

RESOLUTION NO. 2017-283

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
DISPENSING WITH COMPETITIVE PROPOSALS AND AUTHORIZING THE CITY
MANAGER TO EXECUTE A 20-YEAR AGREEMENT WITH SACRAMENTO
MUNICIPAL UTILITY DISTRICT (SMUD) TO PARTICIPATE IN THE
SOLARSHARES[®] PROGRAM TO SAVE AN ESTIMATED AMOUNT OF \$338,600
FOR ELECTRICAL SERVICES IN CURRENT CITY FACILITIES DURING THE TERM
OF THE AGREEMENT, AND RESERVE SAVINGS FOR THE FUTURE AQUATICS
CENTER UPON OPENING IN JUNE 2018**

WHEREAS, Sacramento Municipal Utility District (SMUD) provides electrical power to City facilities; and

WHEREAS, Staff has implemented conservation measures to reduce electrical energy demands from SMUD, including installation of occupancy sensors in City Hall offices and conference rooms, installation of LED lamps in the City Hall campus building's lobby's and restrooms, LED lighting in the City Council Chambers, adjusting the Laguna Palms Way campus buildings' lighting control module set points so all unnecessary lighting is turned off at the end of the business day, adjusting the working hours of the custodial contractor so all cleaning is completed either earlier in the evening or on weekend days (prior to the lights being turned off), retrofitting the Corporation Yard portion of the warehouse with energy efficient lamps, photo cells, occupancy sensors, and skylights, and retrofitting all existing parking lot and building wall pack lights and the interior lighting of the Fleet Facility to LED lamps; and

WHEREAS, the City has a new opportunity to partner with SMUD for solar power; and

WHEREAS, SMUD has an innovative SolarShares[®] program whereby a portion of its solar power will be allocated to meet the electricity needs of the City's facilities; and

WHEREAS, the City wishes to purchase solar power from SMUD's commercial SolarShares[®] program at a set rate; and

WHEREAS, based on projections of future City electricity usage and SMUD rate increases, SolarShares[®] is anticipated to reduce City electricity costs over the 20-year agreement term; and

WHEREAS, SolarShares[®] provides an energy rate of \$0.095 cents/kilowatts (kWh) and a delivery service charge adjustable by SMUD's Board of Directors for the 20-year term; and

WHEREAS, total cost savings are anticipated at approximately \$338,600 for current facilities; and

WHEREAS, SMUD shall hold 493,074 kWh in reserve for allocation limited to the proposed Aquatics Center facility; and

WHEREAS, participation in SolarShares® supports adopted goals of the City's 2013 Climate Action Plan; and

WHEREAS, the City Council held a duly-noticed public hearing on December 13, 2017, as required by law to consider all of the information presented by staff, including the proposed agreement, and public testimony presented in writing and at the meeting; and

WHEREAS, this action is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3) because it does not have the potential for causing a significant effect on the environment; further, this action is also exempt from CEQA as an action taken for the protection of natural resources and the environment. (CEQA Guidelines, §§ 15307, 15308.); and

WHEREAS, for the reasons presented, the City Council finds that soliciting competitive proposals for the electricity services is not in the best interest of the City and finds that dispensing with the competitive proposal is appropriate pursuant to Elk Grove Municipal Code section 3.42.182(B)(3).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove City Council hereby dispenses with competitive proposals for the subject electricity services and authorizes the City Manager to execute a 20-year agreement with SMUD to participate in their SolarShares® Program to save an estimated amount of over \$338,600 for current City facilities during the term of the agreement and reserve savings for the future Aquatics Center upon opening in June 2018.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 13th day of December 2017



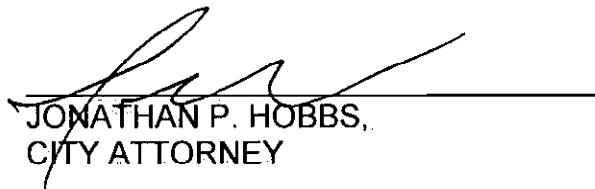
STEVE LY, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:



JONATHAN P. HOBBS,
CITY ATTORNEY

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2017-283**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

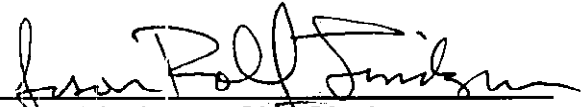
I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on December 13, 2017 by the following vote:

AYES: **COUNCILMEMBERS:** *Ly, Suen, Detrick, Hume, Nguyen*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN: **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *None*



**Jason Lindgren, City Clerk
City of Elk Grove, California**