



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 13-1150, **Version:** 1

Public hearing to consider:

Adoption of a resolution to adopt the Monterey County Municipal Climate Action Plan: Greenhouse Gas Reduction Plan for County Operations (MCAP).

(County Operation Greenhouse Gas Reduction Plan - REF120044)

PROJECT INFORMATION:

Planning File Number: REF120044

Owner: N/A

Project Location: All County Operations/County-wide

APN: N/A

Agent: N/A

Plan Area: County-wide

Flagged and Staked: N/A

CEQA Action: Categorically Exempt per Sections 15301 and 15302

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution adopting the Monterey County Municipal Climate Action Plan: Greenhouse Gas Reduction Plan for County Operations (MCAP).

SUMMARY:

Policy OS-10.15 of the 2010 General Plan requires the County to adopt a Greenhouse Gas (GHG) reduction plan for County operations. The General Plan Policy states that the goal of the plan shall be to reduce GHG emissions associated with County operations by at least 15% less than 2005 levels. A list of potential elements to consider for incorporation in the plan is provided in the General Plan policy for guidance. This policy was added to the General Plan to address environmental impacts discussed in the Environmental Impact Report prepared for the General Plan. A similar plan is required by Policy OS-10.11 of the General Plan; however, that Policy is directed at community-wide GHG emissions whereas this MCAP is focused specifically on County operations and services. County operations constitute only 1.2% of the County-wide emissions and most of those County emissions occur within City limits so the MCAP is distinct from the community-wide effort. The MCAP covers all County related functions and facilities including office buildings, Natividad Medical Center (the largest single source of County generated GHGs), the jail, fleet, solid waste generation, and more. See Exhibit 1 to Attachment A for a list of Greenhouse gas emission related to County operations and a list of upgrades or programs being contemplated to reduce those emissions.

This MCAP contains a description of improvements and programs that, if implemented, will result in Greenhouse Gas reductions from County operations that meet or exceed the 15% reduction target by 2020. The plan describes steps that have already been taken since 2005 to reduce Greenhouse Gas Emissions and a list of upgrades or measures that, in some combination, would result in reductions of at least 15% from 2005 levels. These measures have been carefully selected based on input from key County staff members to ensure that the measures are feasible and can be implemented by 2020. The MCAP is intended to guide financing and decision

making of Greenhouse Gas reduction related upgrades and programs. The plan allows for flexibility and prioritization of projects that result in Greenhouse Gas reductions through the tracking and reporting process. In other words, achieving the reduction target is the ultimate goal. The plan also identifies how the Resource Management Agency (RMA) will track and report on Greenhouse Gas reduction progress. Review of projects and implementation will occur on a monthly basis and reporting to the Alternative Energy and Environment Committee is proposed annually. The RMA would also report to the Board of Supervisors at the end of each Phase identified in the Plan. Phase I is already complete and the remaining Phase II covers the timeframe between 2013 and 2016. The final Phase (Phase III) will include a final report on implementation in 2020.

DISCUSSION:

Detailed discussion is provided in **Attachment A**.

OTHER AGENCY INVOLVEMENT:

The following departments/agencies have participated in the selection of reduction measures:

Natividad Medical Center

CAO's Office

Purchasing

Association of Monterey Bay Area Government; Energy Watch

RMA-Public Works Department including the following Divisions:

Facilities;

Fleet;

Finance;

Special Districts; and

Streets and Road

The proposed plan was reviewed by the Alternative Energy and Environment Committee (AEE) on October 5, 2012, February 28, 2013, April 25, 2013, and July 25, 2013. The AEE recommended approval of the plan by a vote of 2-0 on July 25, 2013. The Planning Commission held a public workshop on May 29, 2013 and recommended approval of the plan on August 28, 2013 by a vote of 8-1 (see **Attachment C**).

FINANCING:

There may be an impact on the General Fund if the Board adopts the Municipal Climate Action Plan (MCAP). Staff plans to ask for necessary funds through the Capital Improvement Program starting in Fiscal Year 2014/15 and begin to implement those projects over the ensuing five to six year period to meet the 2020 goal. The total amount of the funds will depend on a number of scenarios and financial considerations as explained below.

The MCAP contains three scenarios that the County could follow to achieve the desired Greenhouse Gas (GHG) reduction goals. The three scenarios contain some combination of five key measures that, if implemented, would help the County achieve or exceed the 15% reduction goal. The MCAP provides a blueprint on how to achieve the mandated Greenhouse Gas reductions (15% from 2005 levels by 2020) by allowing the County to choose from a menu of capital improvement projects and programs (measures) that when combined in a manner that achieves the 15% target, make up the "scenarios". Some of the measures contain multiple subsets or projects within them like the EECBG audit measures and the Natividad audit measures providing a number of options for implementation beyond the three main Scenarios identified.

Rough estimates indicate that Scenario 1 (a theoretical combination of 3 measures) could cost approximately

\$2,370,000 for implementation, Scenario 2 could cost approximately \$3,260,000 for implementation, and Scenario 3, which includes implementation of all of the identified reduction measures, could cost as much as \$5,000,000.

The MCAP assumes that the County will seek grant funding opportunities and other forms of revenue generation to help finance the proposed reduction measures. Grant funding and other forms of financing could substantially decrease the cost of implementation. By way of example, the County has already achieved a 9% reduction through programs and improvements funded by grant money without direct General Fund impacts.

Another important factor in estimating plan implementation costs is the payback period for improvements/measures. The improvements identified could have long-term savings through reduced utility and maintenance costs over the life of the improvements. In other words, many of these investments pay for themselves in the long-term. Furthermore, the Alternative Energy and Environment Committee and the Planning Commission have recommended that lower cost improvements and programs with shorter payback periods be prioritized above the more expensive programs. The financial estimates provided above are maximum out of pocket expenses that do not factor in other funding mechanisms or payback periods. It is also estimated that implementation and tracking related to the MCAP will require approximately 0.25 full time equivalent positions although no new positions are requested or proposed at this time.

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This report was reviewed by Jacqueline R. Onciano, Planning Services Manager.

cc: Front Counter Copy; Jacqueline Onciano, Planning Services Manager; James Kari, Natividad Medical Center; Mario Salazar, Facilities; Sam Laird, Fleet; Robert Murdoch, Public Works; Elizabeth Russell, Association of Monterey Bay Area Governments; David Kraft, Monterey Bay Air Pollution Control District; The Open Monterey Project; LandWatch; Project File REF120044.

The following attachments on file with the Clerk of the Board:

Attachment A	Project Discussion and Financial Analysis
Attachment B	Draft Board Resolution Exhibit 1 - Draft Municipal Climate Action Plan
Attachment C	Planning Commission Resolution