

SILVER VALLEY UNIFIED SCHOOL DISTRICT

RESOLUTION NO. 22-23-01

RESOLUTION AUTHORIZING TURNKEY DESIGN AND CONSTRUCTION ENERGY SERVICES AGREEMENT

WHEREAS, the Silver Valley Unified School District (“District”) Board of Trustees (“Board”) has endorsed the goal of efficient school operations and directed staff to develop energy conservation practices for use in the District; and

WHEREAS, the Board wishes to further reduce the District’s energy consumption and to otherwise obtain cost savings related to energy use; and

WHEREAS, Government Code sections 4217.10 through 4217.18 authorize the Board to enter into one or more energy service contracts with any person or entity, pursuant to which that person or entity will provide electrical or thermal energy or conservation services to the District, which may comprise or include an energy conservation facility, if the anticipated cost to the District for thermal or electrical energy or conservation services provided under the contract(s) is less than the anticipated marginal cost to the District of thermal, electrical, or other energy that would have been consumed by the District in the absence of those energy service contracts; and

WHEREAS, the District selected Schneider Electric Buildings Americas, Inc. (“Contractor”) and entered into the Agreement for Turnkey Design and Construction Energy Services (“Agreement”), dated January 14th, 2022 pursuant to which Contractor performed an integrated energy assessment and presented District with recommendations for energy efficiency at Silver Valley High School (“Recommendations”); and

WHEREAS, based on these Recommendations, Contractor has proposed to the District Amendment No. 2 to the Agreement for Turnkey Design and Construction Energy Services (“Amendment No. 2”), attached hereto as Exhibit A, under the terms of which Contractor will install energy efficient upgrades; and

WHEREAS9, District plans to use funding available from Elementary and Secondary School Emergency Relief (ESSER Funds) in order to implement the energy efficiency upgrades, set forth in Exhibit A and Exhibit B; and

WHEREAS, the Analysis (“Energy Savings Projections”), attached here to as **Exhibit B**, demonstrates that the cost to the District for the thermal or electrical energy or conservation services provided thereunder is less than the anticipated marginal cost to the District of thermal, electrical, or other energy that would have been consumed by the District in the absence of the Contract (“Savings”).

NOW, THEREFORE, BE IT RESOLVED that it is found, determined and resolved by the Board of the District as follows:

1. The above recitals are true and correct.
2. The District held a public hearing at a regularly scheduled meeting of the Board for which notice was given not less than two weeks in advance pursuant to Government Code Section 4217.12(a).
3. Based upon available information, including but not limited to reports, analysis and presentations by CONTRACTOR, and District staff, as reviewed by the Board in connection herewith, and as required by Government Code section 4217.12(a), the Board hereby finds and determines as follows:
 - a. The anticipated cost to the District for electrical energy and conservation services provided by the Energy Conservation Facilities under the Energy Services Contract will be less than the anticipated marginal cost to the District of electrical energy that would have been consumed by the District in the absence of the Project facilities and services; and
 - b. The fair rental value for the District's real property subject to the agreement between the District and CONTRACTOR for use in connection with the Energy Conservation Facilities is offset by below-market energy costs and other benefits provided under the Energy Services Design-Build Contract to the District and/or the public.
4. It is in the best interests of the District to authorize the District's Superintendent and designees to execute and deliver the Agreement with CONTRACTOR, substantially in the form presented to this Board at this meeting, to take all steps and perform all actions with respect to identifying and securing financing and/or sources of funds, including savings and other District funds, and returning to this Board with a recommendation concerning such financing, and to take any actions deemed necessary to protect the interests of the District.

PASSED AND ADOPTED by the Board of Education of the Silver Valley Unified School District, following a public hearing, at a regular meeting held on August 2nd, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DATED:

SIGNED:

President
Board of Education

Exhibit A: Agreement for Turnkey Design and Construction Energy Services
(Attached to Resolution)

Exhibit B: Price and Savings Projections

Project price: \$1,124,615

Facility Improvement Project					
Cashflow - 25 Years					
Project Price			Project Assumptions		
Turn-Key Project Price		\$ 1,124,615	Energy Savings	\$ 3,534	
			O&M Savings*	\$ 33,738	
			Utility Rate Escalation	4%	
			Inflation	3%	
Project Price		Project Savings			
Year	District Contribution	Energy Savings	O&M Savings*	Total Annual Savings	Cumulative Project Cash Flow
2023	0	\$1,124,615			\$0
2024	1	\$0	\$3,534	\$33,738	\$37,272
2025	2	\$0	\$3,675	\$34,751	\$75,698
2026	3	\$0	\$3,822	\$35,793	\$115,314
2027	4	\$0	\$3,975	\$36,867	\$156,156
2028	5	\$0	\$4,134	\$37,973	\$198,263
2029	6	\$0	\$4,300	\$39,112	\$241,675
2030	7	\$0	\$4,472	\$40,285	\$286,432
2031	8	\$0	\$4,651	\$41,494	\$332,577
2032	9	\$0	\$4,837	\$42,739	\$380,152
2033	10	\$0	\$5,030	\$44,021	\$429,203
2034	11	\$0	\$5,231	\$45,342	\$479,776
2035	12	\$0	\$5,440	\$46,702	\$531,918
2036	13	\$0	\$5,658	\$48,103	\$585,679
2037	14	\$0	\$5,884	\$49,546	\$641,110
2038	15	\$0	\$6,120	\$51,032	\$698,262
2039	16	\$0	\$6,365	\$52,563	\$757,190
2040	17	\$0	\$6,619	\$54,140	\$817,949
2041	18	\$0	\$6,884	\$55,765	\$880,598
2042	19	\$0	\$7,159	\$57,437	\$945,194
2043	20	\$0	\$7,446	\$59,161	\$1,011,801
2044	21	\$0	\$7,743	\$60,935	\$1,080,479
2045	22	\$0	\$8,053	\$62,763	\$1,151,296
2046	23	\$0	\$8,375	\$64,646	\$1,224,318
2047	24	\$0	\$8,710	\$66,586	\$1,299,614
2048	25	\$0	\$9,059	\$68,583	\$1,377,256
25 Year Totals					
		\$1,124,615	\$147,177	\$1,230,079	\$1,377,256

* O&M savings based on the California Energy Commission's recommendation that O&M savings constitute 3% of the project's price.