

AGENDA STAFF REPORT

MEETING NAME: REGULAR BOARD MEETINGS

MEETING DATE(S): APRIL 17 & 21, 2025

FROM: DANNY FRIEND, DIRECTOR OF OPERATIONS

FOR: ACTION X DIRECTION _____ INFORMATION _____



AUTHORIZATION TO AUGMENT THE CAPITAL BUDGET FOR THE ENERGY CONSERVATION AND EFFICIENCY SERVICES PLAN

STAFF RECOMMENDATION

Authorize the General Manager to augment the capital budget for Job #11776, the Energy Conservation and Efficiency Services Plan, by \$405,000, increasing the total budget from \$150,000 to \$555,000.

SUMMARY

This budget augmentation request is necessary to cover costs related to project management, administrative oversight, site coordination, inspection, legal cost, and environmental compliance. This initiative builds upon the foundation of the previously approved Solar PPA project (September 2024 Board Meeting), which aimed to secure cost-effective renewable energy and identified further energy efficiency opportunities.

ANALYSIS

As previously discussed, the original plan to install solar at seven sites has been reduced to three. The initial budget of \$150,000 was allocated for assessments and plan development for the original Engie project. A solar Power Purchase Agreement (PPA) offers public water agencies significant cost savings through fixed or reduced electricity costs and eliminates upfront expenses by having the solar developer handle financing, installation, and maintenance. Furthermore, it enhances operational efficiency, supports environmental sustainability, provides access to various incentives, and promotes energy independence.

FISCAL IMPACT & STRATEGIC PLAN IMPLEMENTATION

The \$405,000 budget increase will result in a total capital budget of \$555,000. This investment is justified by the anticipated long-term fiscal benefits of reduced energy consumption and operational costs, as well as enhanced sustainability, building on the Solar PPA's positive impact.

This action aligns with Strategic Plan Smart Goal 5.1 – Increase Use of Sustainable Energy Sources and Optimize Efficiencies, Key Success Measure #1 – Add solar panels to District facilities and convert low electrical use sites to solar.

ATTACHMENTS

None

FINANCIAL DATA		
Cost Associated with this action:	\$405,000.00	
Current FY cost:	\$161,473.82	
Future FY cost:	\$0	
Is it covered in current year budget:	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Budget adjustment needed:	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If yes, year needed:	FY24/25	
All previous contracts including dates, amounts and board approvals are attached or have been made available.		
FUNDING SOURCES		
Source of funds:	Water Fund - 201	
BID/Job#	11776	
Current BID/Job balance	-\$11,473.82	
Balance remaining if approved:	\$393,526.18	