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## **Minutes**

### **City Council's Community Sustainability Economic Sustainability Sub-Committee**

### **June 12, 2009**

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Minutes of the meeting of the City Council's Community Sustainability – Economic Sustainability Sub-Committee held on Friday, June 12, 2009, 10:00 a.m., in the 3<sup>rd</sup> Floor Conference Room, Tempe City Hall, 31 E. 5<sup>th</sup> Street, Tempe, Arizona.

**Sub-Committee Members Present:**

Councilmember Onnie Shekerjian

**City Staff Present:**

Renie Broderick, HR Mgr

Tanya Chavez, Comm Outreach/Marketing Coordinator

Lisa Collins, Deputy Development Services Manager and Committee Liaison

Shelley Hearn, Comm Rel Mgr

Jan Hort, City Clerk

Lisa Lathrop, Development Services

Gretchen Maynard, TLC

John Osgood, Dep Pub Wrks Mgr

Decima Sever, Dev Svcs

Mark Vinson, City Architect

Robert Yabes, Transportation

Jeff Kulaga, City Manager's Office

**Guests Present:**

Ted Ritter, VP, IFMA

Rhett Wilson, Dir, Corporate Relations, ASU

Councilmember Shekerjian called the meeting to order at 10:00 a.m.

**Agenda Item 1 – Approval of Meeting Minutes: April 17, 2009**

Meeting minutes for April 17, 2009, were approved.

**Agenda Item 2 – Public Appearances/Call to the Public**

None.

**Agenda Item 3 – Greenbuild Expo Update**

Tanya Chavez summarized that the Greenbuild Expo is scheduled for November 10 through 13.

- Staff is focusing efforts and involvement on leveraging partnerships and existing events/activities to enhance Tempe's presence as a sustainable city and drive conference attendees to Tempe.
- This is one of the first projects that the newly formed citywide communication group is working on as a team.

- Staff is working with DTC, Tempe Convention and Visitors' Bureau, ASU and other community partners to promote Tempe as the place for fun and entertainment, great restaurants and nightlife.
- Proposed Tempe Night activities include:
  - Drinks and discussion gatherings at key downtown restaurants. Concept is similar to "Techy Tuesdays" with an expert leading discussion. This is an opportunity for conference attendees to have more informal and intimate discussion with industry experts.
  - Green film fest or a film-and-discussion at the new MADCAP Theater. Concession would feature wine from organic and local Arizona wineries.
  - Recycled Art Show – work with ASU and/or Tempe school districts on an art show featuring works created by students using reused/recycled materials.
- Conference program could include tours of the Transportation Center and East Valley Bus Operations & Maintenance Facility, as well as sessions focusing on Tempe projects.
- Sharing booth space with Architekton with the focus of promoting Tempe as a sustainable city and driving attendees to our city for Tempe Night and throughout the conference.

Councilmember Shekerjian suggested having the Mayor do a presentation at one location regarding how the City government is approaching sustainability. To make things sustainable, there has to be an economic piece.

Ms. Chavez added that the team is still in the planning stages. She will coordinate with his schedule for availability.

Councilmember Shekerjian added that if the Mayor is not available, she would be willing to do it as Chair of this subcommittee. She also suggested Vice Mayor Ellis because she chairs the technology sustainability subcommittee. A policymaker needs to be talking about the green concept. She asked how to get tickets for the event.

Ms. Chavez responded that tickets will be available on the website.

Councilmember Shekerjian asked that this information be put on the City's website with a link to the Green Build.

#### **Agenda Item 4 – Performance Management Measures**

Renie Broderick stated that Jon O'Connor is leading the team in developing a performance management system. She summarized the history of the performance management systems.

- Up until 2001, there was a performance management system that was linked to pay with merit increases.
- The PIP (performance improvement plan) is used sporadically as a disciplinary tool.
- The IDP (individual development program) was discontinued in 2006.
- Currently, the PDP (performance development plan) is used. It was started in 2006 and is to be used citywide, but currently is not used citywide.

One of her goals is to have something to share with the employee groups and management team by September 1<sup>st</sup> and have something implemented by January 1<sup>st</sup>. Staff has been conducting research to determine what possibilities exist for a tool. The goal is to have a system that is not onerous, with a single double-sided form because we don't want to make this a bureaucratic nightmare. As we move through the LDP efforts, we want to tie this to everyone's goals. Everyone will understand their purpose and be able to tie that to their goals and job descriptions. We want to reinforce organization goals.

She summarized what not to do:

- This needs to be a positive.

The next steps include:

- Define purpose.
- Draft ready by September 1<sup>st</sup> to share with employee groups and management.
- Implementation of education piece in November and December.

Development Services has made great progress and Childress was involved in their plan. She asked if staff feels it is a positive experience.

Lisa Collins responded that the first part of the 4-step process centers on accomplishments and starts out on a very positive note. The next step involves goals, what are the barriers, and what can the employer do to help overcome them. The challenge has been trying to come up with ways to determine whether goals have been met.

Ms. Broderick added that the purpose of the performance management system is to develop employees, and one way is by giving feedback and setting expectations. This kind of tool is helpful in doing that.

Councilmember Shekerjian added that the reason this item has been placed in this committee is because the committee is dealing with two things in sustainability. One is economic sustainability and part of that is return on investment. It is important to look internally since it is in the City's best interests to be economically sustainable as a city. Part of that is how we make sure that everyone is aligned with the goals. It costs money every time someone leaves. This piece is a good communication tool to make sure we are aligned.

**DIRECTION:** Return to Committee with an update.

#### **Agenda Item 5 – Energy Efficiency and Conservation Block Grant Update (EECBG)**

John Osgood summarized that the City must apply for a formula grant for energy efficient projects and programs by June 25<sup>th</sup>. This is an opportunity to take some money, use it efficiently and effectively, and position ourselves for the future to be able to centralize and coordinate. Tempe has been sustainable and doing interesting things since the early 1990's. Now, at the same time we are cutting budgets, we are also looking at ways to spend the Stimulus money. This has been added to the City's TIARA Committee agenda. Of that, we have \$1.87M. This is a proposed allocation for this money.

Characteristics of the grant are as follows:

- formula grant, not a competitive grant.
- maximum of 10% allocated for the grant administration and implementation.
- 18 months to obligate/commit the funds.
- 36 months to spend the grant funds.

Councilmember Shekerjian inquired as to what the standard in the industry for the amount for grant administration? Robert Yabes responded that most grants allow about 12% as the ceiling for administration. Federal grants typically don't allow anything.

Councilmember Shekerjian inquired as to when the City gives grants, if there was a certain amount that we designate for grant administration. The idea is not to provide a grant and create a job for someone. Staff was asked to review this.

Mr. Osgood stated that the main purposes for this money are as follows:

- Reduce fossil fuel emissions in a manner that is environmentally sustainable and to the maximum possible
- Reduce energy use to the eligible entities
- Improve energy efficiency

Tempe's proposed sustainable strategy goals are to develop and implement. They seek to leverage whatever money is available and partner with the private and education sectors. These will be broken down by EECBG approved activities, 13 specific ones and one that allows anything else that may apply. Categories are:

- Broken out by buildings. Take 650,000 sq. ft. of the buildings that have energy issues, and do an energy audit of those. The market is about 12 cents per sq. ft.
- Phase II - Energy efficient retrofits; an action plan identifying energy cost savings stemming from the audit.
- Rolling out of an energy efficiency building code (this would create two temporary positions to implement the code, conduct inspections).

#### Traffic signals system and street lights

- Energy efficient streetlight system retrofit
- Switching bulbs will produce an immediate energy savings
- May 28<sup>th</sup> Council Meeting - CDBG money was approved for use totaling \$438,000.00 to be matched with existing CIP fund \$227,000.00 equals approx \$800,000.00 which would provide for upgrading 60 percent of residential neighborhoods.
- Financial incentive programs – reserve up to 20 percent of a grant for a revolving energy fund to assist departments in energy conservation upgrades.

Councilmember Shekerjian added that this could be utilized as a tool for small business owners for redevelopment incentives to assist in stimulating the economy. This would offer to offset costs of business.

Mr. Kulaga expressed concern with community approval and the need to work with the community; there will be testing in a pilot area.

#### Renewable Energy Technology

Biodiesel, grease recycling and conversion to biofuel

- Committee to weigh cost benefit.
- RFI Currently out for ideas for solar demonstration project.

#### Material Conservation Program

- Trash, recycling, sludge disposal
- Develop program to gather information to create plan to best manage.

#### Energy Conservation Strategy Development

- 187,000.00 administrative costs.
- Implement strategy for energy efficiency and conservation.
  - Accountability and transparency.
  - Establish energy /sustainability office to coordinate.
  - No new positions created. Restructuring may take place.

Councilmember Shekerjian commented that whoever leads this office/department needs to work well with others citywide and the public, and share information; does not need to be a specialist in the field. This needs to be someone that will attempt to own the program. That person should be someone to find matchmaking and leverage opportunities.

The next steps are as follows:

- Complete and submit application.
- Develop contract and sub grant strategies, and time lines.
- Internal project monitoring/measurement plans

- Financial accounting processes to expand, track, disburse, and recover efficiency savings for use in additional projects.

**Agenda Item 6 – Future Agenda Items**

None.

**Agenda Item 7– Future Meeting Dates**

- Friday, September 11<sup>th</sup> at 10:00 AM

**Agenda Item 8 - Announcements**

None.

*Meeting adjourned at 11:25 a.m.*

Prepared by: Mike Anaya

Reviewed by: Lisa Collins

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Jan Hort, City Clerk