



*City
Council
Report*

Item: 13
Category: NEW BUSINESS
Meeting Date: April 4, 2023

TITLE: Authorization for the City Manager to Execute Two Grant Agreements with Silicon Valley Clean Energy (SVCE) for the Community Energy Resilience Program and Community Decarbonization Demonstration Program, in the Amounts of \$197,972 and \$500,000 (Respectively) for the Campbell Police Operations Building (Project No. 23-RR) and Campbell Library Renovations (Project No. 23-SS) (Resolution/Roll Call Vote)

RECOMMENDED ACTION

That the City Council adopt a Resolution authorizing the City Manager to execute two Silicon Valley Clean Energy (SVCE) Grant Agreements for the Community Energy Resilience Program and Community Decarbonization Demonstration Program, in the amounts of \$197,972 and \$500,000 (respectively), for the Campbell Police Operations Building (Project No. 23-RR) and Campbell Library Renovations (Project No. 23-SS).

BACKGROUND

Silicon Valley Clean Energy (SVCE) is a Joint Power Authority (JPA) that provides clean electricity and resources to residents and businesses operating throughout the thirteen towns and cities in Santa Clara County – including the City of Campbell. Over the years, the organization has offered several grant programs to support local agencies in their efforts to implement renewable energy projects that promote long-term energy and cost savings. Most of these programs require an agency to apply for funding via a grant application process, which in turn, is evaluated by SVCE for eligibility. For those agencies whose project(s) do qualify, SVCE provides a grant funding agreement to be used on the development and implementation of the related project. Recently, the City of Campbell has received funding from two separate SVCE Community Grant programs for the implementation of energy-efficient features into the scope of work for both Measure O Projects (Police Operations Building Project, No. 23-RR and Library Renovations Project, No. 23-SS).

The first grant, known as the Community Energy Resilience Program, was introduced by SVCE in 2021 and is intended to support critical facilities and/or community services during a power outage by enabling self-sufficient access to power during an outage and decreasing the risk of power outages by way of zero carbon emissions. Energy resilience is defined as the ability to mitigate, withstand, or recover quickly from disruptions in the availability of energy via a centralized energy infrastructure. In

addition, SVCE has identified two project types that are eligible, by default: 1) solar/storage systems designed to increase energy resilience; and 2) portable battery systems used to support critical services or support vulnerable communities (such as medically fragile customers) during a power outage.

In 2022, SVCE introduced the second grant known as the Community Decarbonization Demonstration Program. This grant was intended to support the electrification of public/community buildings, schools, and existing affordable housing complexes. Additionally, SVCE stipulated that grant funds from its Community Decarbonization Demonstration Program were to be used for capital investment(s) on one of the following project types: 1) electrification of some (or all) of an existing public/community building; 2) construction of a new building/facility/center designed to demonstrate building electrification; or 3) installation of renewable energy generation and energy storage on site at an affordable housing development. Unlike the Community Energy Resilience Program, this program would be awarded through a competitive grant application process – with agencies competing for funds to support the electrification efforts of their local projects meeting such qualifications.

DISCUSSION

Community Energy Resilience Program

The Community Energy Resilience Program is a non-competitive grant that is open to all member agencies under the jurisdiction of SVCE. Member agencies were presented with the opportunity to apply for an allocation of funding that would be used on the planning and development costs for qualifying projects. If a project qualifies for such funds, the maximum amounts awarded to an agency are based on their proportion of electrical usage (load) as determined by SVCE. As a member agency of SVCE, the City of Campbell applied for the program with a request of funding to be used on the planning and development of energy-resilient improvement features and associated costs to be implemented on a City facility. Shortly thereafter, the City was notified that it had been allocated \$237,566 in funding from SVCE; with the allocation to be used on an energy-resilient improvement project.

Upon learning of this program and allocation, several sites were evaluated for improvements that met the program's objectives and remained within budget (of the amount allocated) for their associated planning and/or implementation costs. In the end, the Police Operations Building Project, No. 23-RR, was determined to be the most appropriate site based on the level of critical services the Police Operations Building provides to members of the community and the need to ensure operations are always maintained and available on both a daily and emergency basis. As such, the allocation of SVCE funds was subsequently broken down into two sub-categories: Planning/Design (\$39,594) and Capital Improvements (\$197,972). The planning and design funds (\$39,594) were allocated to the evaluation and assessment of various sites (to help identify a qualifying project) and paid to a third-party consultant through SVCE. With the recommendation of the Police Operations Building site, the Capital

Improvement funds (\$197,972) will be fully allocated to the project (see **Attachment B**). These funds will contribute to the installation of a stand-alone (off-grid) electric vehicle charging station at the new Police Operations Building that will also be used to keep the Mobile EOC vehicle charged when not in use. The funding allocation will be updated in the City's Proposed 2024-2028 Capital Improvement Program for the Police Operations Building Project, No. 23-RR.

Community Decarbonization Demonstration Program

On November 4, 2022, the City applied to SVCE's Community Decarbonization Demonstration Program with a request for funds that would be used for the Campbell Library Renovations Project, No. 23-SS. On February 8, 2023, the SVCE Board of Directors approved Campbell's grant application with an award of \$500,000 in grant funds (see **Attachment C**). This grant will contribute to the electrification efforts of the project, including the two rooftop air handling units, two new air source heat pumps, and all the associated infrastructure and support systems. The building's existing electrical service system will also be upgraded to handle the additional electrical load. Ultimately, these upgrades will terminate the building's dependence on fossil fuels by eliminating the need to use gas as an energy source. In addition to these environmental benefits, the electrification of a building this large with significant importance to the community will demonstrate the possibilities of electrification technology and its contributions to a greener future.

Should Council authorize the acceptance of the Community Decarbonization Demonstration Program grant, the electrical features outlined in the scope of work approved by SVCE will also be incorporated into the project's plans and specifications. In addition, the project's budget will also be adjusted accordingly. The change will be reflected in the City's Proposed 2024-2028 Capital Improvement Program for the Library Renovations Project, No. 23-SS.

At this time, staff is requesting Council's authorization to execute the grant agreements for the SVCE Community Energy Resilience Program and Community Decarbonization Demonstration Program, in the amounts of \$197,972 and \$500,000 (respectively), for use on energy-efficient improvement features of each Measure O Project as outlined in the program objectives of the grants awarded.

FISCAL IMPACT

With SVCE funding contributing to each Measure O Project, staff will ensure that the cost related to their scope of work meet the objectives of each program for which the grant was awarded. The allocation of these funds will be reflected in the City's Proposed 2024-2028 Capital Improvement Program for the Measure O Projects.

ALTERNATIVES

Do not accept the SVCE grant funds and proceed with improvements based on availability of existing funds applicable to each Measure O Project.

Prepared by: 
Abdulla Ahmed, Sr. Project Manager

Reviewed by: 
Todd Capurso, Director of Public Works

Approved by: 
Angelique Gaeta, Assistant City
Manager

Attachment:

- a. Resolution
- b. SVCE Community Resilience Agreement- PD
- c. SVCE Community Decarbonization Agreement- Library

RESOLUTION NO. 12961

A RESOLUTION OF THE COUNCIL OF THE CITY OF CAMPBELL AUTHORIZING THE CITY MANAGER TO EXECUTE TWO GRANT AGREEMENTS WITH SILICON VALLEY CLEAN ENERGY (SVCE) FOR THE COMMUNITY ENERGY RESILIENCE PROGRAM AND COMMUNITY DECARBONIZATION DEMONSTRATION PROGRAM, IN THE AMOUNTS OF \$197,972 AND \$500,000 (RESPECTIVELY), FOR THE CAMPBELL POLICE OPERATIONS BUILDING (PROJECT NO. 23-RR) AND CAMPBELL LIBRARY RENOVATIONS (PROJECT NO. 23-SS)

WHEREAS, Silicon Valley Clean Energy (SVCE) is a Joint Power Authority (JPA) that provides clean electricity to residents and businesses located throughout Santa Clara County, including programs to aid local agencies in the development and implementation of renewable energy projects; and

WHEREAS, in 2021, SVCE introduced a non-competitive grant, known as the Community Energy Resilience Program, to all member agencies with qualifying projects that implemented improvements to support critical facilities and/or community services during a power outage (i.e., systems with self-sufficient access to a backup power source and/or upgrading to systems with zero carbon emissions to lower the risk of an outage); and

WHEREAS, the City of Campbell applied for the Community Energy Resilience Program, and was subsequently allocated \$237,566 in grant funds by SVCE for use on an energy-resilient project; and

WHEREAS, upon learning of this allocation, several sites were evaluated for improvements and the Police Operations Building (Project No. 23-RR) was determined to be the most appropriate site based on the level of critical services it provides to members of the community, and the need to ensure operations are always maintained and available on both a daily and emergency basis; and

WHEREAS, the allocation of SVCE funds was subsequently broken down into two sub-categories: Planning/Design (\$39,594) and Capital Improvements (\$197,972); and

WHEREAS, the planning and design funds (\$39,594) were allocated to the evaluation of various sites (to help identify a qualifying project) and paid to a third-party consultant through SVCE; and

WHEREAS, with the recommendation of the Police Building project, the Capital Improvement funds (\$197,972) will be fully allocated to the project and contribute toward the installation of a stand-alone (off-grid) electric vehicle charging station that will also be used to keep the Mobile EOC vehicle charged when not in use; and

WHEREAS, in 2022, SVCE's member agencies were invited to apply for a separate, competitive grant known as the Community Decarbonization Demonstration Program, with funding awarded based on qualifying projects that support the electrification of public/community buildings, schools, and existing affordable housing complexes; and

WHEREAS, on November 4, 2022, the City of Campbell applied to the Community Decarbonization Demonstration Program for funding to be used on electrification improvements of the Library Renovations project (Project No. 23-SS); and

WHEREAS, on February 8, 2023, the SVCE's Board of Directors approved the City's grant application for the Library project and awarded \$500,000 in funds for improvements that include two rooftop air handling units, two new air source heat pumps, and all the associated infrastructure and support systems; and

WHEREAS, should the Council authorize the Decarbonization Grant Agreement, the project budget will be adjusted accordingly, and the electrical features outlined in the scope of work approved by SVCE will also be incorporated into the project's plans and specifications; and

WHEREAS, with SVCE funding contributing to each Measure O Project, staff will ensure that the cost related to their scope of work meet the objectives for the program in which the grant was awarded; and

WHEREAS, allocation of these funds will be reflected in the proposed FY 2024 CIP Budget for the Measure O Projects; and

WHEREAS, staff is requesting Council's authorization to execute the grant agreements for SVCE's Community Energy Resilience Program and Community Decarbonization Demonstration Program, in the amounts of \$197,972 and \$500,000 (respectively), for use on energy-efficient improvement features of each Measure O project as outlined in the program objectives of the grant agreements.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Campbell hereby authorizes the City Manager, or his designee, to execute two Silicon Valley Clean Energy (SVCE) Grant Agreements on behalf of the Community Energy Resilience Program and Community Decarbonization Demonstration Program, in the amounts of \$197,972 and \$500,000 (respectively), for the Campbell Police Operations Building (Project No. 23-RR) and Campbell Library Renovations (Project No. 23-SS); and

BE IT FURTHER RESOLVED that the Council of the City of Campbell hereby certifies that:

1. Each project will comply with all applicable laws and regulations, including (but not limited to) the California Environmental Quality Act (CEQA), applicable building codes, applicable health and safety codes, the California Labor Code, and applicable accessibility laws; and
2. All required permits shall be obtained prior to commencement of the project(s).

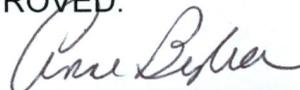
PASSED AND ADOPTED this 4th day of April 2023, by the following roll call vote:

AYES: Councilmembers: Lopez, Scozzola, Furtado, Landry, Bybee

NOES: Councilmembers: None

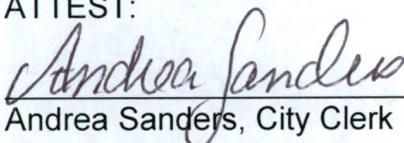
ABSENT: Councilmembers: None

APPROVED:



Anne Bybee, Mayor

ATTEST:



Andrea Sanders, City Clerk