

November 3, 2023

To: Board of Education
Superintendent Grant
From: Alan Kearsley, Business Administrator
Subject: Sustainability Phase 2 Funding

During the October 3, 2023, Board Meeting, Auxiliary Services presented a report on the efforts to meet the goals from the Board Sustainability Resolution. The report included information of phase 2 of the sustainability plan. Phase 2 included the following proposed projects:

Fiscal Year 2025:

Solar Installations at Beacon Heights Elementary School, East High School, Edison Elementary School, Liberty Elementary School, Meadowlark Elementary School, Parkview Elementary School, Rose Park Elementary School, and the Transportation Building.

Energy Efficiency projects such as air sealing and leak plugging, electric plug load management, and efficiency education initiatives.

Hybrid electrification preparatory work at Whittier Elementary School and Ensign Elementary School.

Fiscal Year 2026:

Solar Installations at the Auxiliary Services Building, Bryant Middle School, Ensign Elementary School, Escalante Elementary School, Indian Hills Elementary School, Northwest Middle School.

School electrifications at Whittier Elementary School and Ensign Elementary School

The estimated cost of Phase 2 after any estimated rebates and incentives is \$21.7 million.

In order to move forward with Phase 2, a funding mechanism must be put in place. As done with Phase 1, a tax-exempt lease purchase agreement (TELP) could be used to fund Phase 2. A TELP is a loan to upfront the costs of these projects. The annual payment on the loan would largely be paid for using the energy cost savings as a result of the projects.

The purpose of this discussion and possible vote is to review the possibility of entering into a TELP agreement to fund Phase 2 of the sustainability plan.

If approved, the District will work with our contractor McKinstry to design the Phase 2 projects. We will also work with our financial advisor to begin the TELP process.