ 1,200,000
Acquisition and Installation of New Equipment:	
(a) Invoice	\$ 5,400,000
(b) Installation	\$ 3,867,000
(c) Other	\$ 115,500
Legal, Permits, etc.	\$ 360,000
Bond Issuance Expenses (including discount)	\$ 184,500
<b>Total Uses</b>	<u>\$ 12,300,000</u>

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**Legal Questionnaire:**

The Staff has reviewed the Applicant's responses to the questions contained in the Legal Status portion of the application. No information was disclosed to question the financial viability or legal integrity of the Applicant.

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**Total Points:** 20 out of 22

[See Attachment A]

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**Recommendation:**

Staff recommends that the Committee approve \$1,505,765 in Qualified Energy Conservation Bond Re-Allocation.

**ATTACHMENT A**

**EVALUATION SCORING:**

<b>Qualified Conservation Purpose Points</b>	<b>Maximum Points Allowed</b>	<b>Points Scored</b>
Qualified Facilities	10	10
Mass Commuting Facilities	12	0
Rural Development	12	0
Publicly Owned Building(s) (also show bonus points here)	10	10
Research Investments	10	0
Demonstration Project(s)	10	0
Public Education Campaign(s)	10	0
Loan/Grant Program	10	0
<b>Total Points</b>	<b>22</b>	<b>20</b>

The criteria for which points are awarded will also be incorporated into the Resolution transferring Allocation to the Applicant as well as the appropriate bond documents and loan and finance agreements.