

LOAN AWARD REQUEST



To: Grants and Loans Office

Date: October / 3 / 2011

Project Manager: Joji Castillo

Phone Number: (916) 653-6471

Office SPO

Division: FTD

MS- 23

Project Title: City of Seaside

Type of Request: (check one)

New Agreement: (include items A - F from below) Agreement Number: Assigned by the G&L Office

Program: _____

Solicitation Name: _____

Legal Name of Recipient: _____

Recipient's Full Mailing Address: _____

Recipient's Project Officer: _____ Phone Number: () - ext. _____

Email Address: _____

Agreement Start Date: ____ / ____ / ____ Agreement End Date: ____ / ____ / ____

Annual Energy Savings: \$ 0.00 Total Loan Amount: \$ 0.00

Number of Repay Periods: (Leave blank if repay is based on energy savings)

Amendment : (Check all that apply) Agreement Number: 023-09-ECE-ARRA

Term Extension – New End Date: March / 31 / 2012

Change of Scope (include items A – G from below, as applicable)

Loan Augmentation: \$ _____

Other: (Specify) _____

ITEMS TO ATTACH WITH REQUEST:

- A. Loan information including application and budget details.
- B. Recipient Resolution.
- C. Special Conditions, if applicable.
- D. CEQA Compliance Form.
- E. Other Documents as applicable.
 - Copy of Pre-Award Correspondence
 - Copy of All Other Relevant Documents
- F. ECM Codes, if applicable.
- G. Justification for Amendment.
- H. Subcontractor Information

California Environmental Quality Act (CEQA)

CEC finds, based on recipient's documentation in compliance with CEQA:

Project exempt: Section _____ NOE filed: ____ / ____ / ____

Environmental Document prepared: Type _____ NOD filed: ____ / ____ / ____

Other: Explain _____

CEC has made CEQA finding described in CEC-280, attached

Funding Information:

Source #1: _____	Amount: \$ <u>0.00</u>	Statute: _____	FY: _____	Budget List #: _____
Source #2: _____	Amount: \$ <u>0.00</u>	Statute: _____	FY: _____	Budget List #: _____
Source #3: _____	Amount: \$ <u>0.00</u>	Statute: _____	FY: _____	Budget List #: _____

Business Meeting Approval: (refer to Business Meeting Schedule)

Date due to Secretariat: October / 24 / 2011

Proposed Business Meeting Date: November / 16 / 2011

Consent Discussion

Business Meeting Participant: Joji Castillo

Time Needed: 0

Agenda Notice Statement: (This is the description that will appear on the agenda)

Possible approval of a Amendment 1 to Agreement 023-09-ECE-ARRA with the City of Seaside for a change of scope and a no-cost time extension to March 31, 2012. The loan funds will be used to replace a 40 year old boiler and upgrade streetlights to higher efficiency induction and/or LED lamps. The City originally proposed retrofitting their streetlights with induction lamps. This amendment will not change the project cost, loan amount, energy cost savings, and payback period. (ARRA funded)

LOAN AWARD REQUEST



Please list all known Subcontractors paid with proceeds connected to the project mentioned above:
List Engineering, M3 Environmental Consulting, Della Mora Heating, Sheet Metal & Airconditioning, Coastwide Environmental Technologies

Project Manager Date Office Manager Date Deputy Director Date

Executive Director Date Presiding Policy Committee Date Associate Policy Committee Date

Memorandum

To: Robert P. Oglesby
Executive Director

Date: October 3, 2011

Telephone: 653-6471

From: **California Energy Commission**
1516 Ninth Street
Sacramento CA 95814-5512

Subject: STAFF RECOMMENDATION TO APPROVE AN AMENDMENT TO THE CITY OF SEASIDE'S LOAN (LOAN # 023-09-ECE-ARRA) TO UPGRADE THE CITY'S STREET LIGHTING WITH LED AND/OR INDUCTION LIGHTING, AND FOR A THREE MONTH NO-COST TIME EXTENSION TO BE CONSIDERED AT THE NOVEMBER 16TH BUSINESS MEETING.

Summary of Item

On March 17, 2010, the California Energy Commission approved a loan to the City of Seaside (City) in the amount of \$59,404 to upgrade streetlights with higher efficiency induction lighting and replace a 40 year old boiler in Seaside, California.

The City is requesting a change of scope on their street lighting project. The City would like the option to upgrade streetlights with induction and/or LED lamps. In addition, the City is also requesting a 3-month no cost time extension to March 31, 2012. The current agreement end date is December 31, 2011.

This amendment will not alter the total project cost, loan amount, energy cost savings, and payback. This loan is financed by American Recovery and Reinvestment (ARRA) funds at an interest rate of 1%.

Justification for Action Requested

The City is on track to complete their boiler project by December 31, 2011 which is the current agreement end term date. However, there has been some delay in the implementation of the street lighting project. The City is, currently, discussing the possibility of retrofitting their streetlights with LED lamps instead of induction. A decision may not be made until sometime in November. Because of this, the City is requesting a change of scope to allow them to use either induction and/or LED lamps. The City's delay in determining the optimal streetlight retrofit technology requires additional time to complete the retrofit. The City fully expects to complete the entire project by March 31, 2012.

Project Manager

Joji Castillo, Special Projects Office

Oral Presentation

Staff will be prepared to discuss this recommendation and to respond to questions regarding the loan.

Business Meeting Participants

Joji Castillo, Special Projects Office, Fuels and Transportation Division

Commission Action Requested

Approve the loan amendment and authorize the Executive Director to execute the loan documents.

PAT PEREZ, Deputy Director
FUELS AND TRANSPORTATION DIVISION

**City of Seaside
Street Lighting and Boiler Project
Loan Amount: \$59,404**

Pros and Cons

The following are the Pros and Cons to the Energy Commission of providing a loan to the City of Seaside:

Pros:

- The requested amendment will not alter the total project cost, loan amount, energy cost savings, and payback period.
- The no cost time extension will allow the City to complete their projects as approved in the loan agreement.
- The change in scope will give the City the option to retrofit their streetlights with either induction and/or LED lamps.

Cons:

- None

DO NOT DELETE

**EXHIBIT A
ATTACHMENT 1
BUDGET DETAIL/PROJECT COST AND SAVINGS**

This loan is made to the City of Seaside (“Borrower”) for an energy savings Project. The Project consists of the energy efficiency measures listed in Table 1 below upgrading street lighting to higher efficient induction and/or LED lighting to be installed at various locations in the City of Seaside, CA, and replacement of a 40-year old boiler with a higher efficiency model at the City of Seaside City Hall.

The Table below summarizes the estimated Project cost(s), saving(s) and simple payback(s) for the Project.

TABLE 1: Summary of Project Cost and Savings:

Energy Efficiency Measures	Estimated Total Project Cost	Energy Commission Loan	Estimated Annual Energy Cost Savings	Simple Payback* (Years)
Replace 37 HPS Street Lights with Higher Efficiency Lighting	\$51,393		\$6,012	
Replace boiler with higher efficient model	\$60,500		\$2,499	
TOTALS:	\$111,893	\$59,404	\$8,511	7.0

* The simple payback is based on the loan amount.

The Borrower shall implement each measure listed in Table 1.

If Borrower does not complete one or more of the measures or deviates from the quantities and specifications listed in Table 1, the Energy Commission will calculate the maximum loan amount supported by the Project. The loan amount will be determined by the lesser of: 1) multiplying the annual energy cost savings by 13; 2) total Project costs; or 3) approved loan amount.

A letter of agreement or loan amendment may be necessary to document these changes, at the discretion of the Energy Commission.

If the Borrower has received disbursements exceeding the maximum loan amount supported by the Project, the Borrower shall refund the difference to the Energy Commission within 30 days of notification.