



Legislation Text

File #: RES PH 18-241, **Version:** 1

Amending the financing and spending budgets in the Department of Parks and Recreation Capital Projects Fund to establish the Como Hoofstock Project financed by an Energy Conservation Loan from the Internal Borrowing Fund.

WHEREAS, the Parks and Recreation Department has identified a need for improvements to the 35-year old heating system in the Hoofstock building at the Como Park Zoo and Conservatory; and

WHEREAS, the project is anticipated to result in energy efficiencies and utility cost savings and has been identified as an eligible project for funding through the City's Energy Conservation Loan Program; and

WHEREAS, the Parks and Recreation Department will use the funds for installing two high efficiency hot water boilers and associated pumps, piping, and valves to improve the heat distribution in the Hoofstock building, allowing for increased comfort, reduced maintenance costs, and energy savings; and

WHEREAS, the Energy Conservation Loan Program was established in 2007 to help departments retrofit city owned facilities to reduce energy usage and carbon dioxide emissions; and

WHEREAS, the existing loan fund guidelines dictate that Energy Conservation Loans are paid back over terms not exceeding five years through energy savings attained by the projects; and

WHEREAS, loans made to fund projects of significant size and scope necessary to reach the City's sustainability goals are not typically able to repay within this term; and

WHEREAS, to provide incentives for the use of these funds and reach the City's goals around energy savings and sustainability, the loan for the Como Hoofstock project will be exempted from the term restrictions in the original program guidelines; and

WHEREAS, departments who use the program are charged an interest rate equal to the 5-year treasury note plus 1% on the day of the loan drawdown; and

WHEREAS, the project is anticipated to be completed in 2018 and will be financed by an Energy Conservation Loan included in the 2019 budget and to be drawn upon once the final project costs and energy rebates are known, in an amount not to exceed \$425,000; and

WHEREAS, the Energy Conservation Loan has been documented in the attached worksheet and loan agreement, which is attached in substantially final form; and

WHEREAS, the Mayor, pursuant to Section 10.07.1 of the Charter of the City of Saint Paul, does certify that there are available for appropriation, funds of \$460,000 in excess of those estimated in the 2018 Budget; now, therefore, be it

RESOLVED, by the Saint Paul City Council, upon recommendation of the Mayor, that the 2018 Capital Projects Budget, as heretofore adopted by the Council, is hereby further amended in the particulars as specified in the attached financial analysis; and, be it

FURTHER RESOLVED, that the Council of the City of Saint Paul hereby approves the attached Energy Conservation Loan worksheet and authorizes the Director, Office of Financial Services, and the Director, Parks and Recreation, to execute the document in an amount not to exceed \$425,000.

See Attachment

The Saint Paul Long-Range Capital Improvement Budget Committee received this request on August 13, 2018 and recommended approval.