



Energy Systems Modernization

(P361302)

| | | | |
|---------------|---------------------------------------|----------------------|------------------|
| Category | General Government | Date Last Modified | 01/05/23 |
| SubCategory | County Offices and Other Improvements | Administering Agency | General Services |
| Planning Area | Countywide | Status | Ongoing |

EXPENDITURE SCHEDULE (\$000s)

| Cost Elements | Total | Thru FY22 | Rem FY22 | Total 6 Years | FY 23 | FY 24 | FY 25 | FY 26 | FY 27 | FY 28 | Beyond 6 Years |
|----------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------|----------|----------------|
| Planning, Design and Supervision | 23,818 | 2,414 | 14,536 | 6,868 | 1,717 | 1,717 | 1,717 | 1,717 | - | - | - |
| Construction | 118,742 | 18,989 | 65,421 | 34,332 | 8,583 | 8,583 | 8,583 | 8,583 | - | - | - |
| Other | 1 | 1 | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURES | 142,561 | 21,404 | 79,957 | 41,200 | 10,300 | 10,300 | 10,300 | 10,300 | - | - | - |

FUNDING SCHEDULE (\$000s)

| Funding Source | Total | Thru FY22 | Rem FY22 | Total 6 Years | FY 23 | FY 24 | FY 25 | FY 26 | FY 27 | FY 28 | Beyond 6 Years |
|------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------|----------|----------------|
| G.O. Bonds | 1,239 | 39 | - | 1,200 | 300 | 300 | 300 | 300 | - | - | - |
| Long-Term Financing | 139,525 | 19,568 | 79,957 | 40,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | - | - |
| PAYGO | 1,797 | 1,797 | - | - | - | - | - | - | - | - | - |
| TOTAL FUNDING SOURCES | 142,561 | 21,404 | 79,957 | 41,200 | 10,300 | 10,300 | 10,300 | 10,300 | - | - | - |

APPROPRIATION AND EXPENDITURE DATA (\$000s)

| | | | |
|-----------------------------|---------|--------------------------|---------|
| Appropriation FY 24 Request | 10,300 | Year First Appropriation | FY13 |
| Cumulative Appropriation | 111,661 | Last FY's Cost Estimate | 142,900 |
| Expenditure / Encumbrances | 21,604 | | |
| Unencumbered Balance | 90,057 | | |

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 General Obligation (G.O.) bonds are not required for the contract 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

Projects are identified and scheduled based on potential energy savings, feasibility, and coordination with other activities at project locations.

COST CHANGE

Cost savings from this project has been transferred to the HVAC/Elec Replacement: MCG 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 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 Finance, and the Office of Management and Budget. Financial consultants will be employed to advise and guide decisionmaking. Projects will be implemented based on energy savings potential as well as operational and infrastructure upgrades.

FISCAL NOTE

A FY17 transfer of \$700,000 in long-term financing to Council Office Building Renovation was approved. Funding switch between long-term financing and G.O. Bonds/PAYGO. In FY23 \$339,000 in G.O. Bonds was transferred from this project to the HVAC/Elec Replacement: MCG project.

DISCLOSURES

Expenditures will continue indefinitely.

COORDINATION

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