

**PERALTA COMMUNITY COLLEGE DISTRICT**  
**Board of Trustees Agenda Report**  
**For the Trustee Meeting Date of October 7, 2014**

**ITEM TITLE:**

Consider Assignment of Merritt College Energy Services from Chevron Energy Solutions Company to OpTerra Energy Services, Inc.

**SPECIFIC BOARD ACTION REQUESTED:**

The Department of General Services is informing the Board of Trustees of the contract assignment provisions from Chevron Energy Solutions Company, a division of Chevron U.S.A. Inc. (CES) to OpTerra Energy Services, Inc.

**ITEM SUMMARY:**

Chevron Energy Solutions Company sold all of its assets used in the operation of its business, including the Merritt College Energy Services Contract and all related work order, change orders, addendums, exhibits, and schedules to OpTerra Energy Services, Inc. ("OpTerra ES"). Although, the Merritt College Photovoltaic Project was completed in 2012, in the future, the District will work with OpTerra ES to repair the existing photovoltaic equipment. Under this business transaction, OpTerra ES will assume and perform all of CES's rights, duties, and obligations under the original contract.

The Chancellor recommends approval.

**SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):**

General Fund

**BACKGROUND/ANALYSIS:**

On October 13, 2009, the Governing Board of Trustees approved a design-build contract with Chevron Energy Solutions Company for a Photovoltaic (PV) System at Merritt College, in the amount of \$8,401,520. Resolution 12/13-14 for the acceptance of the work as complete and a retention payment of \$293,648.90 to Chevron Energy Solutions Company were approved by the Board of Trustees on October 9, 2012. Since Chevron sold their business assets to Opterra ES, the District will contact Opterra ES for future service of equipment.

**DELIVERABLES AND SCOPE OF WORK:**

Not Applicable

**ANTICIPATED COMPLETION DATE:**

Not Applicable

**ALTERNATIVES/OPTIONS:**

Not Applicable

**EVALUATION AND RECOMMENDED ACTION:**

No Comment

**OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):**

YES \_\_\_\_\_ NO  X

**COMMENTS:**

None

**WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?** Vice Chancellor Ikharo

(\*\*\*\*\*Board contract approval is subject to negotiation and execution by the Chancellor.)

**DOCUMENT PREPARED BY:**

Prepared by: Dr. Sadiq B. Ikharo  
Vice Chancellor of General Services

Date: September 24, 2014

**DOCUMENT PRESENTED AND APPROVED BY:**

Presented and approved by: Dr. Sadiq B. Ikharo  
Vice Chancellor of General Services

Date: September 24, 2014

**FINANCE DEPARTMENT REVIEW**

Finance review required       Finance review *not* required

If Finance review is required, determination is:       Approved       Not Approved

If not approved, please give reason: \_\_\_\_\_

Signature: Susan Rinne  
Susan Rinne, Interim Vice Chancellor for Finance and Administration

**GENERAL COUNSEL (Legality and Format/adherence to Education Codes):**

Legal review required       Legal review *not* required

If Legal review is required, determination is:       Approved       Not Approved

Signature: Thuy Thi Nguyen  
Thuy Thi Nguyen, General Counsel

**CHANCELLOR'S OFFICE APPROVAL**

Approved, and Place on Agenda       Not Approved, but Place on Agenda

Signature: José M. Ortiz  
Dr. José M. Ortiz, Chancellor

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SEP 08 2014

DEPT. OF GENERAL SERVICES

August 29, 2014

Peralta Community College District  
Attn: Dr. Sadiq Ikharo  
333 East 8th Street  
Oakland, CA 94606

**Re: Assignment of Energy Services Contract (Merritt College) - CES  
Contract No. CU1105 between Peralta Community College District  
and Chevron Energy Solutions Company**

Dear Dr. Sadiq Ikharo:

As of the date of this letter ("Transaction Date"), Chevron Energy Solutions Company, a division of Chevron U.S.A. Inc. ("CES"), has sold substantially all of its assets used in the operation of its business ("Business"), including the above-referenced Energy Services Contract (Merritt College) - CES Contract No. CU1105 and all work orders, change orders, addendums, exhibits, and schedules, if any, issued under this agreement, and all amendments, if any, to this agreement (collectively, "Contract") to OpTerra Energy Services, Inc. ("OpTerra ES").

As a courtesy, CES is hereby advising you that, as a result of this transaction and pursuant to the Contract's assignment provisions, the Contract has been assigned to OpTerra ES as of the Transaction Date. As of that date, OpTerra ES has assumed and will perform all of CES's rights, duties, and obligations under the Contract. Although this transaction transfers ownership of the Business to OpTerra ES, it will not disrupt performance of the Contract. All (or substantially all) personnel currently managing or performing the Contract will remain with the Business and may continue to be reached at the same mobile phone numbers.

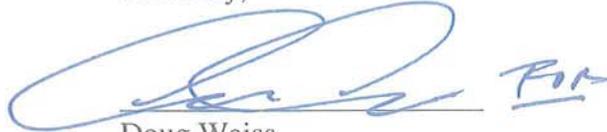
Additionally, enclosed please find a new Certificate of Insurance for the Contract issued by OpTerra ES's insurance broker. Note, the transaction does not affect the payment and performance bonds currently outstanding under the Contract. Those bonds will remain in effect until terminated as permitted by the Contract or applicable law. Also, the new address for notice for OpTerra ES under the Contract is as follows:

\* OpTerra Energy Services  
Attn: John Gajan, VP, Operations  
345 California St, Fl 19  
San Francisco, CA 94104

Finally, applications for payment that you have or will receive with Chevron letterhead should be remitted to CES per previous process and as detailed on the particular CES invoice. Future applications for payment will be from OpTerra ES and will be on OpTerra ES letterhead. Please remit payment of those invoices in accordance with the information on the particular OpTerra ES invoice.

Thank you in advance for your cooperation. OpTerra ES tells us it looks forward to a continuing relationship with you. If you have any questions or would like to discuss the assignment in further detail, please do not hesitate to contact me.

Sincerely,



Doug Weiss  
Regulatory Officer  
Chevron Energy Solutions Company,  
a division of Chevron U.S.A. Inc.

Encls.