



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:** Community Services  
Department  
**Department No.:** 057  
**For Agenda Of:** September 11, 2018  
**Placement:** Departmental  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department George Chapjian, Community Services Director  
Director(s) (805) 568-2467

Contact Info: Jen Cregar, Co-Division Chief, Sustainability Division  
(805) 568-3506  
Marisa Hanson-Lopez, Program Specialist  
(805) 568-3530

**SUBJECT:** Strategic Energy Planning Consulting Agreement

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**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- A. Approve and authorize the Chair of the Board to execute an Agreement for Services of Independent Contractor with Optony Inc. ("Agreement") in an amount not to exceed a base cost of \$162,700 for strategic energy planning services including conducting a clean energy potential study and developing a clean energy roadmap for Santa Barbara County (Attachment A);
- B. Approve and authorize the Chair of the Board to execute a Memorandum of Understanding (MOU) with the cooperating cities of Goleta and Carpinteria, under which the cooperating cities and the County commit to provide funding in support of County's contract with Optony Inc. for strategic energy planning services (Attachment B);
- C. Authorize Community Services Director or designee to approve change orders for à la carte items up to \$30,000. À la carte items shall be paid for by the cooperating partner that elects the item; and
- D. Determine that the recommended actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines

Section 15378(b)(4), as the actions are the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project, and Section 15378(b)(5), as the actions are the organizational and administrative activities of governments that will not result in direct or indirect physical changes in the environment.

**Summary Text:**

On June 11, 2018, your Board appropriated funds to the Sustainability Division within the Community Services Department to engage a consultant to provide strategic energy planning services including conducting a clean energy potential study and developing a county-wide clean energy roadmap. The clean energy potential study will evaluate the technical and economic feasibility of various clean energy technologies on both public and private properties throughout the unincorporated areas of the county and the incorporated areas of cooperating cities.

From this study, the consultant will identify and analyze a pool of high-priority public and private properties that are well-suited for distributed energy resource and utility scale renewable energy projects that might include large-scale wind or solar farms. Based on this further analysis, and after taking stakeholder input into consideration, the consultant will develop a county-wide clean energy roadmap. This roadmap will include: estimated project costs and cost-savings; identify potential constraints and recommended policy and programmatic solutions to overcome them; recommend project ownership configurations; consider potential impacts to future community choice energy program development; and, include “pitch ready” project plans and budgets. In addition to the county-wide roadmap, the consultant will prepare individual roadmaps for each cooperating partner.

The County will hold and manage the contract to perform the strategic energy planning services with the selected consultant, Optyon Inc. Cooperating cities will participate via a Memorandum of Understanding (MOU) with the County, and contribute financially towards the cost of the contract.

**Background:**

In response to the October 3, 2017, staff presentation on the community choice energy feasibility study, the County of Santa Barbara Board of Supervisors directed County staff “to explore issuance of an RFP for an energy consultant to analyze Santa Barbara County facilities for a pending solicitation from Southern California Edison for local electrical capacity resources and to also reach out to other agencies and large customers to inquire about their participation in such a planning effort.” In response, staff from the County’s Sustainability Division and General Services Department collaborated with three cities – Carpinteria, Goleta, and Santa Barbara – to issue a request for proposals (RFP) to solicit a consultant to help the four local governments identify opportunities to increase the development of local clean energy projects. In addition to potential projects to bid into the solicitation from Southern California Edison (SCE), staff identified opportunities for clean energy development outside of SCE territory in North County, as well. For this reason, staff structured the County’s RFP in two phases. Phase I responded to the Board direction from October 3, 2017, and requested support with preparation and submission of an application to SCE’s Q1 2018 distributed energy resource (DER) solicitation (“SCE RFP”). Phase II asked for pricing and work plans to conduct a technical and economic clean energy potential study; identify public and private properties throughout Santa Barbara County that are well-suited to utility scale renewable energy (USRE) and DER projects; and develop a clean energy roadmap countywide, including incorporated and unincorporated areas.

### ***Approach to Phase I of County RFP***

During the solicitation process, an alliance of local clean energy groups called CleanEnergy805 was developed to facilitate project developer-site host partnership opportunities for participating in the SCE RFP. Two workshops were held wherein site hosts could provide information on project types and locations for which they would consider project proposals from interested project developers. Following the workshops, project developers were then invited to submit written concept proposals outlining projects they would like to pursue. Site hosts were then able to evaluate the proposals received and decide whether or not to proceed. In lieu of hiring a consultant to perform this work, the evaluation committee decided to remove Phase I from the scope of services requested in the County's RFP and instead solicit project proposals for County facilities in SCE territory through the CleanEnergy805 process. All respondents to the County's RFP were notified of the change in scope and invited to revise their proposals accordingly.

Through the CleanEnergy805 effort, several private project developers interested in submitting proposals to the SCE RFP have approached the County to inquire about the possibility of collaborating on their submission of projects sited on County property located in SCE territory on the South Coast. General Services' staff is leading the review of these proposals and will coordinate next steps with all County stakeholders and the CEO's office before moving forward if any proposals are selected by SCE.

### ***Approach to Phase II of County RFP***

The County received 10 responses to Phase II of the RFP to develop a countywide clean energy potential study and roadmap. The responses were reviewed by an evaluation committee composed of representatives from the four local governments and a representative from the local environmental community. The committee unanimously recommended the consultant team led by Optony Inc. as the most qualified among those who responded to the RFP.

Potential benefits of projects likely to come out of the recommended contract's scope of work—covering Phase II services—include:

- Greater electrical grid reliability and resiliency;
- Reduced energy consumption and costs in support of local and State energy efficiency and renewable energy goals;
- Increased use of local renewable energy resources resulting in lowered greenhouse gas and local air pollutant emissions, which are in line with local renewable energy goals and climate action plans as well as State greenhouse gas reduction and air quality goals;
- Local job creation and economic development;
- Power-shaping and smoothing capabilities; and
- A portfolio of potential projects for competitive grant opportunities.

### ***Coordination with Planning & Development Solar Ordinance Development***

During the Fiscal Year 18-19 budget workshops, your Board directed Planning & Development staff to estimate the expected costs to create an ordinance to enable utility-scale solar development countywide. Development of an ordinance would require CEQA review. This project can help focus the project description that would be the subject of environmental review pursuant to CEQA by identifying the most cost-effective locations for utility-scale solar or other renewable energy development to which the ordinance would apply.

**Coordination with Cooperating Partners**

The cost of the consultant services will be shared amongst cooperating partners, inclusive of the County and cooperating cities, as outlined in the MOU (Attachment B). The cooperating cities, Carpinteria and Goleta, would participate via an MOU with the County. Pursuant to the MOU, the County would serve as the contract holder with the consultant; act as Project Manager providing overall coordination of the strategic energy planning services performed by the Consultant; and serve as intermediary between the consultant and cooperating partners. Funding contributions are proportional based on jurisdictional land area and population size. Staff have contacted all incorporated cities in the County to invite them to participate in the strategic energy planning services contract via MOU. To date, Carpinteria, Goleta, and Santa Barbara (via separate contract with the same consultant) have committed to participate. Staff does not anticipate other cities joining. The project is expected to begin in September 2018, and be completed by Q2 2019.

The Agreement incorporates the standard County terms and conditions with the exception of authorizing the Community Services Director or designee to authorize change orders up to a certain amount and amend the Agreement by extending the term for a project not to exceed six months, if necessary in order to complete work.

**Performance Measure:**

N/A

**Contract Renewals and Performance Outcomes:**

N/A

**Fiscal and Facilities Impacts:**

Budgeted: Yes

The Board has authorized one-time funding of \$150,000 from the general fund in FY2018-19 towards the cost of the contract.

**Fiscal Analysis:**

The funding structure for this contract includes a base project cost of \$162,700, with optional à la carte items available to the individual cooperating partners. À la carte items include analysis of additional properties, additional community workshops, presentations by the consultant, and funding application preparation and submission at the costs shown in Table 1. Change orders for à la carte items selected by cooperating partners are estimated not to exceed \$30,000 and are not anticipated to increase the County's total contribution of \$150,000.

**Table 1. A la Carte Item Prices**

<b>A la Carte Item</b>	<b>Price Per Item</b>
Analysis of Additional Property	\$2,900
Additional Community Workshop	\$3,400
Presentation by Contractor	\$2,400
Funding Application Submission	\$3,600

All cooperating partners will contribute proportionally, based on jurisdictional land area and population size, to the base project cost as shown in Table 2. Each cooperating partner will contribute to a contingency fund an additional 10% of its proportional cost share. The cost for any à la carte items selected will be incurred by the cooperating partner who elects the items.

Payments from cooperating cities towards the base contract amount will be made up front to the County and held in an account from which the County will draw for payments to the consultant. Payments for any à la carte items selected will be required prior to work on those items commencing.

**Table 2. Financial Contribution by Cooperating Partner**

<b>Cooperating Partner</b>	<b>Financial Contribution (with 10% contingency)</b>	<b>Percent of Total Contribution</b>
County of Santa Barbara	\$149,270	83%
City of Carpinteria	\$9,900	6%
City of Goleta	\$19,800	11%

If a cooperating partner terminates participation in the MOU, the cooperating partner will be reimbursed a portion of the contribution outlined in Table 2 of the MOU, and remaining cooperating partners, including the County, would redistribute remaining expenses.

The costs for County contributions are adequately budgeted under the Sustainability Division budget in program 4500. Contributions from cooperating cities for this contract, for example, to cover the cooperating cities' selection of additional à la carte items, may require a future budget revision.

**Key Contract Risks:**

N/A

**Staffing Impacts:**

No additional staffing requests are being made at this time.

**Special Instructions:**

Please send three copies of the signed Agreement for Services of Independent Contractor, five copies of the signed MOU, and minute order to Marisa Hanson-Lopez.

**Attachments:**

Attachment A: Agreement for Services of Independent Contractor

Attachment B: Memorandum of Understanding

**Authored by:**

Marisa Hanson-Lopez, Program Specialist, Sustainability Division