

**AN ORDINANCE**

**APPROVING AMENDMENTS TO THE ORIGINAL BUDGETS OF THE CITY OF LEON VALLEY, TEXAS, FOR THE FISCAL YEAR OF 2010**

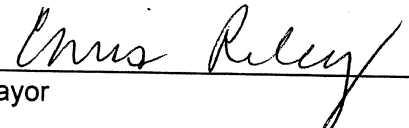
**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS, THAT:**

1. The attached and incorporated Mayor and Council Communication **M&C #05-04-10**, as approved on May 4, 2010 contains amendments to the original Budget for the City of Leon Valley, Texas for the Fiscal Year 2010, as approved by the Leon Valley City Council on August 18, 2009 under Ordinance No. 09-040. A true copy of said documents are on file in the office of the City Secretary and made a part hereof by reference, are hereby amended and approved and are ordered filed in the office of the City Secretary.

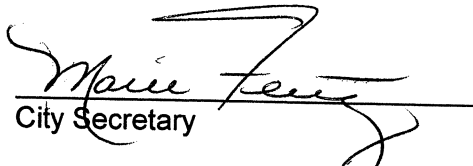
**GENERAL FUND**

2. This ordinance shall become effective on and after it's passage, approval and any publication, as provided by law.

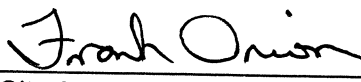
**PASSED and APPROVED** this the 4<sup>th</sup> day of May 2010.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney



MAYOR AND COUNCIL COMMUNICATION

DATE: May 4, 2010  
M&C : # 05-04-10

TO: MAYOR AND CITY COUNCIL

SUBJECT: REQUEST TO AUTHORIZE THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE STATE ENERGY CONSERVATION OFFICE (SECO) FOR A LOAN IN THE AMOUNT OF \$114,220 FOR ENERGY CONSERVATION PROJECTS IN CITY FACILITIES TO BE COMPLETED BY DECEMBER 31, 2011 AND FOR THE LOAN TO BE REPAID IN TEN YEARS AND A REQUEST TO APPROVE THE ASSOCIATED BUDGET ADJUSTMENTS FOR PROJECT EXPENDITURES.

**PURPOSE**

SECO accepted applications for loan funding assistance under the American Recovery and Reinvestment Act (ARRA) of 2009 for building retrofit and energy efficiency projects from eligible Governmental Entities in the state of Texas. The City of Leon Valley is an eligible Governmental Entity. The City applied for loan funding in the amount of \$114,220 to be spent on building retrofit activities (see attached file). The loan is for ten years with a 2% interest rate. The payback is based upon projected energy savings.

**S.E.E. IMPACT**

*Social Equity* – Equally impacts all citizens of Leon Valley by improving municipal building efficiency and reducing the cost of operating saving tax payers money.

*Economic Development* – Funds saved by improved building efficiency can be allocated to economic development pursuits.

*Environmental Sustainability* – Improved building efficiency will reduce the City's carbon footprint.

**FISCAL IMPACT**

The loan is for \$114,220. It is a reimbursement program so all cost will be incurred upfront. The payment is estimated to be \$1051.00 for 120 months or 10 years at 2% interest rate. Estimated annual payback is \$12,612. The total borrowed amount including interest is estimated to be \$126,120. Total estimated interest on the loan is \$11,900.

**Loan repayment begins AFTER project completion – December 2011.**

Today's initial budget adjustment request will be for \$25,000 to cover the costs of the Engineering Audit and beginning projects. Staff will return for further budget adjustments as projects are implemented.

APPROVED: \_\_\_\_\_ ✓ \_\_\_\_\_ DISAPPROVED: \_\_\_\_\_

APPROVED WITH THE FOLLOWING AMENDMENTS: \_\_\_\_\_

ATTEST:

  
City Secretary

*See Ord. No. 10-016*

**ATTACHMENT A  
LOAN APPROVAL STATEMENT  
For Energy Conservation Measures**

Agency: The City of Leon Valley  
 Address: 6400 El Verde  
 City: Leon Valley, Texas 78238  
 Loan Coordinator: Lanny S. Lambert  
 Title: City Manager  
 Phone: 210-684-1391

Building (a)	ECM	Description of Energy Conservation Measure (ECM) (b)	Estimated ECM Cost (c)	Annual Energy Cost Savings	Pay-back (yrs)	ECM Loan Amount (d)
City Hall/P/F	1	Replace T-12 Lamps with T-8 Lamps	\$11,700.00	\$2,600.00	4.5	\$11,700.00
Public Works	2	Replace T-12 Lamps with T-8 Lamps	\$4,500.00	\$ 810.00	5.6	\$4,500.00
Library	3	Replace T-12 Lamps with T-8 Lamps	\$4,300.00	\$ 710.00	6.1	\$4,300.00
City Hall/P/F	4	Vending Machine Energy-saving Device	\$ 400.00	\$ 130.00	3.1	\$ 400.00
Community Center	5	Vending Machine energy-saving Device	\$ 200.00	\$ 60.00	3.3	\$ 200.00
City Hall/P/F	6	Replace HVAC Systems with higher efficiency one	\$3,400.00	\$ 200.00	17.	\$3,400.00
Public Works	7	Install Programmable thermostats	\$ 800.00	\$ 100.00	8.	\$ 800.00
Conference Center	8	Install Energy Management System	\$8,000.00	\$ 600.00	13.3	\$8,000.00
City Hall/P/F	9	Install Energy Management System	\$24,000.00	\$1,900.00	12.6	\$24,000.00
City Hall/P/F	10	Install Cool Roof	\$33,300.00	\$4,356.00	7.6	\$33,300.00
			<b>\$90,600.00</b>	<b>\$11,466.00</b>	<b>7.9</b>	<b>\$90,600.00</b>

Engineering Audit Expense	\$17,620.00
Metering and Monitoring	\$6,000.00
	@ 2% Interest
Escalation Cost	\$ 0.00
<b>TOTAL LOAN</b>	<b>\$114,220.00</b>

Anticipated Substantial Completion Time  
 Payback (with allowance)

**8 months**  
**10. years**

**Additional Loan Agreement Requirements:**

1.	Borrower shall provide a copy of the contract between the City of Leon Valley and the Energy Service Company (ESCO) for construction and M&V Services.	Upon Contracting with ESCO
2.	Borrower shall submit an approved UAR prior to project commencement.	As Soon As UAR Completed
3.	Borrower shall submit an approved Sample Annual Savings Report.	Submit with approved UAR
4.	Borrower shall provide project administrative and financial data as requested.	As Requested
5.	Borrower shall provide maintenance program information as requested.	As Requested
6.	Borrower shall submit Annual Savings Reports with quarterly updates following construction completion and continuing through the contract loan period. The Annual Savings Reports shall be accompanied by a third-party review report for the term of the loan or for four years, whichever is shortest.	For the Term of the Loan
7.	Borrower shall have all projects, commissioning and close out completed.	On or Before 12/31/2011
8.	Borrower shall provide a Monthly Progress Report as provided in Attachment K, ARRA Reporting Requirements.	On or before the last day of each month

Comments: \_\_\_\_\_

- a) A description of the building/facility and individual ECM is contained in the engineering report which is incorporated herein by reference and included as a part of this Attachment A.
- b) No ECMs may be canceled after loan is granted without prior written Lender/Prime Recipient approval.
- c) ECM includes cost of detail engineering design, labor, and materials to implement retrofit.
- d) Cost of individual ECM projects may not exceed 120% of approved loan amount. Any individual variance exceeding this amount must be submitted in a change of scope and receive written approval from Lender/Prime Recipient.