



Information and General Services Department

950 Maidu Avenue
Nevada City, CA 95959
Phone: 530-265-1238
Fax: 530-265-7112

Information Systems
Geographic Information Systems
Facilities Management

Emergency Services
Central Services
Cable Television

Purchasing
Airport
Library

NEVADA COUNTY BOARD OF SUPERVISORS **Board Agenda Memo**

MEETING DATE: April 24, 2018

TO: Board of Supervisors

FROM: Steve Monaghan—IGS-Facilities Management

SUBJECT: Amendment No. 1 to the Agreement with Pacific Gas and Electric for the Off-bill and On-Bill Financing Loan

RECOMMENDATION: Adopt the Resolution

FUNDING: The loan, in the maximum amount of \$429,993.79, will be repaid over 113 months at \$3,805.25 per month. PG&E will bill the County for loan payments with a 0% interest rate through the utility bills of the respective facilities that will be benefitting from the work being funded by the loan. Energy cost savings from the improvements being financed are expected to cover the amount of the loan payments.

BACKGROUND: As previously presented to the Board on April 25, 2017, Resolution 17-187 approved an Off-Bill and On-Bill Financing Loan Agreement in the amount of \$400,440.44. This loan agreement was approved substantially in form and assumed an incentive of \$18,494.99 and a customer buy-down of \$30,304.04 for lighting upgrades. The lighting upgrades are part of a package of energy conservation measures being implemented by Climatec LLC under Board Resolution 16-176 in the amount of \$588,265; of which \$400,440.44 was estimated to be eligible for financing through the On-Bill Financing program. The amount eligible for financing corresponds to the estimated energy cost savings to be realized by the County over the financing period for the financed upgrades.

Now that the Energy Conservation Project is nearing completion, PG&E has conducted a true-up of the proposed financing agreement and has made several adjustments to the loan agreement terms, as allowed under Paragraph 2 in the original executed agreement, including: reducing the term of the loan agreement from 120 months to 113 months as the savings is projected to be attained in a shorter period of time, increasing the county's eligible incentive to \$19,245.68, and removing the need for a customer buy-down. As such, the entire amount of the loan will remain at 0% interest rate and be added to the county's monthly utility bill in the amount of \$3,805.25 per month as detailed in Attachment A. Staff is requesting an amendment to effect these changes.

Item Initiated by:
Approved by:

Josette Reina-Luken
Steve Monaghan

Submittal Date:
Revision Date:

April 9, 2018