



## Request for City Council Committee Action From the Department of Public Works

**Date:** August 23, 2010

**To:** Honorable Elizabeth Glidden, Chair Regulatory, Energy and Environment Committee

**Referral:** Honorable Betsy Hodges, Chair Ways & Means Committee

**Subject:** **Minnesota Department of Commerce Office of Energy Security Grant for Local Government and School District Renovations**

**Recommendation:**

- A. Accept the \$137,806.75 grant OES-04192010-COSTSHARE01 from the Minnesota Department of Commerce Office of Energy Security (OES) for energy conservation measures at 5 city facilities.
- B. Authorize the proper City officers to negotiate and execute documents associated with the grant with the Office of Energy Security.

**Previous Directives:**

None

**Prepared by:** Brian Millberg, Energy Manager 673-3024

**Approved by:**

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Steven A. Kotke, P.E., City Engineer, Director of Public Works

**Presenters:** Brian Millberg, Energy Manager, Department of Public Works, Property Services

**Reviews**

Permanent Review Committee  
(PRC):

Approval NA Date

Civil Rights Approval

Approval NA Date

Policy Review Group (PRG):

Approval NA Date \_\_\_\_\_

## Financial Impact

The required 50% city matching funds will come from various capital budget accounts. The total capital outlay will be \$137,806.75.

Site	Cost to City	Funding Source
Public Service Center	\$33,548.72	04100-9010923-513007
La Salle Ramp	\$26,943.75	07500-9010946-507007
10 <sup>th</sup> and Hennepin Ramp	\$29,678.12	07500-9010946-507007
Courthouse Municipal Ramp	\$18,263.00	07500-9010946-507007
Target Center	\$29,337.60	01260-8700200-802000
TOTAL CITY MATCH	\$137,806.75	

## Community Impact

Neighborhood Notification: NA

City Goals: Supports the City's goal for an Enriched Environment.

Comprehensive Plan: Supports the Minneapolis Plan for Sustainable Growth (Policy 6.1, 6.2, and 6.3)

Zoning Code: NA

## Background/Supporting Information

In April of 2010, the Minnesota Department of Commerce Office of Energy Security (OES) released an RFP for a 50% matching grant to allow energy conservation improvements on local government and school district facilities. The grant was capped at a maximum of \$150,000 to each governing body. The City of Minneapolis submitted a proposal to perform a total of six projects at five separate buildings:

Site	Project Description	Total Cost after Xcel Rebate	Simple Payback on City Portion of Cost
Public Service Center	HVAC Controls	\$45,975.00	2.9 years
Public Service Center	Retrofit 1,015 light fixtures	\$21,193.55	3.2 years
La Salle Ramp	Retrofit 250 light fixtures	\$53,887.50	2.3 years
10 <sup>th</sup> and Hennepin Ramp	Retrofit 275 light fixtures	\$59,565.25	2.4 years
Courthouse Municipal Ramp	Retrofit 168 light fixtures	\$36,526.00	2.2 years
Target Center	Retrofit 960 light fixtures	\$58,675.20	5.4 years
TOTAL PROJECT COST		\$275,613.50	

The OES notified the City of Minneapolis in mid-July that it had received approval for the entire set of projects, for a grant total of \$137,806.75. The main requirements of the grant are the 50% match and that the work must be completed by September 30, 2011. The completion timeline will not be an issue as the work can be performed by the second quarter of 2011.