

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Authorize the City Manager to Sign Agreements Implementing the 2009 Recovery Act Energy Efficiency and Conservation Block Grant Projects and Approve Ordinance 567 Adding Funds to the 2010 Budget
DEPARTMENT:	Finance Department
PRESENTED BY:	Bethany Wolbrecht-Dunn, Grants Specialist John Norris, Management Analyst

PROBLEM/ISSUE STATEMENT:

The purpose of this staff report is to request Council's approval authorizing staff to enter into an agreement with the US Department of Energy (DOE) to implement projects for the Energy Efficiency and Conservation Block Grant (EECBG) program as authorized under the 2009 Federal American Recovery and Reinvestment Act (ARRA).

Additionally, Council approval is required for a budget amendment to add these funds to the 2010 Budget.

BACKGROUND:

On January 17, President Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. Commonly referred to as the federal economic stimulus, the ARRA allocates federal funds to preserve and create jobs. While many of the funds provided under this act were competitive, a portion was made available to state and local jurisdictions on a formula basis, meaning allocations were granted to these jurisdictions based on their population and other factors.

The Energy Efficiency and Conservation Block Grant (EECBG) program is one of these entitlement programs available under the ARRA. The US Department of Energy provides these funds for projects that will assist in reducing fossil fuel emissions in a manner that is environmentally sustainable and maximizes benefits for local and regional communities. The City of Shoreline's EECBG allocation is \$472,800.

EECBG funds can be used community-wide as well as for government owned facilities and infrastructure projects. The following activities are eligible under the program:

- Development of an energy efficiency and conservation strategy, and technical consultant services to assist in the development of such a strategy.
- Residential and commercial building energy audits.
- Financial incentive programs and mechanisms for energy efficiency improvements, such as energy savings performance contracting, on-bill financing, and revolving loan funds.

- Grants to nonprofit organizations and government agencies for the purpose of performing energy efficiency retrofits.
- Energy efficiency and conservation programs for buildings and facilities.
- Development and implementation of transportation programs to conserve energy.
- Building codes and inspections to promote building energy efficiency.
- Energy distribution technologies that significantly increase energy efficiency, including distributed resources, combined heat and power, and district heating and cooling systems.
- Material conservation programs including source reduction, recycling, and recycled content procurement programs that lead to increases in energy efficiency.
- Reduction and capture of methane and greenhouse gases generated by landfills or similar waste-related sources.
- Energy efficient traffic signals and street lighting.
- Renewable energy technologies on government buildings.
- Any other appropriate activity that meets the purposes of the EECBG program and is approved by the DOE.

FUNDING PLAN:

After reviewing various projects and programs, the items detailed in the funding plan below were determined to be the best options for funding, given the project eligibility requirements in the EECBG guidelines and the ARRA guidelines requiring transparency and accountability in the spending of Recovery Act dollars. The Council has previously reviewed these projects and adopted most (see below) into the budget through the Capital Improvement Plan (Ordinance No. 553, July 13, 2009) and into the 2010 budget through Ordinance No. 565 (November 23, 2009). This plan was also provided to the City Council in a September 10, 2009 correspondence memo that is attached for reference (Attachment A). This project and funding plan is currently being reviewed by DOE and the City is awaiting approval.

City of Shoreline EECBG Funding Plan and Budget:

Line Items	Cost
• City Hall Projects -	\$386,732
◦ Occupancy Sensor Control for HVAC System	\$108,433
◦ Day-lighting (dimming ballasts for perimeter of the building)	\$183,067
◦ Bi-level stairway lighting	\$5,079
◦ Visqueen Curtain for Server Racks	\$14,153
◦ Additional Solar Voltaic Panels	\$75,000
• Visible Strategies "SEE-IT" Performance Indicator Display Interface	\$45,000
• Service Contract with Solar Shoreline Project (SSP)/Shoreline Chamber of Commerce for 2010 North King County Green Business Conference	\$5,000
• Four Installed LED Streetlights at Greenstreet Demonstration Project and Accompanying Solar Panels to Provide Energy Off-set	\$36,068
Total	\$472,800

Funding Plan Projects:

- City Hall Projects – All items will greatly help the City achieve LEED Gold certification for the City Hall project. As well, solar voltaic panel funding will allow for the purchase of an additional 33 solar panels, bringing the total number of panels to 117. This will provide (along with the solar thermal features of the building) approximately 21 kilovolts of clean energy for the facility.
- Performance Indicator Display Interface – Allows City staff/officials to display collected data on all 34 indicators that are identified in the Council adopted Shoreline Sustainability Strategy. These indicators will help measure whether programs and recommendations detailed in the Strategy are achieving desired outcomes. Once data is collected and input, the graphic web-based display can be linked to the City's website, shown at Council and other community meetings, and used internally at meetings and trainings. This funding level will also allow staff to set up the interface and will purchase a three year contract.
- Green Business Conference Service Contract – Provides financial support for the 2010 Shoreline Solar Project/Chamber of Commerce Green Business Conference. The Shoreline Solar Project and the Chamber of Commerce has held one Green Business Conference thus far, and would like their next conference to be larger in scope. Additional funding will allow the conference to provide more in-depth programming, which will hopefully maximize participant value.
- LED Streetlights – This funding will provide four new LED streetlights to be placed in the Greenstreet Demonstration Project along 17th Avenue NE, as well as accompanying solar panels that will likely be placed on a "solar tree" at 15th Avenue NE and NE 150th Street. These solar panels, which will be connected to Seattle City Light's power grid, will provide solar energy to help off set energy used by the LED streetlights.

ALTERNATIVES:

Since the project and funding plan has been accepted by the City Council, is in process for approval with the DOE, most projects have been incorporated in the budget, and financial commitments have been finalized for the City Hall project, there are few alternatives remaining at this stage. Conceivably, staff could request a reallocation of the remaining \$86,068 since no binding financial commitments have been made for these funds. However, any changes to the funding plan would require further DOE review and approval. Thus, the two alternatives for Council action are as follows:

- Authorize the City Manager to sign the contract and implement the related EECBG projects and adopt Ordinance No. 567.
- Direct staff to request a reallocation from DOE for the remaining uncommitted funds and authorize the City Manager to sign agreements implementing the EECBG projects.

FINANCIAL IMPACT:

A majority of the EECBG funds for the City Hall Projects (\$386,732) was added to the City Hall CIP budget with budget Ordinance No. 553 on July 13, 2009 (\$311,732) and with budget Ordinance No. 565 on November 23, 2009 (\$75,000). The budget

amendment attached to this staff report (Attachment B) will add the following funds to the 2010 Budget:

Surface Water Capital Fund (LED lights for Green Streets Project)	\$36,068
General Fund (<u>Visible Strategies and Green Business Conference</u>)	<u>\$50,000</u>
Total to be added to the 2010 Budget with Ordinance 567	\$86,068

RECOMMENDATION

Staff recommends that Council authorize the City Manager to sign agreements implementing the 2009 Recovery Act Energy Efficiency and Conservation Block Grant Projects and approve Ordinance 567 adding funds to the 2010 Budget.

Approved By: City Manager  City Attorney ____

Attachments:

Attachment A: EECBG Council Funding Memo

Attachment B: Ordinance 567

Attachment C: Exhibit 1



Memorandum

DATE: September 10, 2009

TO: City Council

FROM: Robert L. Olander, City Manager

CC: Leadership Team
Jesus Sanchez, Operations Manager
Kirk McKinley, Transportation Service Manager
John Norris, Management Analyst
Bethany Wolbrecht-Dunn, Grants Specialist
Juniper Nammi, Associate Planner
Miranda Redinger, Associate Planner
Rika Cecil, Environmental Programs Coordinator

RE: Energy Efficiency and Conservation Block Grant (EECBG) Funding Plan

Attached to this memo is the American Reinvestment and Recovery Act (ARRA) Energy Efficiency and Conservation Block Grant (EECBG) Funding Plan for the City's allocation of \$472,800. The EECBG provides grants to local governments, states, territories, and Indian tribes in the U.S. to fund projects that reduce energy use and fossil fuel emissions and improve energy efficiency. As well, as the EECBG is being funded with ARRA dollars, EECBG expenditures must also focus on job creation.

After reviewing various projects and programs, the items detailed in the funding plan were determined to be the best options for funding, given the project eligibility requirements in the EECBG guidelines and the ARRA guidelines outlining transparency and accountability in the spending of Recovery Act dollars. Please feel free to contact John Norris, Management Analyst, if you have any questions about these expenditures.



American Reinvestment and Recovery Act (ARRA) Energy Efficiency and Conservation Block Grant (EECBG) Funding Plan

ARRA EECBG Funding Allocation: \$472,800

Funding Plan Budget:

Line Items	Cost
• City Hall Project -	\$386,732
o Occupancy Sensor Control for HVAC System	\$108,000
o Day-lighting Controls (dimming ballasts for perimeter of the building)	\$183,000
o Bi-level stairway lighting	\$6,732
o Visqueen Curtain for Server Racks	\$14,000
o Solar Voltaic Panels	\$75,000
• Visible Strategies "SEE-IT" Performance Indicator Display Interface	\$45,000
• Service Contract with Solar Shoreline Project (SSP)/Shoreline Chamber of Commerce for 2010 North King County Green Business Conference	\$5,000
• Four Installed LED Streetlights at Greenstreet Demonstration Project and Accompanying Solar Panels to Provide Energy Off-set	\$36,068
Total	\$472,800

Funding Plan Descriptions:

- **City Hall Project** - This project will provide five main energy efficient components to the Shoreline City Hall. In the broadest terms, it is the intent of the City that the City Hall facility be one that is smart in design with a focus on customer service, transparency and accessibility to the entire community. The City's goal is to achieve gold level LEED (Leadership in Energy and Environmental Design) certification, by featuring options that are not only energy efficient and cost effective, but which will reduce greenhouse gases and improve the environmental health of the community. To build personal interest and a commitment among visitors to replicate one or more of its features, there will be two interactive kiosks (one which meets ADA requirements) that detail the LEED aspects on the site. The following descriptions provide more information about the five components:
 1. *Occupancy Sensor Control for HVAC System* - occupancy sensors will be installed throughout the building in areas of variable occupancy to shut-off ventilation air to unoccupied zones. Energy savings: 96,285 kWh/yr
 2. *Day-lighting Controls* - this energy conservation measure will reduce the need and amount of artificial lighting in office areas and the perimeter of the building by installing sensors that determine the intensity of natural light available. Energy savings: 24,700 kWh/yr
 3. *Bi-level Stairway Lighting* - stairway lighting typically operates continuously despite low, intermittent use. By installing occupancy sensors integral to the lighting fixtures, stairway lights can be dimmed when the space is unoccupied. Energy savings: 6,154 kWh/yr
 4. *Visqueen Curtain for Server Racks* - to operate efficiently, data centers need to be kept cool. Traditionally, the hot air produced by the servers combines with the cooler, air-conditioned air in the data center. By separating the cold air intakes (cold aisle) on the server racks from the hot air exhausts (hot aisle) on the server racks, the cool air is confined to the area where the servers need it, reducing the energy needed to cool the entire room. Energy savings: 2,864 kWh/yr

5. *Solar Voltaic Panels* - 33 installed solar voltaic panels will be purchased with this EECBG expenditure, bringing the total number of panels to 117. Each of the 33 panels will provide 175 watts of power, producing a total of approximately 5.775 kilowatts of clean energy to the building. When this project is completed with funding from the City, Seattle City Light and the EECBG, 22,522 kWh in clean renewable energy will be produced annually. The solar voltaic panels, which will be made in Washington State by Silicon Energy, represent a significant advance in durability, longevity of performance, ease of installation and aesthetics. The panels will be placed on the roof of the parking structure, where they will be highly visible and where they will also provide shading to cars, including those at the electric car charge stations. Energy savings: 6,930 kWh/yr

- Performance Indicator Display Interface – The Visible Strategies “SEE-IT” Performance Indicator Display tool will allow the City to graphically display collected data on all 34 indicators that are identified in the City’s Sustainability Strategy. These indicators will help measure whether programs and recommendations detailed in the Strategy are achieving desired outcomes. Once data is collected and input, the SEE-IT graphic web-based display can be linked to the City’s website, shown at Council and other community meetings, and used internally at meetings and trainings.
- Green Business Conference Service Contract – Provides financial support for Solar Shoreline Project (SSP)/Chamber of Commerce Green Business Conference. The SSP/ Chamber of Commerce has held one Green Business Conference thus far, and would like their next conference to be larger in scope. Additional funding will allow the conference to provide more in-depth programming, which will hopefully maximize participant value.
- Greenstreet Demonstration Project LED Streetlights – This funding will provide for four new LED streetlights to be placed in the Greenstreet Demonstration Project along 17th Avenue NE, as well as accompanying solar panels that will likely be placed on a “solar tree” at 15th Avenue NE and NE 150th Street. These solar panels, which will be connected to Seattle City Light’s power grid, will provide solar energy to help offset energy used by the LED streetlights. To build personal interest and a commitment among visitors to replicate features of the Greenstreet Demonstration Project, the City is exploring the use of signage to identify the use of LED street lighting and solar panels in the project.

ORDINANCE NO. 567

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, AMENDING ORDINANCE 563 BY INCREASING THE APPROPRIATION IN THE GENERAL AND SURFACE WATER UTILITY FUNDS

WHEREAS, the 2010 Budget was adopted by Ordinance 563; and

WHEREAS, the City has received a Energy Efficiency and Conservation Block grant from the U.S. Department of Energy; and

WHEREAS, the City plans to use the grant to support the implementation of the Visible Strategies to monitor the City's progress on its sustainability strategy; and

WHEREAS, the City will use the grant to provide financial support to the Shoreline Solar Project/Shoreline Chamber of Commerce for the 2010 North King County Green Business Conference; and

WHEREAS, the City will use the grant to install LED streetlights and solar panels in the Greenstreet Demonstration project ; and

* WHEREAS, the City of Shoreline is required by RCW 35A.33.075 to include all revenues and expenditures for each fund in the adopted budget;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE,
WASHINGTON, DO ORDAIN AS FOLLOWS:**

Section 1. Amendment. The City hereby amends Section 2 of Ordinance No. 563, *Summary of Revenues and Expenditures*, by increasing the appropriation from the General Fund by \$50,000, by increasing the appropriation in the Surface Water Utility Fund by \$36,068, and by increasing the Total Funds appropriation to \$84,190,848 as follows:

General Fund	30,814,064	30,864,064
Street Fund	2,484,659	
Reserve Stabilization Fund	980,000	
Code Abatement Fund	100,000	
State Drug Enforcement Forfeiture Fund	16,500	
Federal Drug Enforcement Forfeiture Fund	25,000	
Public Arts Fund	35,000	
2006 Unlimited Tax General Obligation Bond Fund	1,681,850	
2009 Limited Tax General Obligation Bond Fund	1,273,646	
General Capital Fund	6,209,132	
City Facility-Major Maintenance Fund	104,000	
Roads Capital Fund	35,193,973	
Surface Water Utility Fund	4,893,489	4,929,557
Vehicle Operations/Maintenance Fund	163,467	
Equipment Replacement Fund	100,000	
Unemployment Fund	30,000	

Total Funds	\$84,104,780	84,190,848
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Section 2. Amending the 2010 Budget. The 2010 Budget is amended as set forth in Exhibit 1 and increases the Total Funds appropriation to \$84,190,848.

Section 3. Effective Date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

ADOPTED BY THE CITY COUNCIL ON JANUARY 11, 2010.

Mayor

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Date of Publication:
Effective Date:

January 11, 2010 Budget Amendment Detail

Item	Fund	Orgkey	Object	Amount	Revenue Source	Revenue Object	Amount	Fund Balance 3080000	Total Resources	Explanation
General Fund										
Planning & Development Services -										
Current Planning	001	2506175	5410000	\$ 45,000	EECBG	3391811	\$ 45,000	\$ -	\$ 45,000	Performance Indicator Display Interface
		OP256239	9041							
										Provide support to Solar Shoreline/Shoreline Chamber of Commerce 2010 North King County Green Business Conference
City Manager		1100001	5410000	\$ 5,000	EECBG	3391811	\$ 5,000	\$ -	\$ 5,000	
		OP256239	9041							
Total General Fund				<u>\$ 50,000</u>			<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>	
Surface Water Utility Fund										
Green (Shore) Streets Initiative	401	3018250	5630000	\$ 36,068	EECBG	3391811	\$ 36,068	\$ -	\$ 36,068	Install four LED streetlights at Green Street demonstration project
		OP256239	0610							
Total Surface Water Utility Fund				<u>\$ 36,068</u>			<u>\$ 36,068</u>	<u>\$ -</u>	<u>\$ 36,068</u>	
TOTAL AMENDMENTS				<u>\$ 86,068</u>			<u>\$ 86,068</u>	<u>\$ -</u>	<u>\$ 86,068</u>	