



# City of Woodland

## REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR  
AND CITY COUNCIL

DATE: December 1, 2009

SUBJECT: Add Project to Capital Budget – Energy Efficiency and Conservation  
Block Grant, CIP 09-26

### **Report in Brief**

The City received notification from the Federal Department of Energy regarding the award of an Energy Efficiency and Conservation Block Grant in the amount of \$508,700. Staff is requesting that the City Council add this project to the Capital Budget. With this approval, staff will expend the funds in accordance with the Capital Budget Policy. The primary purpose for expending these funds is to add photovoltaic panels (or solar, also known as PV) on the roof of the Police Station to reduce utilities cost and to facilitate the City's commitment to reducing greenhouse gas (GHG) emissions.

Staff recommends that the City Council approve the addition of the Energy Efficiency and Conservation Block Grant (EECBG) Project, CIP 09-26 in the amount of \$508,700 to the Capital Budget for Fiscal Year 2010.

### **Background**

The EECBG program is a portion of about \$2.7 billion in formula grants now available to states, territories, local governments and Indian tribes funded for the first time under the American Recovery and Reinvestment Act of 2009 (ARRA). This Program, authorized in Title V, Subtitle E of the Energy Independence and Security Act of 2007 (EISA) and signed into Public Law (PL 110-140) on December 19, 2007, provides funds to units of local and state government, Indian tribes, and territories to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions in their communities. The Program is administered by the U.S. Department of Energy (DOE). Staff prepared and submitted an application in June 2009 for these grant funds and received notification of award in September.

The use of the EECGB funds to install solar panels at the Police Station is consistent with the City's Energy Efficiency and Conservation Strategy (EECS). This Strategy evolved out of a series of actions that began in early 2008 when the City Council formed the Energy Committee. In April 2008 the City Council adopted Resolution No. 4906 which formalized Woodland's membership in the Yolo County Climate Change Compact. This action committed the City to continue to reduce fossil

fuel and overall energy use throughout municipal operations, including buildings, vehicles, and programs, and also initiated a process to reduce energy use and greenhouse gas emissions on a community-wide basis. The Resolution adopted the State of California target for overall reduction of greenhouse gas emissions by 80% below 1990 levels by the year 2050.

### **Discussion**

The City of Woodland has been allocated \$508,700 in Energy Efficiency and Conservation Block (EECBG) funds. Of the \$508,700, the City has expended \$50,000 for its Energy Efficiency and Conservation Strategy (EECS). The first priority for the remaining \$458,700 will be to install a PV system at the City Police Station. Staff is in the process of selecting a consultant to perform necessary system sizing analysis and also prepare design-build specifications. If the final PV roofing project requires less than \$458,700, the remaining funds may be used for LED Street Lighting, or retrofit of the HVAC system at Woodland City Hall and its annex.

The City will also apply for a rebate via the California Solar Initiative (CSI). The State has been offering a variety of incentives to install solar power since 1998. The incentive level declines in 10 steps as the State approaches the overall goal of adding 1,750 megawatts of solar generation. Solar consumers are paid their incentive either all-at-once for smaller systems (usually residential), or over the course of five years, for larger systems (over 50 kW). Woodland's system will likely be over 50 kilowatts. The Governmental incentive payment is currently at Step 6 and is equal to \$0.26 per kilowatt-hour. Depending on timing of a City incentive application, the actual amount may be less. The selected consultant will assist the City in applying for an incentive.

### **Fiscal Impact**

This project will have no impact on the General Fund. The project is entirely funded by the \$508,700 EECBG grant of which about \$458,700 is available for staff, consultant and construction costs.

Upon completion of construction, the project will generate electricity and reduce the ongoing electrical energy cost at the Police Station. One of the first consultant tasks will be to analyze the potential long term energy savings.

### **Public Contact**

Posting of the City Council agenda.

### **Council Committee Recommendation**

The City Council Energy Committee has discussed and is supportive of the installation of solar panels at the Police Department. As part of the Committee's previous planning efforts, a matrix was

developed identifying measures to be implemented that would reduce the City's greenhouse gas emissions in the near term and long term. One of the identified measures is the installation of solar panels at City facilities. The Committee also discussed the types of measures that they would like implemented as a part of the EECBG grant, including the installation of solar panels at the Police Department. The Committee is supportive of the EECBG efforts as they are consistent with the Committee goals.

**Recommendation for Action**

Staff recommends that the City Council approve the addition of the Energy Efficiency and Conservation Block Grant (EECBG) Project, CIP 09-26 in the amount of \$508,700 to the Capital Budget for Fiscal Year 2010.

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