



**CALIFORNIA
ENERGY COMMISSION**



**California Energy Commission
January 24, 2024 Business Meeting
Backup Materials for Agenda Item No 03a:
City of Eureka**

The following backup materials for the above-referenced agenda item are available in this PDF packet as listed below:

1. Proposed Resolution
2. Loan Amendment Request Form
3. Budget Detail/Project Cost and Savings

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION: City of Eureka

RESOLVED, that the State Energy Resources Conservation and Development Commission (CEC) adopts the staff CEQA findings contained in the Agreement or Amendment Request Form (as applicable); and

RESOLVED, that the CEC approves amendment 2 to agreement 002-21-ECI, with the City of Eureka, to increase the loan amount by \$50,000. The CEC previously approved a \$1,392,677 ECAA loan to fund the installation of two solar photovoltaic (PV) systems at two sites and a light emitting diode (LED) retrofit at one site in Eureka. The budget augmentation is being requested because the lowest bid for one of the solar PV systems is \$50,000 more than the original budget. The amendment will increase the total ECAA loan amount to \$1,442,677 and extend the simple payback period to 15.2 years; and

FURTHER BE IT RESOLVED, that the Executive Director or their designee shall execute the same on behalf of the CEC.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on January 24, 2024.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Kristine Banaag
Secretariat



STATE OF CALIFORNIA

LOAN AMENDMENT REQUEST FORM (LARF)

CEC-278 (Revised 12/2019)

CALIFORNIA ENERGY COMMISSION

Original Agreement # 002-21-ECI Amendment # 2

Division	Agreement Manager:	MS-	Phone
Reliability, Renewable Energy and Decarbonization Incentives	Sean Lockwood	45	916-891-9074

Recipient's Legal Name	Federal ID #
City of Eureka	946000328

Revisions: (check all that apply)	Additional Requirements
<input type="checkbox"/> Term Extension New End Date: / /	Include revised schedule and complete items A, B, C, & F below.
<input checked="" type="checkbox"/> Budget Augmentation Amendment Amount: \$50,000	Include revised budget and complete items A, B, C, D, & F below.
<input type="checkbox"/> Budget Reallocation	Include revised budget and complete items A, B, C, & F below.
<input type="checkbox"/> Scope of Work Revision	Include revised scope of work and complete items A, B, C, E, & F below.
<input type="checkbox"/> Change in Project Location or Demonstration Site	Include revised scope of work and complete items A, B, C, E, & F below.
<input type="checkbox"/> Novation/Name Change of Prime Recipient	Include novation documentation and complete items A, B, C, & F below.
<input type="checkbox"/> Terms and Conditions Modification	Include applicable exhibits with bold/underline/ strikeout and complete items A, B, C, & F below.

A) Business Meeting Information**Business Meeting approval is not required for the following types of Agreements:**☐ Minor amendments delegated to Executive Director per December 2013 ResolutionProposed Business Meeting Date 1 / 24 / 2024 ☒ Consent ☐ Discussion

Business Meeting Presenter Time Needed: minutes

Please select one list serve. Select

Agenda Item Subject and Description:

Proposed resolution approving amendment 2 to agreement 002-21-ECI, with the City of Eureka, to increase the loan amount by \$50,000, and adopting staff's determination that this action is exempt from CEQA. The California Energy Commission previously approved a \$1,392,677 ECAA loan to fund the installation of two solar PV systems at two sites and an LED retrofit at one site. The budget augmentation is being requested because the lowest bid for one the solar PV systems is \$50,000 more than the original budget. The amendment will increase the total ECAA loan amount to \$1,442,677 and extend the simple payback period to 15.2 years. (ECAA Funding) Contact: Sean Lockwood.



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B) List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)

Legal Company Name:	Budget
Hooven & Co. Inc.	\$ 1,442,677
	\$ 0.00
	\$ 0.00

C) List all key partners: (attach additional sheets as necessary)

Legal Company Name:

D) Budget Information (only include amendment amount information)

Funding Source	Funding Year of Appropriation	Budget List Number	Amount
ECAA	2023/2024	401.007	\$50,000
Funding Source			\$
Funding Source			\$
Funding Source			\$
Funding Source			\$

R&D Program Area: Select Program Area TOTAL: \$

Explanation for "Other" selection

Reimbursement Contract #:

Federal Agreement #:

E) California Environmental Quality Act (CEQA) Compliance

1. Is Agreement considered a "Project" under CEQA?

☒ Yes (skip to question 2) ☐ No (complete the following (PRC 21065 and 14 CCR 15378)):

Explain why Agreement is not considered a "Project":

Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because .

2. If Agreement is considered a "Project" under CEQA:

a) ☒ Agreement **IS** exempt.☒ Statutory Exemption. List PRC and/or CCR section number: Pub. Resources Code section 21080.35☒ Categorical Exemption. List CCR section number: Cal. Code Regs., tit. 14 § 15301, 15303

☐ Common Sense Exemption. 14 CCR 15061 (b) (3) Explain reason why Agreement is exempt under the above section: The Energy Commission made CEQA findings pertaining to this project, finding the project as a whole categorically exempt under 14 CCR 15301 and 15303 and finding the installation of the solar PV systems statutorily exempt under Pub. Resources Code section

**LOAN AMENDMENT REQUEST FORM (LARF)**

21080.35, when the project was originally approved by the Commission at its February 2022 business meeting. The proposed change through this amendment is an increase in the budget to account for cost increases for one solar PV system. The amendment therefore does not result in any impacts to the environment beyond those already considered in February 2022 and do not change the applicability of the categorical exemptions under 14 CCR 15301 and 15303 or the statutory exemption under Pub. Resources Code section 21080.35.

- b) ☐ Agreement **IS NOT** exempt. (consult with the legal office to determine next steps)

Check all that apply

- ☐ Initial Study
☐ Negative Declaration
☐ Mitigated Negative Declaration
☐ Environmental Impact Report
☐ Statement of Overriding Considerations

F) The following items should be attached to this LARF (as applicable)

- | | | |
|---|---|--|
| 1. Exhibit A, Scope of Work | <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached |
| 2. Exhibit B, Budget Detail | <input type="checkbox"/> N/A | <input checked="" type="checkbox"/> Attached |
| 3. CEQA Documentation | <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached |
| 4. Novation Documentation | <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached |
| 5. CEC 105, Questionnaire for Identifying Conflicts | | <input checked="" type="checkbox"/> Attached |

Agreement Manager: Sean Lockwood

Approval Date: 12/6/2023

Office Manager: Christopher Meyer

Approval Date: 12/20/2023

Deputy Director: Christine Collopy

Approval Date: 12/20/2023

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

This loan is made to the City of Eureka (Borrower) for an energy savings project. The project consists of the energy generation and efficiency measures listed in Table 1 below to be installed at the high tank site and water treatment plant at the City of Eureka.

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)
High Tank Site: 78 kW Roof, Ground and Carport Mounted Solar Array	\$255,500	\$195,177	\$11,481	22.3
Water Treatment Plant: 340 kW Roof Mounted Solar Array	\$1,190,000 \$1,240,000	\$1,190,000 \$1,240,000	\$82,567	14.4 15.0
Water Treatment Plant: Retrofit 50 T8 fluorescent fixtures with LED lamps and drivers	\$7,500	\$7,500	\$922	8.1
TOTALS:	\$1,453,000 \$1,503,000	\$1,392,677 \$1,442,677	\$94,970	14.7 15.2

*The simple payback is based on the loan amount.

The Borrower shall implement each measure listed in Table 1.

If the Borrower does not complete one or more of the measures or deviates from the quantities and specifications listed in Table 1, the California Energy Commission (CEC) project manager 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 17; 2) total project costs; or 3) approved loan amount.

The Borrower shall notify the CEC project manager in writing if the Borrower expects any information in Table 1 to change. CEC staff will advise the Borrower of the procedure to approve any changes. Written documentation is required for any changes to the information included in this attachment.

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