



project could be identified.

If projects are determined to be beneficial, staff will be returning to the Board for approval of one or more projects. If no savings or conservation projects can be developed, there will be no charge for the assessment service.

### **FINANCIAL IMPACT:**

The estimated cost of the assessment will not exceed \$85,000. If ENGIE and the County execute a subsequent Energy Services Contract within ninety (90) calendar days after the County's receipt of the recommendations, the assessment fee will be incorporated into the total contract amount payable under the Energy Services Contract. If ENGIE doesn't find cost effective measures, no fee will be due. Funding for this project was included in the County's current year budget and the ATR moves appropriations within the Accumulated Capital Outlay Fund (BU 1701) previously funded by General Fund Capital Renewal Reserve to the newly established project budget (BU1669).

The costs associated with preparing the agenda item are nominal and absorbed by the Department's FY2019/20 Adopted Budget.

### **DISCUSSION:**

The County has negotiated a PDA with ENGIE Services U.S. (ENGIE) for the purpose of identifying energy conservation and generation measures. ENGIE will perform an integrated energy assessment of the County's facilities to identify potential energy conservation measures. ENGIE will deliver recommendations and identify energy improvements and operational changes that can be installed or implemented at County facilities and properties. The primary purposes of the assessment and the recommendations are to identify energy improvements and operational changes that are recommended to be installed or implemented at the facilities and to provide an engineering and economic basis for the implementation of the energy conservation and generation measures identified in the recommendations.

The three goals of this assessment are to identify:

1. Energy measures including energy conservation equipment (such as interior and exterior lighting systems) and techniques that could be implemented where they are determined to be cost effective and in the best interest of conservation;
2. Resiliency measures to overcome disruptions to PG&E service; and,
3. Where the County may be able to install solar arrays, (parking shade structures, rooftop, or ground-mount) or other alternative generation at certain facilities or as standalone systems, to reduce the dependency on traditional power from PG&E.

Under the proposed PDA, if ENGIE's assessment concludes that the cost of the energy conservation measures will be less than amounts the County would otherwise spend on energy, the County and ENGIE intend to negotiate an energy services contract under Government Code section 4217.12, providing for, among other things, engineering, procurement, installation, construction, and training services in connection with the implementation of the energy conservation measures identified during the assessment and described in the recommendations. County staff would return to the Board of Supervisors for consideration and approval of the energy services contract. If a contract is executed within ninety (90) calendar days after the County's receipt of the recommendations, the \$85,000 cost of the assessment will be rolled into the project cost. If ENGIE doesn't find cost effective measures, no fee will be due.

### **ALTERNATIVES:**

The Board could choose not to approve the agreement and continue to rely solely on traditional utility sources for the procurement of electricity. This action is not recommended as the County would miss an opportunity to identify potential energy savings and reduce utility costs.

**OTHER AGENCY INVOLVEMENT:**

General Services Facilities staff have supplied all preliminary information and provided access to equipment to determine if a feasibility study would be beneficial. County Counsel has reviewed the PDA.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION