

ACTION SHEET
CITY COUNCIL COMMITTEE MEETING OF 10/08/14
ITEM FROM FINANCE COMMITTEE MEETING OF 09/29/14

ISSUE:

19. Request for Approval of a Resolution Declaring the Governing Body's Intent for the City of Santa Fe to Become Carbon Neutral by the Year 2040. (Councilor Ives) (Nick Schiavo & John Alejandro)

Committee Review:

Public Utilities Committee (scheduled)	10/01/14
City Council (scheduled)	10/08/14

Fiscal Impact - No

FINANCE COMMITTEE ACTION: APPROVED AS CONSENT ITEM

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS

STAFF FOLLOW-UP:

VOTE	FOR	AGAINST	ABSTAIN
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA	X		
COUNCILOR LINDELL	X		
COUNCILOR MAESTAS	Chair		
CHAIRPERSON DOMINGUEZ	Excused		

3-17-14

ACTION SHEET
PUBLIC UTILITES COMMITTEE MEETING 10/1/14

ISSUE NO. 17

Request for approval of Resolution No. 2014-_____. A resolution declaring the Governing Body's intent for the City of Santa Fe to become carbon neutral by the year 2040. (Nick Schiavo & John Alejandro) (Councilor Ives)

Public Utilities Committee – 10/1/14
 Finance Committee – 9/29/14
 City Council (Request to Publish) – 10/8/14
 City Council (Public Hearing) – 11/12/14

PUBLIC UTILITIES COMMITTEE ACTION: Approved to forward to 10/8/14 City Council.

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR RIVERA, CHAIR	X		
COUNCILOR MAESTAS	X		
COUNCILOR BUSHEE	Excused		
COUNCILOR DIMAS	X		
COUNCILOR IVES	Excused		

City of Santa Fe, New Mexico

LEGISLATIVE SUMMARY

Resolution No. 2014-____
Carbon Neutral - 2040

SPONSOR(S): Councilor Ives

SUMMARY: The resolution declares the Governing Body's intent for the City of Santa Fe to become carbon neutral by the year 2040.

PREPARED BY: Rebecca Seligman, Legislative Liaison Assistant

FISCAL IMPACT: No

DATE: September 23, 2014

ATTACHMENTS: Resolution
FIR

1 CITY OF SANTA FE, NEW MEXICO

2 RESOLUTION NO. 2014-_____

3 INTRODUCED BY:

4
5 Councilor Peter Ives

6
7
8
9
10 A RESOLUTION

11 DECLARING THE GOVERNING BODY'S INTENT FOR THE CITY OF SANTA FE TO
12 BECOME CARBON NEUTRAL BY THE YEAR 2040.

13
14 WHEREAS, the City of Santa Fe is committed to protecting the long-term health and
15 viability of our community through strategies designed to reduce greenhouse gas emissions and
16 mitigate the effects of climate change; and

17 WHEREAS, the City of Santa Fe is proud of its cultural and historical significance among
18 North American Communities; and

19 WHEREAS, the Governing Body, through the adoption of Resolution No. 2006-55,
20 supported efforts to reduce greenhouse gas emissions by 2030; and

21 WHEREAS, the Governing Body, through the adoption of Resolution No. 2006-127, called
22 for a City government-wide effort to reduce energy and telecommunication needs; and

23 WHEREAS, the Governing Body, through the adoption of Resolution No. 2008-57, the
24 Governing Body declared its intention of reduce the carbon footprint of City government on the
25 environment by a total of twenty percent (20%) within five years; and

1 **WHEREAS**, reducing community-wide greenhouse gas emissions, especially from the
2 transportation sector, can have a positive impact on local air quality and result in a healthier
3 community; and

4 **WHEREAS**, according to the United Nations Intergovernmental Panel on Climate Change
5 (IPCC), which is comprised of the world's leading scientific experts in the field of climate change, to
6 avoid the worst impacts of climate change stemming from greenhouse gas emissions (GHG), there is
7 a need for GHG emissions to be cut by at least 80% from 1990 levels by 2050; and

8 **WHEREAS**, peer cities, including Austin, Seattle and Portland, have recently completed
9 updates to their original Climate Action Plans, and the updates incorporate new data and information
10 that led to establishing new long-term goals in line with the IPCC calculations; and

11 **WHEREAS**, carbon neutrality refers to achieving net zero carbon emissions by balancing a
12 measured amount of carbon released into the atmosphere with that of an equivalent amount of carbon
13 emissions that are sequestered or offset by renewable energy production, or through the purchase of
14 enough carbon credits to make up the difference; and

15 **WHEREAS**, the best practice for seeking carbon neutral status entails reducing and/or
16 avoiding carbon emissions first so that only unavoidable emissions are offset; and

17 **WHEREAS**, being carbon neutral is increasingly seen as good corporate or state social
18 responsibility and a growing list of corporations, cities and states are announcing dates for when they
19 intend to become fully carbon neutral.

20 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
21 **CITY OF SANTA FE** that the Governing Body hereby declares that it intends to have 50% percent
22 of its energy come from renewable sources by 2025 and become carbon neutral by the year 2040 and
23 directs City staff to provide options, remedies, alternatives, solutions, and to recommendations for
24 how City government can achieve the goal of becoming carbon neutral by 2040.

25 **PASSED, APPROVED AND ADOPTED** this ____ day of _____, 2014.

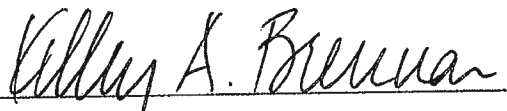
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

JAVIER M. GONZALES, MAYOR

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:



KELLEY A. BRENNAN, CITY ATTORNEY

**City of Santa Fe
Fiscal Impact Report (FIR)**

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

Section A. General Information

(Check) Bill: _____ Resolution: X

(A single FIR may be used for related bills and/or resolutions)

Short Title(s): **A RESOLUTION DECLARING THE GOVERNING BODY'S INTENT FOR THE CITY OF SANTA FE TO BECOME CARBON NEUTRAL BY THE YEAR 2040.**

Sponsor(s): Councilor Ives

Reviewing Department(s): Public Utilities Department

Persons Completing FIR: Nick Schiavo Date: 9/23/14 Phone: 955-4267

Reviewed by City Attorney: *Kelley A. Brennan* Date: 9/29/14
(Signature)

Reviewed by Finance Director: *Jeresela Gunn* Date: 9/26/14
(Signature)

Section B. Summary

Briefly explain the purpose and major provisions of the bill/resolution:

The resolution declares the Governing Body's intent for the City Of Santa Fe to become carbon neutral by the year 2040.

Section C. Fiscal Impact

Note: Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:

- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
- b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
- c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)*

1. Projected Expenditures:

- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
- b. Indicate: "A" if current budget and level of staffing will absorb the costs
"N" if new, additional, or increased budget or staffing will be required
- c. Indicate: "R" – if recurring annual costs
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
- d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
- e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

Finance Director: _____

_____ Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY 14/15	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY 15/16	"A" Costs Absorbed or "N" New Budget Required	"R" Costs - Recurring or "NR" Non-recurring	Fund Affected

Personnel*	\$ _____	_____	_____	_____	\$ _____	_____	_____	_____
Fringe**	\$ _____	_____	_____	_____	\$ _____	_____	_____	_____
Capital Outlay	\$ <u>\$3.2M</u>	_____	<u>N</u>	<u>NR</u>	\$ <u>3.2M</u>	<u>N</u>	<u>NR</u>	_____
Land/ Building	\$ _____	_____	_____	_____	\$ _____	_____	_____	_____
Professional Services	\$ <u>320,000</u>	_____	<u>N</u>	<u>NR</u>	\$ <u>320,000</u>	<u>N</u>	<u>NR</u>	_____
All Other Operating Costs	\$ <u>100,000</u>	_____	<u>N</u>	<u>R</u>	\$ <u>100,000</u>	<u>N</u>	<u>R</u>	_____
Total:	\$ <u>3.62M¹</u>	_____	_____	_____	\$ <u>3.62M¹</u>	_____	_____	_____

¹ TOTAL BUDGET REQUIRED IS \$36M FOR 2014-2025, TO BE 50% CARBON NEUTRAL BY 2025.

* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. **For fringe benefits contact the Finance Dept.

2. Revenue Sources:

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
	Type of Revenue	FY _____	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs - Recurring or "NR" Non-recurring	Fund Affected

_____	\$ _____	_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
Total:	\$ _____	_____	\$ _____	_____	_____	_____

3. Expenditure/Revenue Narrative:

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

See attachment.

Section D. General Narrative

1. Conflicts: Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps.

None

2. Consequences of Not Enacting This Bill/Resolution:

Are there consequences of not enacting this bill/resolution? If so, describe.

If this resolution is not enacted, then it is unlikely a conscious effort will be made to achieve making our city carbon neutral by 2040.

3. Technical Issues:

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

No

4. Community Impact:

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.

The resolution will have a positive impact in our community by seeking to become carbon neutral and consciously improving the city's environment.

Form adopted: 01/12/05; revised 8/24/05; revised 4/17/08

ATTACHMENT

3. Expenditure/Revenue Narrative:

In order for the city to be 50% carbon neutral by 2025, it would need to invest approximately \$36 million over the next ten years to design and install renewable energy (RE) and energy efficiency (EE) technologies. The capital outlay needed per year would be approximately \$3.2 million for equipment, \$320,000 for systems design and installation, and approximately \$100,000 per year in recurring expense to operate and maintain those systems.

We assumed that the costs of renewable energy and energy efficiency technologies will continue to decline, and we budgeted appropriately. However, actual costs may not be known until a year prior to the procurement and installation of an RE and/or EE system. What is constant is the cost associated with the annual operations and maintenance of those RE and EE systems, in order to keep them functioning properly and at maximum capacity.

Lastly, the consolidation of city employees into new, unused office space, and as a result, the associated closing of city-owned buildings that they were housed in (e.g., Siringo Road offices), could help to achieve an energy savings that could contribute to the goal of achieving carbon neutrality. But, the associated costs of such employee consolidations and moving expenses could approximately costs \$2 million.