



**City of Missoula, Montana
City Council Committee Agenda Item**

Committee: Climate, Conservation and Parks

Item: Energy Performance Master Contract Approval

Date: December 7, 2022

Sponsor(s): Leigh Ratterman, Eric Hallstrom

Prepared by: Leigh Ratterman

Ward(s) Affected:

<input type="checkbox"/> Ward 1	<input type="checkbox"/> Ward 4
<input type="checkbox"/> Ward 2	<input type="checkbox"/> Ward 5
<input type="checkbox"/> Ward 3	<input type="checkbox"/> Ward 6
<input type="checkbox"/> All Wards	<input checked="" type="checkbox"/> N/A

Action Required:

Approval of the Energy Performance Master Contract with McKinstry Essention, LLC to begin implementation phase of energy-saving infrastructure upgrades to help the City meet its climate action and facility improvement goals.

Recommended Motion(s):

I move the City Council: Approve the Energy Performance Master Contract with McKinstry Essention, LLC as the framework to begin implementation of projects identified through the energy performance audit process. (no cost at this time)

Timeline:

Committee discussion:	December 7, 2022
Council action (or sets hearing):	December 12, 2022
Public Hearing (if required):	Click or tap here to enter text.
Final Consideration	Click or tap here to enter text.
Deadline:	Click or tap here to enter text.

Background and Alternatives Explored: In 2020, the City of Missoula partnered with McKinstry to perform an Energy Performance Contract to identify measures to address energy efficiency and conservation savings, as well as utility and maintenance cost savings throughout City-owned and operated buildings. McKinstry has provided the City of Missoula with an Investment Grade Audit report that outlines all of the potential measures identified during the building audits, and provides detailed analysis on costs and savings for energy efficiency measures. Participating departments have chosen projects to begin in the 2023 fiscal year that helps the City of meet its Climate Action goals. By moving forward with selected projects, the City will significantly reduce its energy and gas usage, which will reduce the City's carbon emissions that support the goal of 100% Carbon Neutrality in Municipal Operations by 2025. This master contract allows for departments to move forward with identified projects. Many departments will self-fund any necessary down payment, and any additional budget amendments will be brought before City Council for approval. Funding needs outside of the down payments will be serviced over a 20 year payback period that will come from the energy cost savings realized from these projects. McKinstry guarantees the energy savings, and are contracted to cover the difference if their guaranteed savings fall short.

Financial Implications: The approval of this master contract allows City departments to begin the implementation phase of the Energy Performance work. Some departments have identified funding for their items in the suite of projects identified in Phase 1, while others will continue to seek funding sources. Any funding requests will return to Council for approval.

Links to external websites:

Additional Presenters:

Reid Prison, McKinstry

Tim Tolman, McKinstry