RESOLUTION - ACTION REQUESTED 2020-690

MEETING: November 24, 2020

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: California Energy Commission ECAA Loan Application

RECOMMENDATION AND JUSTIFICATION:
Adopt a Resolution Authorizing the County Administrative Officer to Complete and Submit All Necessary Documents and Application for the California Energy Commission (CEC) Energy Conservation Assistance Act (ECAA) Loan Program and Related California Environmental Quality Act (CEQA) Determination; and Authorize the Board of Supervisors Chair to Sign the Resolution.

This action will allow staff to secure up to three million dollars ($3,000,000.00) in financing at one percent (1%) interest for energy projects at County facilities. An outline of desired projects is attached for review. This item is the next step in a pilot project and the Board has directed staff to continue to move this project forward. Accordingly, staff recommends approval as presented.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The Mariposa County Government Center was constructed in 1996. While it has received routine maintenance and repairs since that time, the roof and the Heating, Ventilation and Air Conditioning (HVAC) system are now 24 years old and in need of replacement.

Staff bid a replacement project for the roof and HVAC system on two separate occasions. On both occasions, only one response was received and the proposal in each case was far above engineers’ estimates for the project (the last proposal was more than $430,000). In discussions with prospective bidders, staff has been informed that the age of the system, its rooftop location, the sometimes undecipherable complexities of the original installation, legislative requirements including prevailing wage, and included bid addenda all create uncertainty and risk that contribute to a lack of bids and inflated pricing.

After several months of seeking better options to meet the needs of the Government Center, staff changed its approach and instead bid an energy services pilot project for the Government Center. The prevailing proposal included the use of financing to
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support long-term energy savings at several County facilities including the Government Center (solar generation, conversion to LED lighting, upgraded HVAC duct work and controls, and so on). Energy savings is projected to be sufficient to cover the cost of debt service and generate a net return to the County of more than $15 million over the next thirty (30) years.

The Board of Supervisors discussed this item on February 11, 2020, and directed staff to move forward with SiteLogIQ on designing the best project for Mariposa County. That pilot project was presented to the Board on October 27, 2020 and staff was again directed to continue moving forward.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve. Staff will need direction on how to proceed.

FINANCIAL IMPACT:
Authorizes up to $3,000,000.00 in additional debt service.

ATTACHMENTS:
California Energy Commission Resolution  (PDF)
Notice of Exemption_Mariposa County Energy Upgrade  (PDF)
SitelogIQ - County of Mariposa PP 10.27.2020  (PPTX)

RESULT: ADOPTED AS AMENDED [UNANIMOUS]
MOVER: Merlin Jones, District II Supervisor
SECONDER: Rosemarie Smallcombe, District I Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
COUNTY of MARIPosa
P.O. Box 784, Mariposa, CA  95338 (209) 966-3222
KEVIN CANN, CHAIR
MARSHALL LONG, VICE-CHAIR
ROSEMARIE SMALLCOMBE
MERLIN JONES
MILES MENETREY
DISTRICT IV
DISTRICT III
DISTRICT I
DISTRICT II
DISTRICT V

MARIPosa COUNTY BOARD OF SUPERVISORS
MINUTE ORDER

TO: DALLIN KIMBLE/County Administrative Officer
FROM: RENÉ LaROCHE/Clerk of the Board
SUBJECT: Adopt a Resolution Authorizing the County Administrative Officer to Complete and Submit All Necessary Documents and Application for the California Energy Commission (CEC) Energy Conservation Assistance Act (ECAA) Loan Program and Related California Environmental Quality Act (CEQA) Determination; and Authorize the Board of Supervisors Chair to Sign the Resolution

RESOLUTION: 2020-690

The following action was taken by the Mariposa County Board of Supervisors on November 24, 2020:

G.3. Administration RES-2020-690

Adopt a Resolution Authorizing the County Administrative Officer to Complete and Submit All Necessary Documents and Application for the California Energy Commission (CEC) Energy Conservation Assistance Act (ECAA) Loan Program and Related California Environmental Quality Act (CEQA) Determination; and Authorize the Board of Supervisors Chair to Sign the Resolution

Dallin Kimble gave the staff report noting that the main piece of financing for the solar panels is a loan through the California Energy Commission Act. Jessica Ritter/SiteLogiq noted that this does not obligate the County to take the loan as it is only to queue up for the December funding. Steven W. Dahlem/County Counsel noted corrections to the action. No public input.

CORRECTIONS:
The Resolution is to be revised to reflect that this action is only regarding the application and is not an approval of loan documents. Further, the CEQA notice of exemption is not being filed at this time as, per regulations, that only occurs once the project is approved.

RESULT: ADOPTED AS AMENDED [UNANIMOUS]
MOVER: Merlin Jones, District II Supervisor
SECONDER: Rosemarie Smallcombe, District I Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey