

City Of San Diego  
EECBG Ad-Hoc Committee Meeting  
City Administration Building  
12<sup>th</sup> Floor, Council Committee Room  
Friday, July 17<sup>th</sup>, 2009  
8:30 a.m. – 12:30 p.m.

## **MEETING SUMMARY**

### **Committee Attendees**

Jerry Sanders  
Donna Frye  
Dave Jarrell  
Scott Anders  
Landry Watson  
Jeanne Fricot  
Ed Smith, Jr.  
Bill Powers  
Risa Baron  
Micah Mitrosky  
Scotts Maloney

### **Absent**

Lisa Briggs  
Paul Hannam  
Gregory Stevens

### **Speakers**

Tom Blair  
Bill Munson  
Fritz Ortlieb

### **Public Speakers**

Laurie Fisher  
Crickett Bradburn  
Julieann Summerford  
Eric Caldwell  
Dan Perkins  
Nicole Capretz  
Eric Camp  
Jonathan Silven  
Glenn Brandenburg  
Michael Huls  
Doug Donovan  
Marv Lyons  
Chuck Brands  
Erica Johnson  
Linda Flournoy  
Paul Michael Dekker  
Jane Howe  
Rory Ruppert

### **Item No. 1 - Introductions**

Donna Frye called the meeting to order and gave each committee member the opportunity to introduce themselves briefly, stating their name and some background information.

### **Item No. 2 - Remarks by Mayor Sanders**

Committee Co-chair Mayor Jerry Sanders began by commenting on San Diego's new title of America's Top Solar City. The mayor also mentioned the proposed program that would finance solar projects over twenty years and would be paid back through property taxes.

In regard's to the EECBG funding opportunity, Mayor Sander's strongly believes that Stimulus money would best be used where it can benefit everybody. City projects save tax payer money and because of the city's fiduciary responsibility to the city of San Diego's taxpayers, city projects should be given more weight. Mayor Sanders proposed a split that would set aside eighty percent for city projects and twenty percent for non-profits and public companies. Each dollar saved through energy can keep libraries open longer and police on the street. Mayor Sanders also went on to discuss the difficulties the city would face tracking all monies given to NGO's.

### **Item No. 3 - Non-Agenda Public Comment**

Laurie Fisher - Ms. Fisher believes it is important to have the stimulus money spread throughout the area of San Diego. The average citizen would feel the effects more if this was the case.

Crickett Bradburn - Ms. Bradburn loves the idea of solar energy, but would like to see other programs and projects besides solar ones. She recommends that at least 30% should go to residential and lower-income households and she believes the work should be done locally.

Julieann Summerford - Ms. Summerford would really like to see an equitable distribution of funds to single-family and multi-family homes. She believes that lowering the utility bill for the end-user really can help lower-income families.

Erik Caldwell - Erik provided some more information regarding the solar financing through property taxes. Initially, the program will be for single-family homes but phase two of the project should include multi-family and even commercial buildings.

Dan Perkins - Mr. Perkins suggested using EECBG funds to help home owners get energy rating done at the time of sale. Mr. Perkins does energy efficiency work when properties are sold, and believes that the city can get more homeowners to sign on if they provide some sort of incentive.

Nicole Capretz - Ms. Capretz wanted to thank the committee for their time and work. She questioned whether or not the committee wanted to spend one-time dollars on city expenditures or leverage the funds. She believes that innovation and new jobs will only happen when the market is involved in the process. Ms. Capretz also asked the committee about the possibility that a portion of the committee could be a part of the RFP process, using a Mission Bay chemical leakage committee as an example.

Eric Camp/Jonathan Silven - Mr. Camp and Mr. Silven are proponents of bike sharing. They believe it creates practical and visual benefits and could reduce single occupancy car trips by ten percent in the city. They also claim it would reduce congestion and is good for obesity which is becoming a larger

part of life in America. The propose using money on bike sharing, because it helps to produce daily, tangible, behavioral change.

Glen Brandenburg - Mr. Brandenburg wanted to comment on and thank Mr. Munson for the Funding Opportunity spreadsheet that was created. He also spoke to the time benefits of solar projects. Mr. Brandenburg acknowledged that energy efficiency has a great payback but maintained that with decreasing rebates on solar projects, now is the time to take advantage of them, before they are gone.

Michael Huls - Mr. Huls represents a company that distributes information to homes and small businesses. Using tracking software, Mr. Huls says that more than 70% of the CD-ROMs that have been handed out have indeed been utilized. He believes that for every dollar invested the information can save 122 kWh.

Doug Donovan - Mr. Donovan wanted to mention the other funding opportunities available to the city of San Diego to complete municipal projects. In particular a CEC Loan that while currently is at three percent, it is believed to be working towards lending money to local governments at one percent. Mr. Donovan said he was a little nervous that everyone's time might be wasted. Before the EECBG committee began meeting, the city had proposed something close to an eighty percent to twenty percent split in favor of municipal projects, and now, after 20 hours of committee meetings, he is still looking at an eighty to twenty split. Mr. Donovan suggested an eighty to twenty split in favor of community projects.

#### **Item No. 6 - Information from the Department of Energy on funding and procurement of EECBG projects.**

Tom Blair and Fritz Ortlieb had a teleconference with Department of Energy representatives where they sought responses to the questions formed by the EECBG Ad-Hoc committee. Many of the Department of Energy's responses were restatements of from the EECBG basic law or the Funding Opportunity Announcement. First, eligible entities may not give more than twenty percent of the total grant to NGO's for the purpose of assisting in the implementation of the energy efficiency and conservation strategy. Secondly, the ten percent administrative allowance is solely for use by the city to administer the totality of the grant, it may not be passed on to any other person or organization. Thirdly, the contracting process must follow local rules as well as Title 10 of the Code of Federal Regulations. In addition, Davis-Bacon and Buy-America clauses have also been used that must be followed.

Risa Baron suggested a summary sheet for people who are submitting projects so they know the process and where their own project activity may fall on the list.

Fritz Ortlieb clarified that NGO's could participate one-hundred percent in the performance of projects and were only restricted to twenty percent when assisting in the implementation of the energy efficiency and conservation strategy.

Marv Lyons asked about a particular situation where a non-profit organization teamed up with a for-profit organization and if they would also have to undergo an RFP process. He was told that indeed, any for profit organization would have to under go an RFP process.

#### **Item No. 7 - Energy Efficiency and Conservation Strategy – report from Strategy Sub-Committee**

The sub-committee, which includes: Landry Watson, Bill Powers, Scott Anders, and Tom Blair, has been tasked with creating a draft Energy Efficiency and Conservation Strategy. So far, they believe they have answered the first question of the EECS. The document is three pages and will later be posted on the website and titled Draft – Energy Efficiency and Conservation Strategy. The first page provides specific measurable goals for the strategies San Diego plans to implement. Pages two and three provide subset goals of page one. The goal of the EECS is to be a collection of goals that already exist. It is not meant to be a replacement document.

Donna Frye would like to see the EECS, the weighting process and the activity selection procedure finalized during the meeting. Risa Baron suggested setting aside money to do a Climate Action Plan activity.

*Risa Baron motioned to set aside \$250,000 for an activity to create a Climate Action Plan. Scott Anders seconded the motion. Nicole Capretz believes that \$250,000 is too much money for EECS planning and Chuck Brands thinks that the metrics for reporting on a Climate Activity Plan activity would not have enough substance. The motion passed unanimously.*

Some public comments regarding the Draft EECS included: Mr. Brandenburg asking for verification of the numbers used on the first page, Ms. Fisher wants to make sure that the document focuses on self-sustaining ideas and Erica Johnson wanted to reemphasize the importance of helping out the local economy. The committee also decided to move the goals related to water reduction to a separate category along with some other changes that will be on the document posted online.

There was a discussion on giving weight to jobs saved, but it was decided that measuring the numbers of jobs saved is too difficult and more of an estimation or prediction. Micah wanted to make sure community penetration refers to the work aspect of the grant as well and not just who benefits from the projects directly. Scott Maloni wanted to see a section about fiscal objectives and dollar leveraging. Risa Baron wanted to see the discussion of a revolving fund in the document.

Some more public comments on the Draft EECS included: Linda Flournoy wanted to make sure the description for generating jobs was specific to local green jobs and included retraining workers as well as just creating new jobs, Paul Michael Dekker wanted to see an audit program for energy and water and Erica Johnson wanted to emphasize local green jobs as well.

*Landry Watson motioned to approve the first portion of the EECS (pages 1, 2, &3) as amended. Ed Smith, Jr. seconded the motion. The motion passed with Scott Maloni in opposition.*

**Item No. 8 - Weighting Factors for Project Grading Criteria – report from Strategy Sub-Committee**  
**Item No. 9 - Discussion of Evaluation and Selection Process**

Landry Watson starts off by stating that the threshold criteria have adopted and that the next step and the goal of the meeting is to attach weighting to the criteria. The criteria are not an end all, as the committee has the ultimate choice in the end, but will be used as a tool. The breakdown of criteria is into 7 different major categories, each with a set of sub-criteria.

The first major criterion discussed was Financial and Cost Effectiveness, which is broken down into five sub criteria. The major discussion was over the weighting of the benefits and cost to the city. Risa Barron and Tom Blair believed the benefits to the city should be weighted more heavily. The proposals and voting went as seen below.

### Financial and Cost Effectiveness

Motioned	Scott Maloni	Jeanne Fricot	Bill Powers	Risa Baron
Seconded	Risa Barron	Landry Watson	Landry Watson	Ed Smith, Jr.
Passed/Failed	Failed	Failed	Failed	Passed
Cost of Energy Savings	10%	25%	30%	20%
Cost of expected peak demand reduction	10%	25%	30%	20%
Indicative cost effectiveness for city	35%	15%	5%	20%
Indicative net benefits to city	35%	15%	5%	20%
Indicative net benefits to participants	10%	20%	30%	20%

The second major criterion was Environmental Impact. The original proposal of the sub-committee was:  
 Reduction in GHG footprint: 60%  
 Reduce solid waster: 10%  
 Reduce water use: 20%  
 Reuse existing sites: 10%

*Micah Mitrosky motioned to use the above weighting. Ed Smith, Jr. seconded the motion. The motion passed unanimously.*

The third major criterion was Project Viability and Performance. The original proposal of the sub-committee was:

Developer/proposer experience with project: 35%  
 Low risk of failure/delay: 25%  
 Low risk of benefits disappearing: 10%  
 Proven technology: 20%  
 Easy to demonstrate performance: 10%

*Ed Smith, Jr. motioned to use the above weighting. Scott Maloni seconded the motion. The motion passed unanimously.*

The fourth major criterion was Sustainability of Benefits. The original proposal of the sub-committee was:

Creates permanent jobs: 33%  
 Provides resources/benefits for at least 10 years: 33%  
 Provides educational benefits (awareness): 33%

*Bill Powers motioned to use the above weighting. Ed Smith, Jr. seconded the motion. The motion passed unanimously.*

The fifth major criterion was Equity. The original proposal of the sub-committee was:  
 Provides broad public benefits: 50%  
 Provides services to hard to reach citizens including moderate income: 50%

<b>Motioned</b>	<b>Scott Maloni</b>	<b>Scott Maloni</b>	<b>Bill Powers</b>
<b>Seconded</b>		<b>Risa Baron</b>	<b>Micah Mitrosky</b>
<b>Passed/Failed</b>	<b>Failed</b>	<b>Failed</b>	<b>Passed</b>
Provides broad public benefits	70%	60%	50%
Provides services to hard to reach citizens including moderate income	30%	40%	50%

The sixth major criterion was Local Job Creation and Retention. The original proposal of the sub-committee was:  
 Local businesses and non-profits provide services: 50%  
 Creates jobs within the local workforce: 50%

*Ed Smith, Jr. motioned to add a third criterion, local sustainable well-paying jobs, and weight each equally. Bill Powers seconded the motion. The motion passed unanimously.*

The seventh major criterion was Leverage Funds. The original proposal of the sub-committee was:  
 Scalability: 33%  
 Leverages available funding/programs: 33%  
 Risk involved with leveraged funds: 33%

*Risa Baron motioned to use the above weighting. Ed Smith, Jr. seconded the motion. The motion passed unanimously.*

Glen Brandenburg suggests adding a second page of prose to the application to be turned in for the purpose of responding to the criteria in more depth than allowed on the activity sheet.

*Scott Anders motions to extend the deadline to July 24<sup>th</sup> and to allow for a second page that addresses the scoring criteria. The motion was seconded and passed unanimously.*

Scott Ander’s mentions how the committee can suggest activity concepts that are not turned in to the public.

Linda Flournoy suggested limiting hard construction projects because of the inability to force the jobs to be sources locally.

The committee began discussion on the Overall Criteria weighting. Landry believes that you have to select two criteria to give significant importance to.

<b>Motioned</b>	<b>Micah Mitrosky</b>	<b>Landry Waston</b>
<b>Seconded</b>	<b>Ed Smith, Jr.</b>	<b>As Ammended</b>
<b>Passed/Failed</b>	<b>Ammended</b>	<b>Passed</b>
Financial and Cost Effectiveness	13%	10%
Environmental Impact	15%	25%
Project Viability and Performance	13%	10%
Sustainability of Benefits	13%	10%
Equity	13%	10%
Local Job Creation and Retention	20%	25%
Leverage Funds	13%	10%

*The weighting of the Major Criteria passed 4-3.*

Donna Frye notes that city projects will be turned in as applications along with those turned in by the public. Donna Frye also added to next meetings agenda, the discussion of the committee's role in the RFP process.

**Item No. 10 - Timeline for upcoming meetings**

The next meeting will be held July 24<sup>th</sup>, 2009 in the Council Committee Room on the 12<sup>th</sup> floor of the City Administration Building between 8:30 a.m. and 12:00 p.m.