

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 20

DATE: March 6, 2007

STAFF: Lucinda Smith
Ken Mannon

SUBJECT

Resolution 2007-015 Convening a Task Force to Update the City of Fort Collins Climate Protection Plan and to Promote Renewable Energy, Energy Efficiency, Waste Reduction and Transportation-related Technologies, Services, and Practices.

RECOMMENDATION

Staff recommends adoption of the Resolution.

On June 27, 2006, the Air Quality Advisory Board voted unanimously to support a similar resolution proposed by the Fort Collins Sustainability Group to convene a task force to update the climate plan.

On September 20, 2006, the Natural Resources Advisory Board voted unanimously to support a similar resolution proposed by the Fort Collins Sustainability Group to convene a task force to update the climate plan.

On November 17, 2006, the Electric Advisory Board voted to support (with minor changes) a very similar resolution proposed by the Fort Collins Sustainability Group to convene a task force to update the climate plan.

FINANCIAL IMPACT

The financial impact to the City of Fort Collins of the formation of a task force is estimated to range from \$3,000 to \$15,000.

The estimated expenses for conducting a task force for twelve meetings is \$3,000. The expenses for public outreach associated with the task force process is estimated not to exceed \$2,000. In-kind staff time associated with Plan development could range from 0.1 FTE (210 hours, or \$7,500) to 0.2 FTE (420 hours, or \$15,000). If a consultant were hired to assist with the data collection and alternatives development for up to \$10,000, staff time would be reduced.

There is no cost to the City for considering an updated plan that contains measures to promote renewable energy, energy efficiency, transportation efficiency and waste reduction. City Council would have the opportunity to assess costs and benefits of recommended actions, provide input, and ultimately chose whether or not to adopt the revised Plan.

The 2007 Air Quality Improvement offer can provide up to \$15,000 of existing budget to cover the costs associated with these items. The actions identified in the Resolution lie within the purview of the existing Air Quality Improvement Offer, which calls for providing staff support and funding for the Energy Management Team tasked with carrying out the City's goal to reduce greenhouse gas emissions.

EXECUTIVE SUMMARY

In 1999, City Council adopted Resolution 1999-137, setting a goal to reduce citywide greenhouse gas emissions 30% below worst case 2010 levels, by 2010, and adopting a Plan to meet the goal. The most recent progress report (2004) indicates the City is not on track to meet the 2010 reduction goal. This Resolution calls for the formation of a task force, including citizens and City staff, to develop an updated plan to describe the steps the community will take to meet the existing greenhouse gas goal. It directs that the revised Plan shall include measures to encourage renewable energy, energy efficiency, transportation efficiency, and waste reduction. It also allows the task force to make recommendations on how the City should develop a future direction for climate protection after 2010.

BACKGROUND

In 1997, the City of Fort Collins joined ICLEI's Cities for Climate Campaign and thereby committed to develop a greenhouse gas inventory and forecast for 2010, set a greenhouse gas reduction target, and develop a plan to meet the target. A Staff Technical Team and a Citizen Advisory Committee met for over a year to identify and recommend a prioritized list of cost-effective actions to reduce local greenhouse gas emissions that, if fully implemented, would reduce Fort Collins predicted greenhouse gas emissions in the year 2010 by thirty percent.

In 1999, City Council adopted Resolution 1999-137, setting the goal to reduce citywide greenhouse gas emissions 30% below worst case 2010 levels, by 2010. The 1999 Fort Collins Local Action Plan to Reduce Greenhouse Gas Emissions (the Plan) outlines how to accomplish that goal. Resolution 1999-137 called for an interdepartmental Energy Management Team to prepare a biennial report to track progress on the target and identify additional greenhouse gas reducing activities that merit consideration, in recognition of changing scenarios and advances in technology.

Since adopting the greenhouse gas reduction goal in 1999, three biennial status reports have been completed. The amount of greenhouse gas emissions avoided has grown steadily, but the total citywide emissions have continued to grow as well. The most recent progress report (2004) indicates that the City is not on track to meet the 2010 reduction goal. In 2004, nine percent of citywide emissions were reduced. The 2004 citywide actual emissions are 2,467,000 tons CO₂e which exceeds the desired 2010 emissions limit of 2,466,000 tons.

Benefits to the City from implementing the 1999 Local Action Plan have been wide-ranging and include air pollution reduction, reduced waste in the landfill, increased support for local businesses and the economy, and generally improved quality of life. Specific highlights include:

- Conversion of traffic signals to energy efficient light-emitting diodes, saving over \$110,000/year in electricity and maintenance costs, with an initial capital cost of \$370,000, for a ~ 3.4 year payback.
- Development and implementation of the Climate Wise voluntary business program, which has now grown to over 50 partners, who are reducing more than 100,000 tons of CO₂e, and who report a cumulative cost savings of over \$4 million since 2001.
- Receipt of over \$80,000 in grant funding to assist with local greenhouse gas reduction planning and actions.

Benefits of Updating the Local Action Plan

There are a number of reasons why it makes sense for the City to update its Local Action Plan to Reduce Greenhouse Gases.

- Studies and reports about the seriousness of global warming and impacts from climate change, including regional impacts, have proliferated significantly in the past five years, adding more urgency to efforts to address climate changes.
- Market opportunities and technologies have evolved significantly since the original plan was developed in 1999. Technology-based advancement are occurring in the areas of biofuels, including algae-based biofuels, electricity grid distribution improvements and biorefineries. In Europe, carbon markets are thriving. Although the United States does not have a national carbon registry and trading policy, voluntary markets are emerging here as well. The Regional Greenhouse Gas Initiative is a greenhouse gas cap-and-trade system being developed by seven northeast states, planned for entry into force by 2009. The State of California is also developing a cap-and-trade system to comply with its strict greenhouse gas emission targets, and is interested in linking with RGGI or other carbon markets. The Chicago Climate Exchange (CCX) also provides a voluntary mechanism for trading carbon. Colorado participants in the CCX include New Belgium Brewing, the City of Boulder, and the Town of Aspen.
- The Colorado Climate Project to develop a statewide plan to reduce greenhouse gas emissions is now underway. Mayor Hutchinson is one of ten Project Directors for this project that will bring Coloradoans together to study alternatives and develop recommendations to reduce the state's contribution and vulnerability to climate change. The results will be presented to the Governor in late 2007. The intensive investigation into climate protection strategies appropriate for Colorado that will occur through the Colorado Climate Project will provide much valuable information that a Fort Collins task force could draw upon.
- An increasing number of studies show that taking action to reduce greenhouse gases is profitable, and not taking actions can be costly. A few examples are given below.

- Climate Wise (illustrates local benefits)– The 2004/2005 Climate Wise Annual Report indicates that the cumulative cost savings from projects completed by partners through 2004 were \$1.5 million, the same year the partners collectively reduced 95,000+ tons CO₂e, or 40% of total citywide emission avoided in '04.
- Multnomah County and Portland, OR (illustrates regional benefits) A recent presentation about the relationship between economy and greenhouse gas emissions reductions show that while net greenhouse gas emissions in Multnomah County are about at 1990 levels and per capita CO₂ emissions have dropped over 12%, the inflation-adjusted payroll has increased 29% and covered employment has increased ~ 12%.
- Rockefeller Brothers Fund Data (illustrates corporate and national benefits) Organizations taking action to reduce greenhouse gases end up saving money. Examples include:

ENTITY	GREENHOUSE GAS REDUCTIONS	SAVED
DuPont	72% since 1990	\$2 billion
Alcoa	26% since 1990	\$100 million by 2006
British Petroleum	10% below 1990	\$650 million net present value
IBM	38%	\$791 million
Germany	19% since 1990	450,000 new jobs in renewable energy

Source: http://northamericancongress.iclel.org/files/NAC_presentations/0713-Thursday_Plenaries/Michael_Northrop.ppt

- Stern Report (illustrates global benefits) A report released in October 2006 by Sir Nicholas Stern, Head of the Government Economic Service, and Adviser to the UK Government on the Economics of Climate Change and Development and former Chief Economist of the World Bank, states:

“ There is still time to avoid the worst impacts of climate change, if we take action now..... If we don't act, the overall costs and risks of climate change will be equivalent to losing at least 5% of global GDP per year, now and forever. If a wider range of risks and impacts is taken into account, the estimates of damage could rise to 20% of GDP or more..... In contrast, the cost of action -- reducing greenhouse gas emissions to avoid the worst impacts of climate change -- can be limited to around 1% of GDP per year. ”

Stern Report Source:
http://www.hmtreasury.gov.uk/independent_reviews/stern_review_economics_climate_change/sternreview_index.cfm

- Other Colorado cities are currently engaging in rigorous development of their greenhouse gas emissions inventory and reduction plans, including Boulder, Denver, and Aspen, making

this an opportune time to capitalize on the research, strategy assessments, implementation plans and increased community awareness occurring elsewhere in Colorado.

- Engaging citizens and stakeholders in the revision of the Fort Collins Local Action Plan, as was done when the original Plan was developed, will better ensure that revised plan brought to City Council for review has considered a broad range of issues, impacts, and benefits.
- Revision of the Plan will provide a process where the City can proactively take into account a number of measures already underway that will help the City meet its goal, including:
 - the Electric Energy Supply Policy, which was adopted in 2003. The Electric Energy Supply Policy supports both energy efficiency and renewable energy with specific targets of reducing per capita electric energy consumption by 10% (by 2012) and increasing the fraction of renewable energy to 15% (by 2017);
 - new residential building codes that will require more energy efficient homes starting in 2005,
 - the Energy Service Company performance contract to increase energy efficiency in City facilities,
 - use of biodiesel in City diesel vehicles and in the community,
 - continued successful growth of Climate Wise,
 - 2006 advent of single stream recycling that allows paper/fiberboard, paper and commingled materials to be placed curbside,
 - completion of the 3.5 mile bike/pedestrian segment of the Mason Transportation Corridor

ATTACHMENTS

1. Air Quality Board June 2006 discussion on climate resolution.
2. Natural Resources Advisory Board September 2006 discussion on climate resolution.
3. Electric Board November 2006 discussion on original climate resolution.

Air Quality Board June 2006 Discussion on Climate Resolution

MINUTES
CITY OF FORT COLLINS
AIR QUALITY ADVISORY BOARD
REGULAR MEETING
200 WEST MOUNTAIN AVE.
June 27, 2006

For Reference: Eric Levine, Chair - 493-6341
David Roy, Council Liaison - 407-7393
Lucinda Smith, Staff Liaison - 224-6085

Board Members Present

Jeff Engell, Nancy York, Dale Adamy, Bruce Macdonald, Dave Dietrich, Eric Levine, Carrico Carrico, Greg McMaster

Board Members Absent

Cherie Trine

Staff Present

Natural Resources Department: Lucinda Smith, Tara McGibben

--- EXCERPT -- FORT COLLINS SUSTAINABILITY GROUP AGENDA ITEM

- Levine: We've had two motions so far, but that doesn't mean we have to stop there. Does anyone have anything else? Are we done with this agenda item because the clock has run out. We have one possible agenda item to recommend to Council which I think is on a relatively short time frame. It's the City's Climate Program Resolution. If we're going to do that I would ask for another 10 minute extension. This climate program has been modified, it's actually a little milder. Please look at it in your packets. It's basically the resolution itself. Section one second line: scratch out entire third line, and then scratch out the first four words in the next line. And it will read: to proceed on behalf of the city to develop an updated plan that will describe the status of community...That is what we're looking for a recommendation of support to council on. It's not re-evaluating anything, it's just taking our present climate program and describing the steps that we will take to meet the goals that we said in 1999.
- Adamy: Who's the author and who scratched?
- Levine: It was a committee that did it. I didn't have anything to do with it. I am part of the group and I voted via email that sounded fine to me. It went to Council members and community groups and basically what came back was maybe the council would be a little bit more comfortable if they thought it was to re-evaluate the current program. There was some slight degree of discomfort, but everyone seemed to be fine with it. So Council would be comfortable within the original

ATTACHMENT 1

1999 plan. We updated it so we have a chance of meeting the goals. How about a motion on this then we can have discussion because our time is a little short.

Dale Adamy moved to adopt the resolution changes that Eric Levine presented. Jeff Engell seconded the motion.

- Macdonald: Is there a time frame for that, is that this year or next year?
- Levine: It was left open. If it passes, it's up to the City and Council, it's left to their discretion.
- McMaster: A task force could say this is when and push details through.
- Dietrich: Are we able to amend this in anyway?
- Levine: They're just looking for support. If we were to amend it, I would just think we would just go and recommend our own to City Council.
- York: What would your amendment be?
- Dietrich: Just what Bruce just said; to convene by a certain date.
- Levine: If we pass this motion we can recommend that and pass another motion. I wasn't thinking about certain dates and I think the people that amended this weren't thinking about what the public discussion or time frame would be. Any other comments, questions, discussion?
- York: It'd be nice to have as soon as possible.
- Macdonald: It's just a clarification and we can pass it with a comment.

The AQAB voted in favor of passing the resolution, 7-0.

- Levine: This board could weigh in and if this does pass we can lobby for representatives and go in with proposals for time frames.
- York: Can we add a line that we as a board consider this is an urgent and undertaken expeditiously?
- Smith: What if you included something like that in your recommendation to council which is different than modifying this resolution but it conveys the point.
- Macdonald: Yes, I don't think we should tie up the original resolution.
- York: We could add a note stating we feel that is an important situation.

The AQAB voted to adjourn the meeting. All in favor.

**Attachment 2 - Excerpt from Natural Resources Board Meeting Minutes of
September 20, 2006**

Natural Resources Advisory Board
September 20, 2006
Page 6 of 8

Knowlton stated that Philip Friedman would like a recommendation to council on this proposal.

Ryan Staychock made the following motion:

Move that the NRAB recommend to council the adoption of the Resolution to Convene a Task Force to Update the City of Fort Collins Climate Protection Policy and to Promote Renewable Energy and Energy Efficiency Technologies, Services, and Practices

Petterson seconded the motion

Friedman gave a brief status report. The motion was brought to council in Aug. It was accepted for further consideration scheduled for the work session on November 28th. In the intervening time since last here and council accepted the resolution for further consideration, they have spoken with the Coloradoan. The Coloradoan endorsed the idea to reevaluate and reconsider policies the City is currently engaged in. There have been subsequent editorials in the Denver Post States take on Global Warming. There is a program called the Colorado Climate Project which is a statewide coordinated program from the Rocky Mountain Climate Organization. Mayor Hutchison is one of the directors of that organization.

Current supporters are the Air Quality Advisory Board, the Fort Collins Audubon Society, the Rocky Mountain Sustainable Living Association and the Northern Colorado Renewable Energy Society.

Friedman gave a recap on what they're trying to do with that resolution. The City position for the past decade has been that climate change is real...long time ongoing set of policies and programs to address that starting in 1999. They are proposing reinvigorating the existing program to make sure it is meeting the original goal. Ultimately want recommendations to council for them to make final decision. And last, put on a series of forums for community education and outreach to address the issues of global warming, climate change, etc.

Skutchan asked what the projected costs would be.

Although Friedman didn't have the requested information, Gordon was able to find the draft agenda item summary prepared by Lucinda Smith which read as follows: "...the financial impact to the City of Fort Collins for the two items contained in the resolution is estimated at \$2,000. If a consultant was hired to assist the task force the cost would increase to \$15,000. The approved 2006-2007 Air Quality budget can cover the \$15,000 in estimated expenses."

Skutchan asked once approved by council who would establish the task force.

Friedman stated that the City Manager would have the final say over who could be on the task force. He restated that a climate neutral City would essentially be a City that functions where it's net production of greenhouse gases are offset by factors that cancel those out (i.e. trees).

Colton made note that there was a principal in City plan that says by 2010 the City will reduce greenhouse gas emissions 30% below predicted worst case in order to reduce the impact by Fort Collins on global warming. There shall be a local action plan the City will adopt to reduce greenhouse gas emissions. He sees that as pretty much supporting this principal.

Staychock remarked that technology is not that far away. The City should be embracing this before other cities and states do.

Petterson's feeling is that the City would be well advised to get that process underway and to rely on the judgment of the elected officials and City staff to weigh the pros and cons.

The motion passed unanimously.

New Business:

Skutchan asked if there will be an update on the priorities and spending within the Natural Resources department. He mentioned that Staychock had brought this up on several occasions and he thought it was more on a long term basis.

Skutchan further commented that he felt the Board went out of their way to have a special meeting to set priorities for the board and nothing came of it.

Knowlton suggested that the Board spend one half hour discussing those priorities at the next meeting.

Knowlton stated that they need to do something on the North College Subarea Plan. It looks like Council will vote on that for Dec 19th it would be good to hear something about that for October.

Skutchan said he would contact the group for a guest presentation.

Staychock noted that the board needs to review the guest presentations draft. He will send another copy of those out. They were not formally adopted and he would like to see 10 minutes on the October agenda to adopt it.

Colton asked about the Downtown River District project.

Excerpt from Electric Board Meeting Minutes of November 15, 2006**Fort Collins Sustainability Group/Climate Protection Policy Resolution**

Phillip Friedman and Kevin Cross presented information on the Fort Collins Sustainability Group (FCSG) in the hope of reducing green house gas emissions. The group, founded in April of 2005, is working to develop and advocate a vision and strategy for becoming a sustainable community. They have identified two pressing issues:

1. Meeting energy needs while minimizing our impact on global climate change; and
2. Creating jobs that contribute to the goal of sustainability.

The City of Fort Collins joined the “Cities for Climate Protection Campaign” in 1997. By doing this, the City committed to:

1. Tracking its GHG emissions;
2. Setting GHG reduction target; and
3. Developing a plan to meet that target.

The target established in 1999 is a 30 percent reduction with respect to the 2010 “worst case scenario”. Population growth and per capita emissions trends suggest that we will exceed that target by 30 percent. Phillip Friedman said the City of Fort Collins needs to re-evaluate its goals and see why they are not on target and get back on track to reducing the GHG emissions.

Other related City initiatives that are taking place:

1. The Clean Energy Cluster Resolution approved on March 21, 2006, commits the City to the development of a clean energy cluster in conjunction with CSU, Larimer County, Poudre School District, the Northern Colorado Economic Development Corporation, The Fort Collins Chamber of Commerce and local businesses.
2. There are six project directors of the Colorado Climate Project developing a plan to reduce Colorado’s greenhouse gas emissions. The project’s goal is to deliver a set of recommendations to the state Legislature and to Governor Bill Ritter this year. This project is unique because it combines leaders from government, business and advocacy groups who may have different ideas and views about climate change, its impacts and potential solutions. The project is based on similar efforts by other state governments (Arizona, New Mexico, and Montana), but this project is the first privately initiated attempt to create a state plan. A lack of federal action on the issue is one of the driving forces for this effort.

The Fort Collins Sustainability Group Climate Protection Policy Resolution has requested:

1. The City Manager to convene a task force consisting of citizens and members of the City staff, which will be authorized and directed to proceed on behalf of the City to develop an updated plan describing the steps our community will *(could)* take to meet the greenhouse gas emissions target established by Resolution 99-137.
2. The plan described will include measures to encourage local businesses, governments, utilities, schools, universities, non-profit organizations,

homeowners and other individuals to develop, provide and apply (as appropriate) renewable energy and energy, efficiency technologies, services and practices within the City of Fort Collins.

3. The City's sponsorship of a public forum series, (*beginning no later than three months after adoption of the resolution*) to discuss and address the question of how Fort Collins might move forward after 2010 to become a "climate neutral city" (e.g. a city that produces no net greenhouse gas emissions).

The Fort Collins Sustainability Group is asking the Fort Collins Electric Board to support the Climate Protection Policy Resolution. They feel Fort Collins should lead in policy and in practice as to how energy is used. After a long discussion, the Fort Collins Electric Board stated that with the following suggested word changes in Section 1 and Section 3 (the words printed in italics), they could support the resolution. Board member Alison Mason made a motion that Sections 1-3 be supported, and Board member Steve Wolley seconded the motion. The motion passed with five Yeas and one Nay.

RESOLUTION 2007-015
OF THE COUNCIL OF THE CITY OF FORT COLLINS
CONVENING A TASK FORCE TO UPDATE THE CITY OF FORT COLLINS
CLIMATE PROTECTION PLAN AND TO PROMOTE RENEWABLE ENERGY, ENERGY
EFFICIENCY, WASTE REDUCTION AND TRANSPORTATION-RELATED
TECHNOLOGIES, SERVICES, AND PRACTICES

WHEREAS, reducing dependence on fossil fuels is widely recognized as beneficial to the national, state, and local economies; and

WHEREAS, local businesses currently provide goods and services that reduce the reliance of national, state, and local economies on fossil fuels; and

WHEREAS, local businesses currently have energy efficiency and renewable energy practices that reduce the reliance of local economies on fossil fuels; and

WHEREAS, promoting additional green businesses and business activity in climate protection activities would benefit the local economy by providing jobs, property tax revenue, and sales tax revenue; and

WHEREAS, the City Council has recognized the importance of promoting the development and application of clean and renewable energy sources by passing Resolution 2006-037, which directs the City Manager to join with other local institutions to develop a Clean Energy Cluster for Northern Colorado; and

WHEREAS, the development and application of clean and renewable energy sources and energy efficiency technologies would reduce the emission of greenhouse gases, which are widely recognized as contributing to global climate change; and

WHEREAS, the magnitude of climate change now forecast by the scientific community is predicted to cause severe and costly disruption of human and natural systems throughout the world generally and in Colorado in particular; and

WHEREAS, the scientific community believes that significant reductions in the emissions of greenhouse gases can slow and minimize the negative impacts associated with climate change; and

WHEREAS, the City has previously recognized the importance of evaluating and mitigating the cumulative impacts on the environment caused by greenhouse gas emission through its participation in the Cities for Climate Protection Campaign; and

WHEREAS, by the adoption of Resolution 1999-137, the City Council has previously stated its commitment to reducing its greenhouse gas emissions to the equivalent of 2,466,100 tons of carbon dioxide or less by 2010; and

WHEREAS, if present trends continue, the City will be responsible for the emission of 30% more greenhouse gases than the target established by Resolution 1999-137;

WHEREAS, the City's long-term goal is for the City organization to be climate-neutral in its operation and in the provision of services to the citizens of Fort Collins and the City Council wishes to consider undertaking additional, affirmative steps toward achieving that goal; and

WHEREAS, in 2006, Mayor Hutchinson was appointed as one of ten project directors of the statewide Colorado Climate Project sponsored by the Rocky Mountain Climate Organization, the goal of which project is to bring Coloradoans together to study alternatives and develop recommendations to reduce the state's contribution and vulnerability to climate change.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Manager shall appoint and convene a task force consisting of members selected from citizens, members of City boards and commissions, and City staff to solicit input from the public and from City boards and commissions charged with advising the City Council in connection with matters related to energy conservation and environmental quality, and to develop an updated plan that will describe steps that the Fort Collins community could take to meet the greenhouse gas emissions target established by Resolution 1999-137.

Section 2. That said updated plan shall include measures to encourage local businesses, governments, utilities, schools, universities, non-profit organizations, homeowners, and other individuals to develop, provide, and apply (as appropriate) technologies, services, and practices to promote renewable energy, energy efficiency, transportation efficiency and waste reduction within the City of Fort Collins.

Section 3. That it is the intent of the Council that said task force identify and incorporate the most useful and defensible technical and policy resources as the basis for its recommendations, including consideration of any relevant information from the Colorado Climate Project.

Section 4. That in addition to preparing recommendations for an updated 2010 plan, the task force shall also make recommendations on how the City should develop a future direction for climate protection after 2010, and shall report its findings on the matter to the City Manager.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 6th day of March, A.D. 2007.

Mayor

ATTEST:

City Clerk