

**COUNCIL ACTION FORM**

**SUBJECT: IOWA ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT CONTRACT APPROVAL**

**BACKGROUND:**

In February, Council directed staff to pursue six applications for grants through the Iowa Energy Efficiency and Conservation Block Grant (EECBG) program. The applications were required by the Iowa Office of Energy Independence (IOEI) to have a minimum of \$1 of secured leveraged funding for every \$1 of Iowa EECBG funding granted. Council identified sources of match funding that were to be used as secured leveraged funding sources. Out of the six projects, one was determined by staff to be infeasible under the grant guidelines and was not submitted. Of the five projects that were submitted, the following four have now been approved by the IOEI for EECBG funding:

<b>PROJECT</b>	<b>EECBG FUNDING</b>	<b>CITY MATCH AND SOURCE</b>
LED Traffic Signal Modernization	\$25,500	\$25,500 from 2009-10 and 2010-11 Traffic Operating Budgets
Energy Efficiency Upgrades to Ames Animal Shelter (Energy Recovery Ventilator, Vestibule, and Building Insulation only)	\$12,750	\$12,750 from Animal Shelter Donations
South 16 <sup>th</sup> Street LED Street Lighting Improvements	\$15,750	\$15,750 from Local Option Sales Tax Fund Balance
City Hall West Parking Lot LED Lighting Improvements	\$9,000	\$9,000 from Local Option Sales Tax Fund Balance

Grant contracts were received on April 8, and must be signed and returned to IOEI by April 22. Under the terms of the agreement, all work under the grant must be completed by December 30, 2010.

**ALTERNATIVES:**

1. Approve the grant agreement with the Iowa Office of Energy Independence and authorize use of the identified matching funds for each of the projects shown above.
2. Approve a grant agreement for only one or a combination of the projects.
3. Do not approve the grant agreement.

**MANAGER’S RECOMMENDED ACTION:**

Council previously demonstrated its interest in these projects by authorizing application for the State EECBG funding, and local match funding is available for each of these projects. These projects are consistent with the Council’s goal of going green to promote environmental sustainability.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the grant agreement with IOEI and authorizing use of the identified matching funds for each of the projects shown above.