



Office of the City Manager

CONSENT CALENDAR

July 18, 2006

To: Honorable Mayor and
Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Submitted by: Steve Barton, Director, Housing Department

Subject: Contract: Sustainable Berkeley: Fiscal Sponsor Community Energy Services Corporation (CESC)

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a sole source contract and any amendments with Community Energy Services Corporation (CESC) as the fiscal sponsor for Sustainable Berkeley, for the period July 1, 2006 to June 30, 2008 in an amount not to exceed \$133,700.

FISCAL IMPACTS OF RECOMMENDATION

The CMS number is A5RUE. Funds are in the FY 2007 budget:

010-8204-463.30-38	General Fund	\$45,000
646-5608-432.30-38	Refuse Fund	\$10,000
820-5608-432.30-38	Refuse Fund	\$10,000
833-8204-463.30-38	Sustainable Development Fee	\$68,700

CURRENT SITUATION AND ITS EFFECTS

This contract provides resources to Sustainable Berkeley, through its fiscal agent, CESC. Sustainable Berkeley is a multi-stakeholder partnership between the City, business, civic and education institutions, including, for example, the UC Berkeley Chancellor's Advisory Committee on Sustainability, Ecology Center, Livable Berkeley, and Teleosis Institute. The partnership is forming to leverage resources and improve coordination among Berkeley's sustainability efforts, and to implement the Sustainable Business Action Plan (the Plan).

On November 9, 2004, Council approved the "Sustainable Business Action Plan" in principle as a guide to help build Berkeley's green economy, without specifically approving each initiative. Over 150 stakeholders provided input to the Plan's goals, including zero waste, climate protection, making Berkeley an environmental business powerhouse and the greenest city in the United States.

Despite broad support for the Plan, follow up identified opportunities and barriers to implementing Plan initiatives. Extensive discussions with more than 30 stakeholders and four

focus groups identified commitments and concerns of community leaders from four sectors: City department heads, University of California at Berkeley (UC) and the education sector, the business sector, and the civic sector. Interviews identified that the community is broadly committed to the vision of a sustainable Berkeley. Interviews also identified that City government leadership is insufficient by itself and that Berkeley needs a way to coordinate across organizations inside and outside of the City, to cross promote, to leverage resources and to track and report results across initiatives.

BACKGROUND

Berkeley is known throughout the world as a pioneering green city – including being the first city to institute curbside pick-up of recyclables and the first to convert its entire diesel fleet to biodiesel fuel. Berkeley now faces competition however to maintain its leading edge as many other cities (Chicago, Santa Monica, Oakland, San Francisco, Eugene) launch “green city” and coordinated sustainability initiatives. This contract officially launches Berkeley’s accelerated effort to improve access to green products and services and keep Berkeley a national environmental leader.

Sustainable Berkeley is forming to provide an infrastructure for collaboration and leveraging resources across stakeholders on specific projects, including cross promotion of environmental, green building and green economic development initiatives, re-branding Berkeley as a green city and launching a Climate Protection campaign once Berkeley’s revised CO₂ emissions inventory is available in Fall 2006. The Mission of Sustainable Berkeley is to engage the community, leading private and public institutions and funders to achieve the culture change in the community needed to transition our economy to sustainability and to take advantage of Berkeley’s competitive niche for green products and services.

CESC was chosen as the interim fiscal agent because it has organizational capacity to support this new initiative and because CESC is being funded by PG&E under a separate contract for a Climate Protection campaign targeting businesses. Sustainable Berkeley is managed by a Steering Committee made up of representatives of business, NGOs, civic organizations, the City and education institutions including UC Berkeley staff and professors.

Staff of Sustainable Berkeley will be responsible for coordinating the multi-stakeholder process, facilitating communication among stakeholders, executing and/or assisting in the execution of common projects, fundraising for and implementing projects specifically earmarked for Sustainable Berkeley. This contract provides resources to:

- Clarify and publicize community sustainability goals and measure progress in a Sustainable Berkeley Update publicized through existing channels and at the Green Gathering;
- Leverage resources including grants and in-kind contributions, and secure interns for community sustainability projects;

- Create a Sustainable Berkeley Steering Committee and Stakeholder Councils to improve inter-organizational communication and rapidly deploy resources to move toward common goals such as zero waste, climate protection, green building, green economy, green jobs; and,
- Improve access to green products and services through the development of a green business marketing plan.

RATIONALE FOR RECOMMENDATION

This contract provides resources to implement sustainable development policy including promoting green building as standard practice and improving access to green products and services. It addresses needs identified by civic, City, business and institutional stakeholders, particularly the need for greater coordination and leveraging to move toward goals identified in the Sustainable Business Plan. This contract waives competitive bid because Sustainable Berkeley was created by the City for purposes of executing this scope. It is also waived because the fiscal agent CESC is contracted with PG&E to provide complementary services. City funding is leveraged more than 1:1 with the separate contract (PG&E Sustainable Berkeley Climate Protection project).

ALTERNATIVE ACTIONS CONSIDERED

City staff cannot perform the scope of this contract because the scope focuses on leveraging resources across organizations inside and outside government. Extensive interviews within City staff and the community identified that the City is not positioned to provide the functions needed to create this partnership. The City is not positioned to conduct the needed outreach to mobilize partners; the City is not organized to coordinate across environmental issues; and the City is not positioned to act nimbly or to fully leverage resources since government often cannot receive grants available to non-profits.

CONTACT PERSON

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Attachments:

1: Resolution

Exhibit A: Scope of Services

Exhibit B: Payment

RESOLUTION NO. ##,###-N.S.

AUTHORIZING THE CITY MANAGER TO EXECUTE A SOLE SOURCE CONTRACT AND ANY AMENDMENTS WITH COMMUNITY ENERGY SERVICES CORPORATION (CESC) AS THE FISCAL SPONSOR FOR SUSTAINABLE BERKELEY, FOR THE PERIOD JULY 1, 2006 TO JUNE 30, 2008 IN AN AMOUNT NOT TO EXCEED \$133,700.

WHEREAS, the Council accepted the “Sustainable Business Action Plan” Preliminary Report in principle as a guide to help build the Berkeley’s green economy, without specifically approving each policy or initiative; and referred the report to the City Manager for review and analysis to examine how these goals and actions line up with the City’s work plan; and

WHEREAS, Sustainable Berkeley is a multi-stakeholder organization formed to leverage resources and improve coordination among Berkeley’s sustainability efforts, including publicizing community goals and measuring progress and leading a climate protection campaign; and

WHEREAS, CESC is a not-for-profit agency established by the Berkeley City Council for the purpose of providing energy efficiency services for the City of Berkeley and the community; and

WHEREAS, CESC is uniquely qualified to provide services under this contract due to its experience working with business, institutional and residential sectors and because CESC administers a separate but related PG&E contract called Sustainable Communities; and

WHEREAS, funding for this contract is available in the Housing Department’s FY 2007 General Fund budget (010-8204-463.30-38), Refuse Fund (820-5608-432.30-38 and 646-5608-432.30-38), and Sustainable Development Fee (833-8204-463.30-38), CMS # A5RUE.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to execute a contract and any amendments with CESC as the fiscal sponsor for Sustainable Berkeley for an amount not to exceed \$133,700 for the period July 1, 2006 to June 30, 2008 for services as outlined in Exhibit A hereof and a payment schedule as outlined in Exhibit B hereof, to assist the City in leveraging resources to meet its stated sustainability goals. A record signature copy of the contract to be on file in the Office of the City Clerk.

Exhibits

A: Scope of Services

B: Payment Schedule

Exhibit A

Scope of Services

Sustainable Berkeley Fiscal Sponsorship By Community Energy Services Corporation

GENERAL

Sustainable Berkeley is a multi-stakeholder, community-wide partnership to make Berkeley a global leader in Urban Sustainability, both within the local community and beyond. The partnership gathers civic, private sector, UCB, community, and NGO leadership to enhance Berkeley's ability to extend a satisfying and vibrant quality of life to all its residents and workforce, while strengthening its economy and reducing its environmental impact.

Staff of Sustainable Berkeley will be responsible for coordinating the multi-stakeholder process, facilitating communication among stakeholders, executing and/or assisting in the execution of common projects, fundraising for and implementing projects specifically earmarked for Sustainable Berkeley.

SCOPE OF WORK

For the first two years (FY06-07 and FY07-08) Community Energy Services Corporation, a not-for-profit agency established by the Berkeley City Council for the purpose of providing energy efficiency services for the City and the community, will act as the Fiscal Sponsor for the project. All intellectual property rights will remain with the City of Berkeley.

The following table outlines the tasks, deliverables, and timeline under this contract (Parts A and B).

TASK	DESCRIPTION OF ACTIVITY	DELIVERABLE
1.0	CLIMATE PROTECTION CAMPAIGN coordinating with Sustainable Communities project under separate CESC contract with PG&E	
	<ul style="list-style-type: none">• Create goals and process for engaging Berkeley's large businesses in making commitments for reducing greenhouse gases, particularly through energy efficiency• Create goals and process for engaging Berkeley's hospitality industry in energy efficiency, recycling and other resource efficiency programs	<ul style="list-style-type: none">• Green House Gas Reduction goals for sectors• Outreach and marketing plan• Success stories

	<ul style="list-style-type: none"> • Conduct Outreach to recruit large businesses, restaurants, and hotels to participate both in PG&E energy efficiency programs and in Sustainable Berkeley. • Produce climate protection success stories for Sustainable Berkeley Update 	
2.0	GREEN RESTAURANT PROJECT coordinated with Sustainable Communities project under separate CESC contract with PG&E	
	<ul style="list-style-type: none"> • Outreach to 400 restaurants and hotels on recycling and composting programs • Refer 200 to programs for services • Assist programs in getting 100 restaurants and hotels to adopt program practices 	<ul style="list-style-type: none"> • Link 100 businesses to food waste recycling services • Success stories
3.0	MARKETING/OUTREACH	
	<ul style="list-style-type: none"> • As part of the Strategic Planning process, develop a communications strategy • Leverage partner organizations and current channels of communication to market Berkeley Green businesses and increase access to green products and services • Develop logo, letterhead, business cards, etc • Develop and maintain website • Invite Berkeley green business participation in the Green Guide, to be produced under separate contract with Celilo Group • Organize and execute the Annual Green Gathering event in conjunction with the City of Berkeley • Develop and execute an Annual Sustainable Berkeley Awards Program (to be awarded as part of the Green Gathering) • Develop, design, publish and broadcast an Annual Sustainable Berkeley Update/ Score Card • Develop and maintain active Speaker's Bureau to conduct outreach and advocacy • Participate in various environmental and sustainability forums, summits as necessary 	<ul style="list-style-type: none"> • Communication Strategy • Green Business Marketing Plan • Marketing Collateral • Website • Green Gathering • Awards Program • Speakers Bureau • Sustainable Berkeley Update
4.0	STAKEHOLDER COORDINATION	
	<ul style="list-style-type: none"> • Establish Stakeholder Database for Outreach and Communication • Provide organizational development support 	<ul style="list-style-type: none"> • Database • Steering Committee representing civic, business, City and

	<p>to Steering Committee to maintain multi-stakeholder participation</p> <ul style="list-style-type: none"> • Establish Stakeholder Database for Outreach and Communication Develop Cooperative by-laws • Develop and facilitate stakeholder coordinating councils • Provide staff support for the stakeholder coordinating councils • Develop general communication and inter- and intra-council communication tools (e.g., email list service, electronic newsletter, etc) • Facilitate use of CACS interns by Stakeholder Councils 	<p>educational organizations</p> <ul style="list-style-type: none"> • Stakeholder Coordinating Councils • Council Action Plans and Reports
5.0	SUSTAINABLE COMMUNITY INTERNSHIPS	
	<ul style="list-style-type: none"> • Identify projects for Sustainable Community Interns provided by CACS • Provide oversight and technical assistance • Liaison with UCB Green Fund Internships 	<ul style="list-style-type: none"> • CACS Internships
6.0	PROJECT DEVELOPMENT	
	<ul style="list-style-type: none"> • Develop projects that support the mission of Sustainable Berkeley i.e. Awards, Green Gathering, Sustainable Berkeley Update • Develop criteria for selecting new projects that support the mission • Assist in the development of funding proposals to support these projects • Coordinate with affiliated projects managed by partners as per the Sustainable Berkeley MOU i.e. Ecology Center Environmental Update, Green Guide and Green Map • Develop 5-year Strategic Plan that draws upon the Mayor’s Sustainability Working Group’s Action Plan and existing resources 	<ul style="list-style-type: none"> • 5 Year Strategic Plan

**Exhibit B
Payment Schedule**

Sustainable Berkeley

The total payment under this contract shall not exceed \$133,700. Contractor shall be compensated for deliverables based on Contractor's actual cost plus overhead subject to a maximum as set forth in Table 2. The allocation of the budget may be changed upon mutual consent but the total may not be increased without a contract amendment. Contractor may invoice the City of Berkeley on a monthly basis for services provided.

Table 1: Current CESC staff rates (salary and fringe)

Position	Hourly Rate
Project Director	\$45
Communications Coordinator	\$32
Small Business Coordinator	\$25
CESC Executive Director	\$60
CESC Program Manager	\$60

Table 2: Sustainable Berkeley FY 07 Combined Budget

Deliverable	Tasks	City Subtotal	FY07 Matching Funds	Subtotal
Climate Protection Campaign	Green House Gas goals and objectives			
	Outreach and meeting plan for 100 largest users			
	Climate protection success stories			
		\$10,000	\$55,568	\$65,568
Green Restaurants	Outreach to 400 businesses, 100 participants			
	Green Hospitality Success Stories			
		\$20,000	\$12,000	\$32,000
Marketing and Outreach	Communications Strategy			
	Green Business Marketing Plan			
	Speakers Bureau			
	Marketing Collateral			
	Website			
	Green gathering			
	Awards program			
	Annual Sustainability Update			
		\$44,670		\$44,670
Stakeholder Coordination	Create and maintain database			
	Steering Committee			
	Stakeholder Coordinating Councils			
	Council Action Plans and reports			
		\$16,500		\$16,500
Project Development and Management	5-Year Strategic Plan			
		\$14,700		\$14,700
Subtotal		\$105,870	\$67,568	\$173,438
Overhead	11.0%	\$11,646	\$7,432	\$19,078
Subtotal		\$117,516	\$75,000	\$192,516
Fiscal Sponsorship Fee	5.26%	\$6,181		\$6,181
Internship Program	CACS Interns	\$10,003	\$30,000	\$40,000
Total		\$133,700	\$105,000	\$238,698