

RESOLUTION NO. 2009-258

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE AUTHORIZING THE SACRAMENTO MUNICIPAL UTILITY DISTRICT TO APPLY FOR STATE ENERGY PROGRAM FUNDS FROM THE CALIFORNIA ENERGY COMMISSION ON BEHALF OF THE CITY AND ITS RESIDENTS

WHEREAS, the City of Elk Grove (the "City") recognizes that it is in the interest of the regional, state, and national economy to stimulate the economy; create and retain jobs; reduce fossil fuel emissions; and reduce total energy usage and improve energy efficiency within our jurisdiction; and

WHEREAS, Energy Efficiency and Conservation Block Grant (EECBG) funds are available through the California Energy Commission's EECBG Program for grants to eligible local governments for cost-effective energy efficiency projects; and

WHEREAS, the EECBG Program allows for public agencies or non-profit entities to apply for EECBG funds on behalf of eligible local governments; and

WHEREAS, the City is eligible for EECBG funding under the California Energy Commission's EECBG Program; and

WHEREAS, the City is proposing to collaborate with the Sacramento Municipal Utility District ("SMUD") to implement the energy efficiency project/s described in Exhibit A for the purpose of qualifying for EECBG funds from the California Energy Commission; and

WHEREAS, the City has considered the application of the California Environmental Quality Act ("CEQA") to the approval of the energy efficiency project/s described in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED, that in compliance with CEQA, the City Council of the City of Elk Grove accepts SMUD's findings, described in Exhibit B, that the approval of the energy efficiency project/s described in Exhibit A is a "project" under CEQA that is exempt under CCR Class 1A (§15301) & Class 22A (§15322), because the program affects existing facilities and educational or training programs involve no physical changes.

- 1) That the City authorizes SMUD to submit a collaborative application on its behalf to the California Energy Commission for the energy efficiency project/s described in Exhibit A.
- 2) If recommended for funding by the California Energy Commission, the City authorizes SMUD to accept a grant award on its behalf and to enter into all necessary contracts and agreements, and amendments thereto, on its behalf to implement and carry out the project/s described in Exhibit A.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 9th day of December 2009.



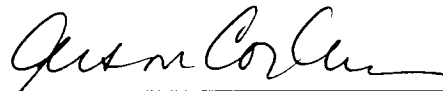
PATRICK HUME, MAYOR of the
CITY OF ELK GROVE

ATTEST:



SUSAN J. BLACKSTON, CITY CLERK

APPROVED AS TO FORM:



SUSAN COCHRAN, CITY ATTORNEY

EXHIBIT A

The Sacramento Municipal Utility District ("SMUD") on behalf of the Sacramento Regional Energy Alliance ("SREA"), is seeking \$17,000,000 in State Energy Program grant funding to support the expansion of its Home Performance Program ("HPP").

SMUD has budgeted and planned the implementation of a contractor model HPP with Energy Star qualified rebates program to start in January, 2010, targeting 1,024 homes over two years. SEP funding will enable SMUD and the SREA to transform the planned niche program into a much more accessible program, retrofitting and/or providing Home Energy Rating System Phase II audits to 17,650 homes through the following strategic approaches:

- Removal of customer and contractor participation barriers and development of a comprehensive marketing plan to garner 5% program market penetration in two years.
- Leverage of AB811 property tax based financing and marketing.
- Working with a Building America Grant recipient to implement a neighborhood approach to home retrofits, testing energy efficiency packages at volume-discount prices.
- Piloting a comprehensive multi-family retrofit model, providing escalating performance-based incentives to overcome owner-tenant barriers.
- Establishing a sustainable market for home energy ratings and evaluations in existing homes under the new Home Energy Rating System II ("HERSII") regulations.
- Improving the quality of installations for Community Resource Project ("CRP") low-income weatherized homes and Sacramento Housing Redevelopment Agency ("SHRA") Neighborhood Stabilization Program moderate-low income renovated foreclosed homes by providing HERSII audits and rating.
- Coordination with Los Rios Community College District ("LRCCD") to develop a SMUD green academy, training contractors in auditing, building performance science and more.

The team includes members of the SREA consortia, formed to improve energy efficiency and solar in our region and develop unified approaches to economic recovery and job creation. SREA consist of SMUD, County of Sacramento, Cities of Elk Grove, Sacramento, Rancho Cordova, Citrus Heights, Folsom and Galt, LRCCD, Sacramento Employment and Training Agency, CRP, SHRA, Pacific Gas & Electric and Valley Vision. SMUD is the lead for this application with funds intended to be sub granted to California Building Performance Contractors Association ("CBPCA"), CRP and Build it Green ("BIG"). The Cities of Elk Grove, Sacramento, and Folsom, as well as the County of Sacramento have contributed to this proposal through Energy Efficiency and Conservation Block Grant ("EECBG") funds. All partners in the consortia will participate in promotion and marketing of the HPP. The consortia and this proposal are supported by the California Air Resources Board and the Sacramento Area Council of Governments.

Major anticipated impacts include the development of 185 new jobs. Training programs will focus on contractors and construction workers, the workforce hit the hardest by the economic downturn and housing crisis. The Program will save energy, including peak hour usage, and reduce GHG emissions.

Below is a list of local governments collaborating with SMUD, the dollar amount of their respective grant contributions to the HPP, and any in-kind services committed to the program. The lead collaborative entity for this application, as previously noted is SMUD on behalf of the SREA.

Entity	Role	Financial Contribution	SEP Funds to be Received	Documentation
SMUD	Lead applicant Sponsor of HP program Lead developer of HP program	\$13,191,292 leveraged funds \$2,533,486 HP budget \$7,744,155 Efficiency budget \$2,913,651 Multi-family budget	\$15,999,055 grant funds \$9,262,000 rebates \$3,200,000 HERSII ratings \$2,000,000 HP multifamily \$987,055 labor \$400,000 basic audits \$150,000 HERSII ratings	Board Resolution
Jurisdictions				
City of Citrus Heights	Outreach of HP and AB811 program			MOU Letter of Commitment
City of Elk Grove	Outreach of HP and AB811 program Funder of performance-based rebates	\$75,000 leveraged funds \$75,000 EECBG rebates		MOU Letter of Commitment
City of Folsom	Outreach of HP and AB811 program			MOU Letter of Commitment
City of Galt	Outreach of HP and AB811 program			MOU Letter of Commitment
City of Rancho Cordova	Outreach of HP and AB811 program			MOU Letter of Commitment
City of Sacramento	Outreach of HP and AB811 programs Funder of performance-based rebates Lead developer of AB811 program	\$908,000 leveraged funds \$908,000 EECBG rebates		MOU Letter of Commitment
County of Sacramento	Outreach of HP and AB811 programs Funder of performance-based rebates Lead developer of AB811 program	\$587,000 leveraged funds \$587,000 EECBG rebates		MOU Letter of Commitment
Educational Institutions				
LRCCD	HERSII and BPI training	\$123,777 leveraged funds \$123,777 training	\$133,520 \$113,520 curriculum devel. \$20,000 BPI Trainer	Sub-Contract Letter of Commitment

Educational Institutions (continued)

SETA	HERSII and BPI training	\$233,375 leveraged funds \$233,375 training		MOU Letter of Commitment
CRP	Coordination of LIHEAP and DOE Wx funds w/HP Comparison testing of NEAT and HERSII models	\$1,200,000 leveraged funds \$1,200,000 weatherizations	\$425,000 \$425,000 HERSII ratings	Sub-Contract Letter of Commitment
SHRA	Coordination of NSP program with HP Validation of renovated foreclosed homes	\$24,000,000 leveraged funds \$24,000,000 rehabilitations		MOU Letter of Commitment

Program Administrators

CBPCA	Administrator of HP program		\$300,000 \$300,000 program admin	Sub-Contract Letter of Commitment
ConSol	Administrator of HP for neighborhoods			MOU Letter of Commitment

Other Partners

PG&E	Coordination of utility rebates			Letter of Support
Valley Vision	Coordinator of AB811 program feasibility study			Letter of Support
SACOG	Coordination with DOE Ramp Up grant			Letter of Support
CARB	Coordination with DOE Ramp Up grant			Letter of Support

EXHIBIT B

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) COMPLIANCE FORM

The California Environmental Quality Act (CEQA) requires state and local agencies (public agencies) to identify the significant environmental impacts of their actions and to avoid or mitigate them, if feasible. (For an explanation of the CEQA process, please visit <http://ceres.ca.gov/ceqa/summary.html>.) All awards (contracts, grants, and loans) funded by the Energy Commission are considered “projects” under CEQA,¹ and must therefore comply with CEQA in order to receive funding.

The Lead Agency is the public agency that has the greatest responsibility for preparing environmental documents under CEQA, and for carrying out, supervising, or approving a project. Where the award recipient is a public agency, the Lead Agency is typically the public agency. Where the award recipient is a private entity, the Lead Agency is the public agency that has greatest responsibility for supervising or approving the project as a whole.² The Energy Commission, as the funding agency, must develop CEQA findings based on review of the Lead Agency’s environmental documents. **This form must be completed by the authorized legal representative of each applicant for Energy Commission funding.**

The Energy Commission may request additional information in order to clarify answers provided on this form.

- 1. Has a public agency (other than the Energy Commission) determined that the activity is a “project” under CEQA (i.e., may cause a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment)?**

Yes (please state the name of the public agency below, and continue to question #2)

Sacramento Municipal Utility District

No (please explain why the public agency does not consider the activity to be a “project” under CEQA):

¹ A “project” is an activity that may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Cal. Pub. Res. Code § 21065.

² 14 C.C.R. §§ 15050, 15051. The Lead Agency typically has general governmental powers (such as a city or county), rather than a single or limited purpose (such as an air pollution control district).

Agency has not completed review (please provide an estimated date for completion of review):

Uncertain (please state reason for uncertainty):

2. Has the public agency determined that the project is exempt from CEQA?

For an explanation of CEQA exemptions, please visit:
<http://ceres.ca.gov/ceqa/flowchart/exemptions/index.html>.

Yes (please check the appropriate boxes below and list the relevant California Public Resources Code (PRC) and/or California Code of Regulations (CCR) section number, then continue to question #3):

Statutory exemption
PRC number: _____
CCR number: _____

Categorical exemption
CCR number: **Class 1A (§15301) & Class 22A (§15322)**

Common sense exemption (i.e., no possible significant effect)
CCR number: 14 CCR §15061(b)(3) (please explain why this exemption applies to the project):

No (continue to question #4)

Agency has not completed review (please provide an estimated date for completion of review):

3. Has the public agency filed a Notice of Exemption (NOE) with the County Clerk and/or Governor’s Office of Planning and Research?

For an explanation of the NOE filing process, please visit:

<http://ceres.ca.gov/ceqa/flowchart/noe.html>.

To obtain an NOE form, please visit:

<http://ceres.ca.gov/ceqa/guidelines/appendices.html>.

Yes (please submit a copy of the NOE along with this form)

No (please provide an estimated filing date below. Alternatively, please submit an authorizing resolution³ that includes a finding of exemption, or an agenda item accompanying the resolution that includes a finding of exemption):

4. Has the public agency completed an Environmental document for the project (i.e., Initial Study, Negative Declaration, Mitigated Negative Declaration, Notice of Preparation, Environmental Impact Report), or does the public agency plan to complete an Environmental document?

Yes (please complete the following information, then continue to question #5):

Type of Environmental Review	Title of Environmental Document	State Clearinghouse Number	Completion Date	Planned Completion Date
Initial Study				
Negative Declaration				
Mitigated Negative Declaration				
Notice of Preparation				
Environmental Impact Report				

³ See Attachments [] of this solicitation for examples of authorizing resolutions.

Please submit a copy of the completed Environmental document(s) to the Energy Commission.

X No (please explain why the public agency has not completed or does not plan to complete an Environmental document):

The project is exempt under CEQA.

5. Has the public agency filed a Notice of Determination (NOD) with the County Clerk and/or Governor's Office of Planning and Research?

For an explanation of the NOD filing process, please visit:
<http://ceres.ca.gov/ceqa/flowchart/NODloclead.html>.

To obtain an NOD form, please visit:
<http://ceres.ca.gov/ceqa/guidelines/appendices.html>

Yes (please submit a copy of the Notice of Determination along with this form)

X No (please provide an estimated filing date):

A NOD will not be filed; the project is exempt under CEQA. Typically NODs are prepared after approving a project for which a negative declaration was adopted or an EIR was certified.

This form was completed by: Kim Crawford
Print or Type Name

Title: Environmental Specialist

Organization: Sacramento Municipal Utility District

Phone Number: (919) 732-5063

Email: kcrowfo@smud.org

Signature: K. Crawford

Date: 11/5/09

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2009-258**

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

I, Susan J. Blackston, 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 9, 2009 by the following vote:

AYES : **COUNCILMEMBERS:** *Hume, Scherman, Cooper, Davis, Detrick*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN : **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *None*



**Susan J. Blackston, City Clerk
City of Elk Grove, California**