



Energy Systems Modernization (P361302)

Category	General Government	Date Last Modified	01/02/18
SubCategory	County Offices and Other Improvements	Administering Agency	General Services
Planning Area	Countywide	Status	Ongoing

EXPENDITURE SCHEDULE (\$000s)

Cost Elements	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
Planning, Design and Supervision	20,384	792	7,125	12,467	3,882	1,717	1,717	1,717	1,717	1,717	-
Construction	101,915	9,963	23,831	68,121	25,206	8,583	8,583	8,583	8,583	8,583	-
Other	1	1	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	122,300	10,756	30,956	80,588	29,088	10,300	10,300	10,300	10,300	10,300	-

FUNDING SCHEDULE (\$000s)

Funding Source	Total	Thru FY17	Est FY18	Total 6 Years	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	Beyond 6 Years
G.O. Bonds	2,139	39	300	1,800	300	300	300	300	300	300	-
Long-Term Financing	120,161	10,717	30,656	78,788	28,788	10,000	10,000	10,000	10,000	10,000	-
TOTAL FUNDING SOURCES	122,300	10,756	30,956	80,588	29,088	10,300	10,300	10,300	10,300	10,300	-

APPROPRIATION AND EXPENDITURE DATA (\$000s)

Appropriation FY 19 Request	10,861	Year First Appropriation	FY13
Appropriation FY 20 Request	10,000	Last FY's Cost Estimate	101,700
Cumulative Appropriation	60,500		
Expenditure / Encumbrances	13,596		
Unencumbered Balance	46,904		

Project Description

This project provides a means to implement energy savings performance contracting as a mechanism to reduce the County's energy usage and perform strategic facility upgrades with significantly reduced capital costs. These contracts performed by Energy Services Companies (ESCOs) have been used extensively by the federal government and other state and local jurisdictions to accomplish energy saving retrofits in a variety of facility applications. For each facility proposed, a unique prescriptive energy conservation analysis (audit) is conducted. Savings are associated with each element (energy conservation measure) of the analysis. Ultimately, the compilation of the measures defines the project. Third party funding (bonds or commercial loans) covers the cost of the contract. A key feature of Energy Savings Performance Contracts (ESPC) is that no General Obligation (G.O.) bonds are required for the contract and construction costs. A financing mechanism is initiated to cover the cost of the contract and the repayment of the debt is guaranteed through the energy savings. G.O. Bonds are required to cover associated staffing costs.

Estimated Schedule

FY19 and FY20: Olney Indoor pool, Upcounty Regional Services Center, Davis Library, Little Falls Library, Aspen Hill Library, Quince Orchard Library, White Oak Library, Long Branch Library, Rockville Library, Germantown Library, Fairland/Praisner Library, MLK Indoor Pool, Long Branch Recreation Center, Holiday Park Senior center, Bethesda Library.

Cost Change

Increase is due to the addition of FY23 and FY24 to this ongoing project.

Project Justification

Implementation of this project is consistent with the County's continuing objective to accomplish environmentally friendly initiatives as well as limit the level of G.O. Bonds. The ultimate objective of the individual building projects is to permanently lower the County's energy usage, reduce its carbon footprint and save considerable operating expenses.

Other

The proposals outlined in this program are developed in conjunction with the Department of General Services, the Department of Finance, and the Office of Management and Budget. Financial consultants will be employed to advise and guide the financial decisions. Projects will be implemented based on the potential for energy savings as well as operational and infrastructure upgrades.

Fiscal Note

FY17 transfer of \$700,000 in Long Term Financing to Council Office Building Renovation.

Disclosures

Expenditures will continue indefinitely.

Coordination

Department of General Services, Department of Finance, Office of Management and Budget