



BOARD MEETING AGENDA SUBMITTAL

TO: GCS D Board of Directors

FROM: Peter Kampa, General Manager

DATE: March 11, 2025

SUBJECT: Agenda Item 6C: Review and Discussion Regarding the Preliminary Cash Flow as Well as the Three Helioscope Designs Prepared by SitelogIQ for the Evaluation of Facility Improvements, Energy Conservation, Energy Generation, and/or Energy Management Services

RECOMMENDED ACTION:

No Board action is required at is time.

BACKGROUND:

On July 9, 2024, the Board authorized the General Manager to Enter into a Letter of Agreement with SitelogIQ for the Evaluation of Facility Improvements, Energy Conservation, Energy Generation, and/or Energy Management Services. SitelogIQ completed the evaluation and a project cashflow proforma, which resulted in the conclusion that pursuing the project does not make financial sense at this time.

We were unable to identify alternate sources of funding (Grants or special projects from the State or Federal government) that would make the project cost effective. The return on investment for the three proposed solar projects is far longer (close to 38 years) than the warranty (20 years) for the equipment.

As stated in the Letter of Agreement there is a \$25,000 flat fee for preparation of the feasibility report detailed in the letter agreement. If a solar project is not financially feasible due to a less than desirable cashflow and/or a lack of grant funding or some other criteria that makes the project not worthwhile, then nothing is owed to the consultant. If the project is determined feasible and cost effective, and we choose not to proceed with this consultant, then we pay the flat fee. If we proceed with this consultant into design of the project, the flat fee is also waived. There are no fees associated with this evaluation as the project is not cost effective at this time.

District staff will still be evaluating a Solar solution for GCS D, but we will need to have significant state or federal subsidies to make a project viable. IT Manager Steve Rogers will be available at the meeting to answer any questions.

ATTACHMENTS:

Site Plans Big Creek Shaft Rd
Site Plans Second Garrotte
Site Plans Sewer Treatment Plant



PROJECT PROFORMA CASH FLOW ^{1,2}



Scope: 3 Sites (Big Creek, Second Garrotte, Ferretti Water Tank) - Solar Only									
Year	Annual Finance Payment (Loan 1)	ECAA Loan	Cash Funded Amount	Solar O&M Service & Energy Dashboard	Avoided Cost & Maintenance Savings	Federal IRA Incentive	Annual Project Energy Savings	Net Annual Savings	Cumulative Savings
0	\$ -	\$ -	\$ 1,869,210	\$ -	\$ -	\$ -	\$ -	\$ (1,869,210)	\$ (1,869,210)
1	\$ -	\$ 54,307		\$ 10,900	\$ -	\$ 688,500	\$ 60,760	\$ 684,053	\$ (1,185,157)
2	\$ -	\$ 54,307		\$ 11,227	\$ -		\$ 63,798	\$ (1,736)	\$ (1,186,892)
3	\$ -	\$ 54,307		\$ 11,564	\$ -		\$ 66,988	\$ 1,117	\$ (1,185,775)
4	\$ -	\$ 54,307		\$ 11,911	\$ -		\$ 70,338	\$ 4,120	\$ (1,181,655)
5	\$ -	\$ 54,307		\$ 18,402	\$ -		\$ 73,855	\$ 1,146	\$ (1,180,509)
6	\$ -	\$ 54,307		\$ 12,636	\$ -		\$ 77,547	\$ 10,604	\$ (1,169,905)
7	\$ -	\$ 54,307		\$ 13,015	\$ -		\$ 81,425	\$ 14,103	\$ (1,155,803)
8	\$ -	\$ 54,307		\$ 13,406	\$ -		\$ 85,496	\$ 17,783	\$ (1,138,019)
9	\$ -	\$ 54,307		\$ 13,808	\$ -		\$ 89,771	\$ 21,656	\$ (1,116,363)
10	\$ -	\$ 54,307		\$ 21,333	\$ -		\$ 94,259	\$ 18,619	\$ (1,097,744)
11	\$ -	\$ 54,307		\$ 14,649	\$ -		\$ 98,972	\$ 30,017	\$ (1,067,728)
12	\$ -	\$ 54,307		\$ 15,088	\$ -		\$ 103,921	\$ 34,526	\$ (1,033,202)
13	\$ -	\$ 54,307		\$ 15,541	\$ -		\$ 109,117	\$ 39,269	\$ (993,933)
14	\$ -	\$ 54,307		\$ 16,007	\$ -		\$ 114,573	\$ 44,259	\$ (949,674)
15	\$ -	\$ 54,307		\$ 24,731	\$ -		\$ 120,301	\$ 41,263	\$ (908,411)
16	\$ -	\$ 54,307		\$ 16,982	\$ -		\$ 126,316	\$ 55,028	\$ (853,383)
17	\$ -	\$ 54,307		\$ 17,491	\$ -		\$ 132,632	\$ 60,834	\$ (792,549)
18	\$ -	\$ 54,307		\$ 18,016	\$ -		\$ 139,264	\$ 66,941	\$ (725,609)
19	\$ -	\$ 54,307		\$ 18,557	\$ -		\$ 146,227	\$ 73,363	\$ (652,245)
20	\$ -	\$ 54,307		\$ 28,670	\$ -		\$ 153,538	\$ 70,562	\$ (581,684)
21	\$ -	\$ -		\$ 19,687	\$ -		\$ 161,215	\$ 141,529	\$ (440,155)
22	\$ -	\$ -		\$ 20,277	\$ -		\$ 169,276	\$ 148,999	\$ (291,156)
23	\$ -	\$ -		\$ 20,886	\$ -		\$ 177,740	\$ 156,854	\$ (134,302)
24	\$ -	\$ -		\$ 21,512	\$ -		\$ 186,627	\$ 165,115	\$ 30,813
25	\$ -	\$ -		\$ 33,236	\$ -		\$ 195,958	\$ 162,722	\$ 193,535
26	\$ -	\$ -		\$ 22,822	\$ -		\$ 205,756	\$ 182,934	\$ 376,469
27	\$ -	\$ -		\$ 23,507	\$ -		\$ 216,044	\$ 192,537	\$ 569,006
28	\$ -	\$ -		\$ 24,212	\$ -		\$ 226,846	\$ 202,634	\$ 771,640
29	\$ -	\$ -		\$ 24,938	\$ -		\$ 238,188	\$ 213,250	\$ 984,890
30	\$ -	\$ -		\$ 25,687	\$ -		\$ 250,098	\$ 224,411	\$ 1,209,301
Totals	\$ -	\$ 1,086,140		\$ 560,696	\$ -	\$ 688,500	\$ 4,036,848	\$ 1,209,301	\$ 1,209,301

Notes:

- 1) SitelogIQ is not a Municipal Financial Advisor and this tool is used to confirm if the proposed project is Budget Neutral or better in compliance with CA Govt. Code 4217.
- 2) Cash Flow is based on a Preliminary Analysis using rough order of magnitude budgetary estimates and other standard assumptions. Final analysis and results may vary.
- 3) This cash flow should not be considered a proposal.

Proprietary & Confidential

INPUTS		
BASE PROJECT COST	\$ 2,760,200	
5% Contingency	\$ 138,010	5%
TOTAL PROJECT COST	\$ 2,898,210	
Cash Funded Amount	\$ 1,869,210	
ECAA LOAN AMOUNT	\$ 980,000	
ECAA LOAN FINANCE TERM (YEARS)	20	
ECAA LOAN INTEREST RATE	1.00%	
ECAA LOAN # YEAR DEFERRAL	1	
UTILITY ESCALATION	5.0%	
CALCULATED ENERGY SAVINGS	\$ 57,867	
SOLAR O&M	\$ 10,900	
O&M/MAINT ESCALATION	3.0%	
Cash Available		
IRA Contribution	\$ 688,500	26%





