

RESOLUTION NO. 1801

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND TO ACCEPT MARYLAND ENERGY ADMINISTRATION EMPOWER CLEAN ENERGY COMMUNITIES GRANT FUNDS AND JANE E. LAWTON CONSERVATION LOAN PROGRAM FUNDS FOR VARIOUS ENERGY PROJECTS.

WHEREAS, the City of Salisbury desires to improve energy efficiency of City resources and conserve energy utilized by City buildings; and

WHEREAS, the City of Salisbury received notification of by the Maryland Energy Administration that funds have been identified in the EmPower Clean Energy Communities Grant Program and Jane E. Lawton Conservation Loan Program, to be used on projects that reduce total energy use and fossil fuel emissions; and

WHEREAS, the City of Salisbury is to be awarded grant funds in the amount of \$80,000.00 through the EmPower Clean Energy Communities Grant Program for approved energy projects; and

WHEREAS, the City of Salisbury is to be awarded zero interest loan funds in the amount of \$300,000.00 through the Jane E. Lawton Conservation Loan Program for approved energy projects; and

WHEREAS, City policy requires that grant and loan funds can only be accepted with the approval of City Council; and


WHEREAS, the Salisbury City Council recognizes the need to improve energy efficiency of City resources and conserve energy in the City;


NOW, THEREFORE, BE IT RESOLVED that the Salisbury City Council accepts \$80,000.00 through the EmPower Clean Energy Communities Grant Program for approved energy projects under the terms outlined in the grant and accepts \$300,000.00 through the Jane E. Lawton Conservation Loan Program for approved energy projects under the terms outlined in the loan.

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 13th day of July, 2009 and is to become effective immediately upon adoption.

ATTEST:


Brenda J. Colegrove
CITY CLERK


Louise Smith
PRESIDENT, City Council


James Irton, Jr.
MAYOR, City of Salisbury

Memo

To: John Pick
From: Karen Reddersen
Date: July 7, 2009
Re: Maryland Energy Administration-EmPower Clean Energy Communities Grant Program and Jane E. Lawton Conservation Loan Program

The City of Salisbury submitted two grants to the Maryland Energy Administration (MEA) under the EmPower Clean Energy Communities Grant Program for energy projects designed to improve energy efficiency and reduce energy usage. One of these grant submissions included several projects outlined in the City's Energy Management Plan, for a total request of \$357,800. The second grant submission, as identified in the Plan, was for traffic signal conversion of the City's 228 traffic fixtures from bulb fixtures to LED technology for a request of \$351,485.

Salisbury Public Works (SPW) was notified by MEA that they are unable to provide grant funding for the traffic signal project, however, they recognized the importance of this project and could offer a zero interest loan in the amount of \$300,000.00 under the Jane E. Lawton Conservation Loan Program. This program requires a 10% match and SPW has identified available funding through the "State Aid in Lieu of" program to cover the match responsibilities. If acceptance of the loan is approved, the City would utilize the MD State Highway Administration Contract # AX1405185 at a total estimated contract cost of \$300,000.00, with \$270,000 funded through the above noted loan and \$30,000.00 funded through the match program. SPW anticipates repayment of the loan within 7 years in the estimated amount of \$42,857.14/year. Per Dick Anderson, the City's energy consultant, annual cost savings are estimated at \$45,660 per year, resulting in a 7-year payback period for the project.

The Department of Internal Services, Procurement Division was notified by MEA that they were able to fund a portion of the requested projects submitted under the Empower grant in the amount of \$80,000.00. MEA identified the approved projects based on energy savings and small payback periods, as attached. The project estimates for the EmPower Energy Grant total \$74,200. The City remains eligible for the full \$80,000.00 in funding under this grant and the additional \$5,800.00 in grant funds is to cover variances in the actual bids, if necessary. If bids are received below the estimated amounts, the City can submit additional energy projects to MEA for the remaining funds in the grant allowance. The 10% match, estimated at \$8,000.00, for these projects can be achieved through in-kind service by City employees or energy consulting fees.

The Department of Internal Services-Procurement Division requests council's approval of the acceptance of these funds for City of Salisbury energy projects.

Project	Department	Est. Cost	Payback	Grant
Lighting Conversion Project-T 12 to T-8 fixtures	Police/Zoo	\$40,000	2.4	Empower Clean Energy Grant
Parking Garage Exit Fixtures to LED Exit Fixtures	Parking	\$2,200	.79	Empower Clean Energy Grant
Programmable Exterior Light Time Clocks	Various	\$11,400	2.0	Empower Clean Energy Grant
Lighting Control Occupancy Sensors	Various	\$10,800	2.2	Empower Clean Energy Grant
Programmable Thermostats	Various	\$9,800	1.4	Empower Clean Energy Grant