



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: April 2, 2013
Placement: Departmental
Estimated Tme: 30 Minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: General Services Jim Laponis, Interim Director (805) 560-1011
Contact Info: Brian Fahnestock, Interim Assistant Director of Finance
(805) 568-2678
SUBJECT: Santa Barbara County Energy Action Plan and Benchmarking Policy

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Risk Management: As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Accept the Santa Barbara County Energy Action Plan: Efficient Electricity Use in County Facilities;
- b) Accept the Santa Barbara County Benchmarking Policy;
- c) Provide County staff with direction regarding implementation of the Energy Action Plan, which will promote activities geared towards preserving public facilities for the mutual benefit of staff and the general public;
- d) Find that the proposed actions are for the operation, maintenance and minor alteration of existing public structures and facilities involving negligible or no expansion of use beyond that presently existing, that the proposed actions are therefore exempt from CEQA pursuant to 14 CCR 15301, approve a Notice of Exemption and direct staff to file it with the Clerk of the Board.

Summary Text:

The Energy Action Plan: Efficient Electricity Use in County Facilities (EAP) identifies potential equipment replacements that will allow the County to realize its goal of maximizing energy efficiency in facilities and building operations. Additionally, the EAP seeks to help the County achieve the State-recommended greenhouse gas emissions and reduction target per Assembly Bill 32 and Board of Supervisors' Resolution 09-059 (attached). Development of the EAP was funded by Southern California Edison, one of our local electrical utilities and as such, the Plan's analysis is focused on electrical consumption in County facilities.

The EAP sets forth the County's fiscal year 2008 electricity consumption as a baseline and sets forth an energy reduction goal equal to 25% of the energy consumed during fiscal year 2008. The resulting goal is a reduction in County Greenhouse Gas (GHG) energy consumption of 6.32 million kWh annually by 2020. To achieve this goal the EAP identifies remediation measures the County has taken since fiscal year 2008, including the successful completion of two Photovoltaic projects that produce a combined 3.49 million kWh (annually) of clean electricity.

The document also provides recommendations for County-wide strategies and implementation measures to achieve the remaining 2.83 million kWh per year reduction goal. Most of the implementation measures recommended focus primarily on replacing inefficient climate control systems (HVAC) and old lighting. The cost of these projects is currently estimated to be approximately \$3.7 million between 2013 and 2020 listed in the fiscal impact section of this report. Funding for these projects has not been determined, though the plan lists several options for consideration. As appropriate, significant individual projects will be presented to the Board of Supervisors for approval after funding sources have been identified by staff.

The Benchmarking Policy will be a first step in comparing energy use metrics of a building against similar facilities throughout the County to help understand the relative energy efficiency of the building. These benchmarks will set the criteria for developing policies and procedures that will result in more efficient use of County resources and provide direction for cost savings. Benchmarking will assess County buildings' energy performance and measure ongoing progress. It is a key step to understanding and reducing energy consumption.

Background:

In 2006, the California State Legislature and Governor Schwarzenegger signed Assembly Bill 32, the Global Warming Solutions Act of 2006, which set the 2020 greenhouse gas emissions reduction goal into law. In response to the new law, the California Public Utilities Commission (CPUC) authorized Southern California Edison (SCE) to conduct strategic plan activities focused on energy efficiency. The CPUC's California Long-Term Energy Efficiency Strategic Plan (CLEESP) organizes these planning activities around four main "Big, Bold" strategies and local government goals.

SCE's strategic plan activities are also organized around these "Big, Bold" strategies and include funding and technical support of the County of Santa Barbara's EAP and Benchmarking Policy. With SCE's help, the County has organized a collaborative effort with the consultant Willdan Energy Solutions and ICF International to develop the County's EAP and Benchmarking Policy. These developments are funded activities of the CLEESP Goal 3: "Local governments lead by example with their own facilities and energy usage practices".

Energy Action Plan: Efficient Electricity Use in County Facilities

An EAP is a long-term planning document with the purpose of establishing goals for electrical usage reduction by identifying electrical efficiency projects at County facilities. The EAP serves as a catalyst for energy-related projects that will provide tangible benefits in the following ways: reduced electrical usage, reduced pollution and fossil fuel usage, less vulnerability to changes in energy costs, availability, reliability and increased benefits to the private sector through energy-related projects.

Benchmarking Policy

The benchmarking policy will enable the County to understand the relative electrical efficiency of buildings or campuses owned and operated by the County, set electrical savings goals, and regularly evaluate progress. The policy leverages the U.S. Environmental Protection Agency's (EPA) ENERGY STAR Portfolio Manager Tool as the policy's main implementation tool and requires the County to benchmark every year. Benchmarking helps identify and prioritize building upgrade opportunities, and provides the reference points necessary to evaluate the progress towards the County's energy and greenhouse gas reduction goals, and compares that to other similar facilities throughout the County. This helps to identify high energy use facilities, as well as helping other agencies with comparing buildings.

Fiscal and Facilities Impacts:

The EAP and the benchmarking policy both serve and provide a policy framework for the implementation of County energy reduction goals. The document identifies the goal of achieving a 6.32 million (25%) kWh ongoing reduction per year in consumption or offsets (renewable electricity production). To date, the County has achieved over half of this goal (3.49 kWh – or 15%) through the construction of two photovoltaic projects at a total cost of approximately \$9.7 million. Both of those projects were funded utilizing low cost financing, the interest on which was subsidized by the federal government.

The EAP identifies several prospective implementation measures that range in costs from hundreds to several hundred thousand dollars. In totality, these remaining measures are anticipated to cost approximately \$3.7 million over the next 7 years.

Staff tasked with the implementation of the Energy Action plan are currently funded through the County's existing utilities cost allocation process. The EAP contemplates several financing sources outside of the General Fund, including grants, low interest loans, on-bill financing, traditional financing (bonds) and support from non-profit groups.

As appropriate, significant individual projects and funding will require the approval of the Board of Supervisors and will be presented individually and as part of the annual budget process. Projects that staff intends to fund using financing will be brought to the County Debt Advisory Committee for review and concurrence prior to being presented to the Board of Supervisors.

The Benchmarking Policy and Energy Action Plan both apply to a broad range of County facilities and may have impacts on the working conditions of County employees. For that reason General Services' staff will engage affected departments during the development phase of projects to ensure that the operations of the department utilizing the facilities are minimized.

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
Federal			
Fees			
Other: Refer to EAP			\$3.7 million
Total			\$3.7 million

Narrative:

The EAP provides recommendations for equipment replacement and operation and maintenance (O&M) improvements that will lead to a reduction in electrical usage. The EAP is a planning document that recommends replacements be made over time, as the useful life of equipment nears. It is for this reason that staff is only recommending that the low-cost improvements be implemented first. The County's Energy Manager will work with appropriate County departments to identify which of the other equipment replacement recommendations should be implemented, and discuss cost and timing needs as well.

Staffing Impacts: None

Legal Positions:
N/A

FTEs:
N/A

Special Instructions:

Direct the Clerk of the Board to forward two (2) copies of the Certified Minute Order to Roy Hapeman, General Services Department.

Attachments

1. County of Santa Barbara Energy Action Plan
2. County of Santa Barbara Benchmarking Policy
3. CEQA Notice of Exemption
4. PowerPoint Presentation
5. Board of Supervisors Resolution 09-059

Authored by:

Brian Fahnstock, Interim Assistant Director of Finance, General Services