

Agenda Report

DATE: JUNE 1, 2009

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: ADOPTION OF RESOLUTION AUTHORIZING A GRANT APPLICATION FOR THE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT FOR AN ENERGY EFFICIENCY LIGHTING RETROFIT PROJECT - FEDERAL STIMULUS PROGRAM.

RECOMMENDATION:

It is recommended that the City Council adopt a resolution authorizing an application for the 2009 Energy Efficiency and Conservation Block Grant program in the amount of \$1,507,800 for an Energy Efficiency Lighting Retrofit Project.

BACKGROUND:

The American Recovery and Reinvestment Act of 2009 has authorized up to \$1,507,800 in Energy Efficiency and Conservation Block Grant (EECBG) funds directly to the City of Pasadena. The Department of Energy (DOE) has established guidelines for the use of the EECBG funds, which are generally to be used to reduce energy use and greenhouse gases and develop and retain jobs. The DOE has established a June 25, 2009 deadline for applications. Staff is seeking to submit the City's application in early June in order for the DOE to review, approve and release funds to Pasadena as soon as possible. An update on this grant opportunity was presented to the Legislative Policy Committee as an informational item at their May 1st meeting.

The DOE's core principles for the EECBG emphasize energy efficiency and conservation, long-term benefits, community and economic development (including jobs) and leveraging other public and private funds.

Staff is requesting a total of \$1,507,800 for the 2009 grant cycle to fund the proposed energy efficiency lighting retrofit project. This Department of Public Works project adheres to the DOE's principle of reducing energy use over the long-term; thus lowering energy expenditures (measured in kilowatt savings).

This Department of Public Works project consists of replacing existing high wattage light bulbs with light emitting diode (LED) bulbs in city-owned facilities and street lights.

The facility lighting retrofit consists of 26 facilities that are heavily used by the public such as libraries and community centers. For street lights, 100 street light lamps have been identified and will be retrofitted with LED bulbs. This entire project that encompasses both facilities and street lights will generate a reduction of 1.3 million kilowatt hours and save an approximate \$200,000 in energy costs in year one.

No matching funds are required for this grant. However, leveraged or matching funds are strongly encouraged by the DOE. Staff has identified over \$300,000 over three years for additional buildings not identified in the grant, and \$75,000 for the street lighting portion of this grant. This funding will be appropriated as part of the Building Preventive Maintenance project in the Municipal Buildings and Facilities section of the FY 2010 Capital Improvement Program (CIP). The leverage funding for the street lighting project is part of the Repair and/or Replacement of Existing Street Lighting Systems project in the CIP.

ENVIRONMENTAL IMPACT:

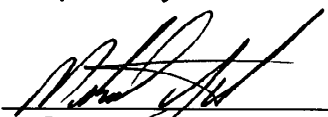
Pursuant to State Guidelines, Article 5, Section 15061(b)(3), CEQA applies only to projects which have the potential for causing a significant effect on the environment. The project proposed herein will not have a potentially significant effect on the environment, and therefore falls under this "general rule" exemption to CEQA.

As it relates to the City's Green Initiatives, this lighting retrofit project adheres to the city's policy of reducing the peak electric load by 10% by 2012.

FISCAL IMPACT:

Successful award of this grant application could bring the City of Pasadena \$1,507,800 towards the City's Lighting Retrofit projects which meet its long term goals of energy reduction.

Respectfully submitted:




MICHAEL J. BECK
City Manager

Prepared by:



Enrique Arroyo, Management Analyst
Building Systems and Fleet Maintenance Division

Approved by:



Martin Pastucha, Director
Department of Public Works

Resolution No: _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA
APPROVING THE APPLICATION FOR THE ENERGY EFFICIENCY AND
CONSERVATION BLOCK GRANT FOR AN ENERGY EFFICIENCY
LIGHTING RETROFIT PROJECT**

WHEREAS, the 111th United States Congress has enacted the American Recovery and Reinvestment Act of 2009, which is intended to provide over \$2.7 billion in formula grants to local, state and federal agencies and nonprofit entities under the Energy Efficiency and Conservation Block Grant for projects aimed at energy efficiency and reduce energy use in their communities; and

WHEREAS, the United States Department of Energy has established the procedures and criteria for reviewing grant proposals and is required to submit a list of recommended projects from which the grant recipients will be selected; and

WHEREAS, said procedures and criteria established by the U.S. Department of Energy require a resolution certifying the approval of application by the applicant's governing body before submission of said application to the U.S. Department of Energy, and

WHEREAS, the City of Pasadena wishes to apply for an energy efficiency lighting retrofit project, and

WHEREAS, the application contains assurances with which the City of Pasadena must comply; and

WHEREAS, the City of Pasadena, if selected, will enter into an agreement with the U.S. Department of Energy to carry out the energy efficient and reducing projects;

**NOW, THEREFORE, BE IT RESOLVED THAT THE PASADENA CITY
COUNCIL:**

1. Approves the filing of an application for the Energy Efficiency and Conservative Block Grant for an energy efficiency lighting retrofit project; and
2. Certifies that the City will make adequate provisions for operation and maintenance of the project; and

3. Appoints the City Manager and the Director of Public Works as agents of the City of Pasadena to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

Approved and Adopted on the ____ day of _____, 20__.

AYES:

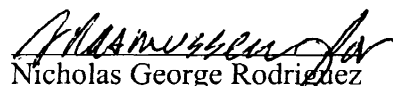
NOES:

ABSENT:

ABSTAIN:

MARK JOMSKY, City Clerk

Approved as to form:


Nicholas George Rodriguez
Assistant City Attorney