TO:                 HONORABLE CITY COUNCIL
FROM:               CITY MANAGER                     DEPARTMENT:  PUBLIC WORKS
DATE:               JUNE 11, 2007                              CMR:266:07
SUBJECT:            APPROVAL OF AN AGREEMENT WITH SOLFOCUS, INC. FOR A
                     SOLAR-ELECTRIC RESEARCH PROJECT AT THE REGIONAL
                     WATER QUALITY CONTROL PLANT

RECOMMENDATION
Staff recommends that Council approve and authorize the City Manager to execute the attached
agreement, Attachment A, with SolFocus, Inc. (SolFocus) for a solar-electric research project at
the Regional Water Quality Control Plant (RWQCP).

DISCUSSION
The RWQCP is interested in solar power but has not been able to invest in solar due to high
capital costs. SolFocus, located in Palo Alto, develops, manufactures, and markets products that
generate electricity using solar concentrator photovoltaic technology. SolFocus needs a full-
scale demonstration site to research, test, develop, and improve its large-scale solar projects near
marine environments. SolFocus contacted Sustainable Silicon Valley and the Palo Alto Utilities
Department in search of a site to host the research project, and was referred to the RWQCP. The
partnership between the RWQCP and SolFocus will be one of the first public-private
partnerships to emerge from this important new growth industry and will highlight the role both
governments and utilities can play in driving the adoption of renewable energy.

Under this agreement, SolFocus will install an initial 10 - 15 KW demonstration unit on the
grounds of the RWQCP at its own cost and will deliver power to the RWQCP at zero cost to the
RWQCP. The agreement will terminate in October 2008 unless extended for a subsequent phase
to expand the capacity to 100 KW. If the parties agree to extend to the subsequent phase, staff
will return to Council with an amendment that sets forth the new terms and conditions. In the
event the parties elect not to extend the agreement, SolFocus agrees to remove the equipment and
return the site to its original condition.

RESOURCE IMPACT
This agreement allows SolFocus the use and access to designated sites within the RWQCP
property for the term of the agreement, which expires in October 2008 unless extended. There is
no monetary impact to the City.
POLICY IMPLICATIONS
Recommendation of this staff report is consistent with City Council’s Top 4 priority, Global Climate Protection. The project promotes renewable energy and reduces greenhouse gases while achieving a sustainable budget.

ENVIRONMENTAL REVIEW
This project is a minor alteration of an existing structure, which is categorically exempt from California Environmental Quality Act (CEQA) review pursuant to section 15301 of the California Code of Regulations Guidelines for Implementation of CEQA.

ATTACHMENTS
Attachment A: Agreement

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Director of Public Works

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