



"OUR CHILDREN – OUR FUTURE"

Ravenswood City School District **Curriculum & Instruction**

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Ms. Gina Sudaria
Interim Superintendent

Date: May 23, 2019

To: Honorable Board of Trustees

From: Ms. Gina Sudaria, Interim Superintendent

Subject: Consideration to Approve the Contract With ENGIE Services to Provide Energy Related Services Related to the Prop 39 Approved Expenditure Plan

At the time of publication the District and ENGIE are finalizing the contract. I will forward to the Board of Trustees as early as possible on Wednesday for their review. In addition, copies will be available for the public at Thursdays meeting.

Quick Summary/Abstract

The District currently spends approximately \$500,000 per year on utility costs across all sites, based on analysis of our PG&E bills from the last three years. The California Clean Energy Jobs Act (Prop. 39) allocates projected revenue to California's General Fund and the Clean Energy Job Creation Fund for five fiscal years, beginning with fiscal year 2013-14. Under the initiative, roughly up to \$550 million annually is available for appropriation by the Legislature for eligible projects to improve energy efficiency and expand clean energy generation in schools.

Eligible local educational agencies (LEAs), such as the District, can request funding by submitting an energy expenditure plan application to the California Energy Commission. The Energy Commission approves plans and works with the California Department of Education, which subsequently distributes funds after plans have been approved.

The District submitted a Prop. 39 Energy Expenditure Plan Report to the State of California Energy Commission. Subsequently the State has approved the Ravenswood City School District's Expenditure Plan and authorized the District to move forward with the projects. The total funding provided through the Prop 39 program to the District is approximately \$736,365.

Rationale:

On October 19, 2018, an RFQ was issued to solicit bids from contractors to perform the actual work for the identified and approved energy projects. The District received three (3) bids which were reviewed by District Administration, Telacu, and the San Mateo County Sustainability Coordinator. At the December 13, 2018, Board Meeting, ENGIE Services U.S. was approved as the District's partner for assessing & implementing comprehensive energy-related capital improvement services.

Since then, ENGIE Services has worked with District leadership to establish three key program pillars or goals, aligned with District's Foundation of Results, Relationships and Responsibilities. The energy program pillars are financial results, student relationships and environmental responsibility.

The ENGIE team has also worked with District staff to understand District facilities conditions and energy usage, develop detailed project scope and costs, solicit competitive bids for labor and materials, and presented District staff with a firm, fixed-price construction cost for the recommended energy measures. The energy measures to be implemented include upgraded LED lighting in classrooms and on building exteriors at all sites, solar shade and/or parking lot canopies on all sites, and charging stations for electric school buses at the District Office.

ENGIE Services has also met with District educational staff to understand how the energy cost savings can support ongoing STEAM education programs in the District. Preliminary areas for collaboration include:

- The creation of an online dashboard to engage students and teachers in a campus "living laboratory,"
- Supplemental materials to support and engage students and teachers in sustainability through the makerspaces,
- Support for the creation of a CTE pathway around STEM and green construction, and
- Customized on-site professional development sessions to link sustainability industry content and instructional strategies with NGSS-aligned curriculum.

Pursuant to California Government Code 4217.10 -.18, the board must hold a public hearing to consider approval of an Energy Services Contract. The District posted a public notice two weeks before the May 23, 2019, Board Meeting notifying the public of the hearing.

The District's legal counsel has reviewed the Energy Services Contract provided by ENGIE Services, and the fully negotiated contract is attached.

Financial Impact

ENGIE Services U.S. worked with the District to develop detailed project costs, solicit competitive bids on behalf of the District, and present District staff with a firm, fixed-price construction cost for the recommended energy measures. Measures will be covered by the Prop. 39 funds received by the District, as well as by a combination of CEC zero-interest funding and a Tax-Exempt Lease Purchase (TELP) or bond funding.

The District currently spends approximately \$500,000 per year on energy. The impact of this project will be a benefit to the General Fund of approximately \$490,000 per year in reduced energy and maintenance costs. If the balance of the project is financed by the CEC loan and a TELP with no bond or other capital required, net savings will be approximately \$105,000 per year during the financing term.

Approval of the Energy Services Contract tonight will allow work to continue on the project financing to be approved by the board at a future date.

Recommendation

It is recommended that the Board approve the contract with ENGIE Services to provide energy related services related to the Prop 39 approved expenditure plan.

Board Approved: _____