

Garfield New Energy Communities Initiative Advisory Board Meeting

Wednesday, Jan. 14, 2009 • 1:00 to 3:00 p.m.
Garfield County Administration Building, 101 8th St., Glenwood Springs

AGENDA

Agenda Item	Requested action	Est time
Introductions/roll call		1:00 pm
Approval of minutes: Dec 17 2008 <i>page 2</i>	Motion to approve.	1:05 pm
Board member and public comment for items not on the agenda		1:10 pm
Contract between Dept. of Local Affairs and Garfield County; updated Exhibit A Scope and Budget – Alice Laird and Jack Kirtland, <i>page 6; full contract in separate file.</i>	Motion to approve recommendation for BOCC approval of DOLA contract	1:15 pm
Draft bylaws for G-NECI Advisory Board (to be emailed on Monday)	Motion to approve, forward to county attorney and BOCC	1:30 pm
Discussion of staffing and contract options for G-NECI -- Michael Hassig, Garfield County staff	Motion on proposed action: recommendation to BOCC	1:50 pm
Results of morning workshop, “Tools, Strategies and Resources for Facilities Energy Management.” Next steps for G-NECI partners. John Canfield, Governor’s Energy Office consultant; Alice Laird	Information; Motion on proposed next steps	2:20 pm
Recent GEO grant awards: Insulate Colorado, solar rebates, Energy Star New Homes. Timelines and target date requirements. Summary of organizational logistics given grant timelines.	Information; motion on proposed action	2:40
Garfield County Finance Dept local match invoicing and procedures – Lisa Dawson, Bob Prendergast	Information	2:45
Kick-off press conference and community roll-out events – Heather McGregor	Information, discussion	2:55
Set agenda items for next meeting, adjourn	Information	3:00

Memo to: Garfield New Energy Communities Initiative Advisory Board and other interested parties

From: Heather McGregor and Alice Laird, CLEER

Date: Dec. 19, 2008

Re: **Summary of Dec. 17 Garfield New Energy Communities Initiative Advisory Board meeting**

Meeting held Wednesday, Dec. 17, 2008, 1 to 2:45 p.m., Garfield County Airport Operations Building, 375 Co. Rd. 352, Rifle

Board members present:

Garfield County: Ed Green

Carbondale: Michael Hassig; Frosty Merriott, alternate

Glenwood Springs: Shelley Kaup; David Sturges, alternate

New Castle: Greg Russi

Silt: Meredith Robinson

Rifle: Keith Lambert; Jay Miller, alternate

Garfield Library District: Amelia Shelley

Board members not present:

Town of Parachute

RFTA (will be appointing its board representative and alternate at its Jan. 8 board meeting)

Others attending:

Dept. of Local Affairs: Jack Kirtland

Garfield County: Jim Rada, environmental health manager; John Niewoehner, planning engineer;

Lisa Dawson, finance director; Bob Prendergast, finance officer

Carbondale: Tom Baker, town manager & meeting facilitator

Silt: Betsy Suerth, town administrator

Rifle: Mike Braaten, energy coordinator

CLEER: Alice Laird, Heather McGregor, staff

Mount Sopris Soil Conservation District: Sandy Jackson, Jim Campbell, Jeff Nieslanik

General public: Carolyn Tucker

Meeting purpose

- First official Garfield NECI Advisory Board meeting.

Key decisions & actions

- Request first draft of bylaws for Jan. 14 meeting
- Set regular meeting date: second Wednesday of the month, 1-3 p.m., alternating each month between Glenwood Springs and Rifle.
- Election of officers: Michael Hassig, chairman, and Keith Lambert, vice-chairman

- Review 6 grant program areas to be included in DOLA scope of work
- Request memo from staff on sole-source contracting rationale
- Set date for Greening Public Facilities workshop: Jan. 14, 2009, 9:00 a.m. to noon, Garfield County Administration Building, Glenwood Springs
- Plan to hold a roll-out press conference with DOLA Executive Director Susan Kirkpatrick on Feb. 19th, in advance of a series of open house events held in all six towns during the following two weeks.

Next meeting

Wednesday, Jan. 14, 2009, 1-3 p.m., Garfield County Administration Building, 108 W. 8th St., Glenwood Springs

Discussion

Review of NECI grant: Jack Kirtland, representative for the Department of Local Affairs in Grand Junction, told the group how the New Energy Communities Initiative grants got started. DOLA was already issuing special grants to energy-impacted communities for improvements for roads and bridges, emergency communications, water and sewage treatment plants. Susan Kirkpatrick, DOLA's executive director, wanted to do an initiative to promote energy conservation and renewable energy. DOLA set aside \$10 million for the initiative and offered the grant. The agency received more than 30 letters of interest, and narrowed the list to 14 projects that received funding. The Garfield proposal received the largest amount, \$1.6 million.

“This project is really in keeping with the governor’s new energy economy, and figuring out how we can move the state in that direction. It met a lot of the goals shared by the governor, our department and local governments: how to survive in a world where energy prices are spinning out of control. We hope to get great return on the investment of these funds,” Kirtland said.

Bylaws: Tom Baker led a brief discussion of the advisory board’s bylaws, focusing on the idea expressed in the Nov. 5 Work Group meeting to require a 2/3 majority vote for an advisory board recommendation to pass. A 2/3 majority would require 6 votes, while a simple majority would require 5. Some felt the 2/3 majority would force the board to work closely together, while others felt it could be an impediment, especially if not all partners attend the meeting. Board members seemed to agree that 2/3 of a quorum would work — assuming a quorum is 5, and 2/3 of 5 rounded up to a whole number is 4.

Using examples from other organizations, Ed Green directed interim staff to work with Carolyn Dahlgren, Deputy Garfield County attorney, to develop proposed bylaws to govern the advisory board. Board members asked for a draft of the bylaws to be presented for discussion at the Jan. 14 meeting.

Meeting date, time & place: Board members felt that meeting once a month would be appropriate. Some committees working on specific tasks may need to meet more frequently. After comparing calendars, the board agreed to set the regular meeting date as the second Wednesday of the month, from 1-3 p.m. The meeting venue will be Glenwood Springs in odd-

numbered months and Rifle in even-numbered months. The Glenwood Springs meeting venue will be the Garfield County Administration Building meeting room, and the Rifle venue will be the Garfield County Human Services Building conference room. The next meeting will be on Wednesday, Jan. 14, 1-3 p.m., in Glenwood Springs.

Election of officers: For the position of board chairman, Greg Russi nominated **Michael Hassig**. Shelley Kaup seconded the nomination. Hassig accepted the nomination. The motion passed 7-0. For the position of board vice-chair, Hassig nominated **Keith Lambert**, Meredith Robinson seconded the nomination. Lambert was not present at the time. The motion passed 7-0. Lambert accepted the position when he arrived later.

Grant contract: The original 11 program areas in the grant application have been condensed into a more understandable set of six program areas. These will be included in the contract between DOLA and Garfield County, which is serving as the fiscal agent, as the “scope of services.”

- Residential Programs and Services
- Commercial Programs and Services
- Greening Government
- Energy Efficient Transportation and Community Design
- Renewable Energy
- Long-Range Planning and Clean Energy Financing

Interim staff are now working to reconfigure the program budget so it fits the six program areas. Advisory board members asked interim staff and DOLA representative Jack Kirtland to work out the details so a final contract could be presented at the Jan. 14 meeting. The board will review the contract, consider revisions, and would then be expected to make a recommendation to the Garfield County Commissioners for their approval of the contract.

“This is an audacious list. I think we will find that some things will slip back or slip off list entirely,” noted Chairman Hassig.

“You should be as inclusionary as possible,” recommended Jack Kirtland. “It’s easier to take things off the plate later and describe why the items need to be cut out. These are viewed as demonstration projects. [DOLA] understands there will be changes to the scope.”

Staffing: The G-NECI Work Group, which handled development of the grant program up to this point, has been discussing issuing a sole-source contract to the nonprofit organization CLEER or directly to Alice Laird and Heather McGregor as individuals. Working for CLEER, Laird and McGregor organized the G-NECI partners, developed the clean energy programs proposed in the winning grant application and wrote the grant.

However, passage of Amendment 54 in November “puts a new wheel on the wagon,” noted Ed Green. The constitutional amendment bars the holder of any sole-source contracts with a total value of more than \$100,000 per year from contributing to any political campaigns for the duration of the contract and for two full years after the contract ends. The amendment would

apply to CLEER's staff and board members and their relatives, including spouses, parents, children, siblings and in-laws.

Mike Braaten said a group is organizing to seek a court injunction in January against the measure. Meanwhile, Garfield County must include the amendment's constraints in all sole-source contracts and for any competitive-bid contracts awarded after receiving less than three bids.

David Sturges said he would prefer setting up sole-source contracts directly with Laird and McGregor as individuals rather than through CLEER. That would avoid subjecting CLEER board members to the Amendment 54 restrictions, and give the advisory board direct control over the work of Laird and McGregor as contractors.

Advisory board members asked Laird and McGregor to submit their rationale for a sole-source contract, which would be presented to the Garfield County Commissioners on an informational basis.

Greening Public Facilities workshop: Alice Laird told the board that John Canfield, the point person at the Governor's Energy Office for the Greening Public Facilities program, suggested that the best way to move forward with this component of the grant is to first hold an informational workshop about various approaches. Canfield wants to make site visits of some buildings owned by the partner entities on the same trip.

The workshop would be for key decision makers, such as elected officials and buildings/facilities managers, and others interested in greening facilities. Because there will be some overlap of people with the G-NECI Advisory Board, the board agreed to hold the workshop on the morning of Jan. 14, 9 a.m. to noon, at the Garfield County Administration Building in Glenwood Springs, prior to the advisory board meeting that afternoon.

Program roll-out: The board discussed holding a G-NECI kickoff event in February to announce the programs and services to be offered. Feb. 19 was suggested as a favored date because Susan Kirkpatrick, executive director of DOLA and initiator of the NECI grant program, will be in Glenwood Springs that day for a conference.

Meredith Robinson suggested holding open house events in all six towns, offering residents and businesses a walk-through presentation of what the G-NECI program will offer.

Board Chair Hassig said the roll-out should wait until the new website is up and services for the residential sector are in place. "Instead of celebrating getting started, we should celebrate getting something done," he said.

Staffer Heather McGregor suggested holding a press conference on Feb. 19th with Ms. Kirkpatrick to set the stage for the series of open houses to follow.

Additional planning will be needed for the roll-out open houses.

To: Garfield New Energy Communities Advisory Board
From: Alice Laird
Re: Finalizing DOLA/Garfield County Contract
Date: January 10, 2009

Attached please find an updated Exhibit A Scope and Budget for the contract between Department of Local Affairs and Garfield County. With Advisory Board approval of Exhibit A the contract is ready to forward to the BOCC with a recommendation that it be finalized and signed with DOLA. The full standard form DOLA contract as prepared by Jack Kirtland is provided in a separate file.

Updated scope: This version of the scope builds on what was approved at the last Advisory Board meeting and incorporates subsequent feedback received from Jack Kirtland and the library district.

For those newer to the development of this contract scope: The deliverables in the overall comprehensive grant proposal were boiled down to one page. Garfield County Deputy Attorney recommended that the original 11 grant topic areas be consolidated into fewer, more easily understood program areas. A small work group met twice in November and December and created 6 program areas as listed in the scope. In an earlier version one of the program areas was named "long range planning" and contained all the financing, longer term structure development. Jack Kirtland advised that a different name for this section would be useful. This element of the scope has been renamed "Sustainability Team and Clean Energy Financing" to more accurately reflect what is contained in that element of the scope. The concept of a sustainability team is from the original grant proposal requirements and is a component important to both DOLA and the Governor's Energy Office for building local capacity. Development of near-term and longer term substantial financing sources for clean energy has also been a key goal expressed by work group members.

Notes on Updated Budget:

- The proposed budget contract numbers are the result of the working group determining how to best reduce the original DOLA grant request of \$2 Million to the \$1,605,000 awarded.
- Over \$100,000 in funding from Governor's Energy Office programs has been secured since DOLA grant submitted. The exact amount of these additional GEO grants will be confirmed before the January 14 meeting and total program expenditures in right hand column adjusted accordingly.
- Original DOLA funding amounts kept in for: LED lights, Deer Park renewable demonstration project, greening public facilities, Energy Star pilot project.
- Sub-program areas such as Energy Star New Homes, Insulate and Seal and solar rebates have been woven into the residential and commercial programs.
- Page 12 budget numbers include local cash match; local in-kind match not included.
- It is possible to submit amendments to the DOLA contract budget and scope as the initiative progresses. DOLA and GEO staff advise that the current proposed scope and budget is fine as a starting framework and allows for adequate flexibility. More detailed budgets will guide overall initiative, project management and program/project delivery, working in tandem with Garfield accounting procedures.

EXHIBIT A

SCOPE OF SERVICES

1. PROJECT DESCRIPTION, OBJECTIVES AND REQUIREMENTS

The Project consists of 6 elements necessary to implement the Garfield County New Energy Communities Initiative. Garfield County will oversee Project activities that will occur for the benefit of local governments, public jurisdictions, including the County itself, and the general public. The Governor's Energy Office will also participate in the Project and provide both financial and technical assistance for Project elements undertaken.

Partnering local governments include Garfield County, the Towns of Parachute, Silt, New Castle and Carbondale, the Cities of Glenwood Springs and Rifle, the Garfield County Public Library District and the Roaring Fork Transportation Authority.

The following Project elements will be performed under the following six program areas:

- **Residential Programs and Services:** One-stop web site with information on energy efficiency, renewable energy and related topics geared to households. Targeted information materials in English and Spanish. Home energy efficiency campaign, emphasizing Insulate Colorado, GEO solar rebates, utility rebates, tax incentives, energy tracking. Processing of GEO rebates. Garfield 1 Megawatt Campaign encourages households to invest in solar energy. Audit and retrofit demonstration projects. Energy Star New Homes and HERS workshops, trainings and awareness campaign. Development of residential one-stop audit, finance, retrofit program. No state Impact Assistance funds can be used for actual residential energy conservation upgrades.
- **Commercial Programs and Services:** One-stop web site with information on energy efficiency, renewable energy, and related topics geared to business. Targeted brochures. Downtown demonstration audit and retrofit projects. Campaigns on specific energy efficiency measures. Online energy measurement and tracking system. Technical training in energy efficient building techniques and materials for building industry professionals. Develop design guidelines for commercial structures not currently covered by green building codes. Development of small business one-stop audit, finance, energy improvements program. State Impact Assistance grant funds may only be used for energy audits, public information and educational purposes. No state Impact Assistance funds can be used for actual energy conservation upgrades on private buildings.
- **Greening Government:** Work with GEO to set up audits, energy tracking, performance contracting or self-financing for energy improvements in applicable partner government facilities. Develop green design guidelines, provide technical assistance for new public facilities. Conduct baseline county energy inventory. Purchase and arrange training for energy tracking software. Purchase PowerPod dwelling for Deerfield Park; set up educational display. Retrofit 36 streetlights in downtown Rifle with LED bulbs. Develop Energy Star pilot program in Roaring Fork School District. Assist partner governments in adopting Greening Government goals that meet or exceed state goals. Host 2+ workshops to learn about model sustainability codes. Provide technical assistance to jurisdictions interested in adopting and implementing model codes.
- **Energy Efficient Transportation & Community Design:** Provide information on Web site to advance energy efficient transportation options. Run Safe Routes to School programs in local school districts. Provide examples and workshops on ways communities can encourage transit-friendly community design and transit friendly development in RFTA service territory. Assist interested partner entities in adopting policies, design guidelines and standards, and programs that encourage transportation options; disseminate best practices that are already working for partners, such as biodiesel in fleets and engine retrofits. Coordinate group purchases of demonstration clean energy vehicles and other clean energy transportation technologies.
- **Renewable Energy:** Arrange financing and coordinate installation of at least 10 small solar PV systems (5 to 10 kW) and 2 mid-size solar PV systems (30 to 50 kW) on public facilities, including at least 2 installations at public library facilities. Purchase and install off-grid solar lights for Deerfield Park. Implement Garfield 1

Megawatt Campaign. Track energy production from solar installations. Train K-12 teachers in Re-1, Re-2 and D-16 through the "Solar in the Schools" program. Link 1 Megawatt Campaign with residential and commercial energy programs.

- **Sustainability Team and Clean Energy Financing:** Develop a Clean Energy Investment Fund as a near-term financing mechanism for efficiency upgrades and solar installs. Research feasibility of a voluntary opt-in clean energy financing district for the county or sub-areas of the county including individual municipalities as provided in state statutes. Coordinate with state-level efforts to address energy efficiency and clean energy financing. Create a sustainability team composed of representatives of the contractor and partner local governments to provide policy and budgetary guidance for the Garfield New Energy Communities Initiative and procure professional services as necessary. State Impact Assistance funds and local funds will be used to support staffing and professional consulting services for management functions to the team and overall initiative, and assist in the implementation and oversight of each Project area including project or program design, budget, time schedule and expense documentation and reporting. Publish annual progress report. Host annual event to recognize participation and performance in all sectors. Build organizational structure and explore financing options for a long-term clean energy organization tied to reaching significant clean energy economy goals.

Local funding represented as Contractor revenue in the budget below will vary by Project element. It is estimated the total value of local funding commitments will amount to at minimum \$506,000 in local cash match. Additional local funding, not listed in this contract will be a combination of in-kind personnel and equipment usage and performance contracting. Local funding obligations will be determined by the Contractor in conjunction with the partnering local governments through execution of intergovernmental agreements. In addition to local funding commitments, the Governor's Energy Office will also commit financial support for some Project elements on a case-by-case basis dependent on the availability of funds and compliance with funding guidelines.

Contract(s) shall be awarded to qualified vendor(s) or firm(s) through formal competitive selection processes with the Contractor being obligated to award the contract(s) to the lowest responsible bidder(s) meeting the Contractor's specifications.

If cost savings are incurred while completing the Project, the State may require that those savings be split on a prorate basis between the State and the Contractor.

Eligible expenses include any construction, renovation, equipment purchase, engineering and professional education and managerial consulting services necessary to perform the Project. Limitations to the use of state Impact Assistance funds are specified by Project element within this "Project Description" contract provision.

Energy and Mineral Impact Assistance program funds in the amount of ONE MILLION SIX HUNDRED FIVE THOUSAND AND XX/100 Dollars (\$1,605,000.00) are provided under this Contract to finance Project costs. The Contractor shall provide \$506,000 in Project financing from sources other than State funds, and, in any event, is responsible for all Project cost in excess of ONE MILLION SIX HUNDRED FIVE THOUSAND AND XX/100 Dollars (\$1,605,000.00).

Construction plans and specifications shall be drawn up by a qualified engineer licensed in the State of Colorado and hired by the Contractor through a competitive selection process.

Construction contract(s) shall be awarded to a qualified construction firm(s) through a formal public bid processes with the Contractor being obligated to award the construction contract(s) to the lowest responsible bidder(s) meeting the Contractor's specifications.

Copies of any and all contracts entered into by the Contractor in order to accomplish this Project shall be submitted to the Department of Local Affairs upon execution, and any and all contracts entered into by the Contractor or any of its subcontractors shall comply with all applicable federal and state laws and shall be governed by the laws of the State of Colorado.

The Contractor agrees to acknowledge the Colorado Department of Local Affairs in any and all materials or events designed to promote or educate the public about the Project, including but not limited to: press releases, newspaper articles, op-ed pieces, press conferences, presentations and brochures/pamphlets.

2. ENERGY AND MINERAL IMPACT

Garfield County has the largest concentration of gas drilling activity in Colorado. Of the 132 drilling rigs working in Colorado in 2008, 74 have been working in Garfield County. As of Aug. 5, the Colorado Oil and Gas Conservation Commission had issued 1,698 drilling permits in Garfield County, 38 percent of the statewide total for the year to date. In 2007, the 2,250 drilling permits issued in Garfield County were 40 percent of the state total. Garfield County has 4,921 producing wells that yielded 137 BCF of gas in January through May 2008. Garfield County wells yielded 388 BCF in 2007, 31 percent of the total state production. The rising costs for construction, housing and labor are straining local government budgets.

3. TIME OF PERFORMANCE

The Project shall commence upon the Effective Date and shall be completed on or before June 20, 2012. In accordance with paragraph 8.b.i. of this Contract, the Contractor may request an extension of the time for performance by submitting a written request, including a full justification for the request, to the State at least thirty (30) days prior to the termination of the performance period. If the State, in its sole discretion, consents to an extension, the State shall grant such extension in accordance with paragraph 8.b.i. of this Contract.

4. BUDGET

<u>Revenues</u>		<u>Expenditures</u>	
Energy/Mineral Impact - GRANT	\$1,605,000	Residential Programs and Services	261,000
Contractor Funds	\$506,000	Commercial Programs and Services	200,000
Governor's Energy Office	\$110,000	Greening Government	400,000
		Renewable Energy	950,000
		Energy Efficient transportation and community design	80,000
		Sustainability Team and Clean Energy Financing	320,000
Total	\$2,211,000	Total	\$2,211,000

5. REMIT ADDRESS: (Address to where payments are to be sent)

108 Eighth Street
 Glenwood Springs, CO 81601

6. DISTRIBUTION SCHEDULE

Grant Payments

\$1,444,500	Available for interim payments reimbursing the Contractor for actual expenditures made in the performance of this Contract. Payments shall be based upon properly documented financial and narrative status reports detailing expenditures made to date.
160,500	Available for final payment to be made to Contractor upon the completion of the Project and submission by the Contractor of final financial and narrative status reports documenting the expenditure of all Energy/Mineral Impact Assistance funds for which payment has been requested.
\$1,605,000	Maximum Available

7. PAYMENT PROCEDURE

The State shall establish billing procedures and pay the Contractor for actual expenditures made in the performance of this Contract based on the submission of statements in the format prescribed by the State. The Contractor shall submit requests for reimbursement, setting forth a detailed description of the amounts and types of reimbursable expenses.