

August 2, 2004

Honorable Mayor and Members of  
the Hermosa Beach City Council

Regular meeting of  
August 10, 2004

**COMMUNITY ENERGY PARTNERSHIP RESOLUTION APPROVING  
PARTICIPATION AND APPROVAL OF THE MEMORANDUM OF  
UNDERSTANDING WITH THE ENERGY COALITION**

**Recommendation:**

That the City Council adopt the resolution approving the Memorandum of Understanding between the City of Hermosa Beach and The Energy Coalition and direct the City Manager to execute the MOU.

**Background:**

The City Council received the presentation by the Energy Coalition, a California non-profit corporation, at the July 27, 2004 meeting and directed staff to return with a resolution approving participation and a Memorandum of Understanding (MOU) for the program in conjunction with the Hermosa Beach City School District to bring this program to residents and businesses in Hermosa Beach. This program was brought to the community through the efforts of the Leadership Hermosa Program. If approved, the City of Hermosa Beach will join nine other Southern California Cities that are now participating in the program.

The MOU has been modified to fit the format that the City uses and acknowledges the further participation of the School District and the volunteers from the Leadership Hermosa Program. The majority of the ongoing effort will be provided by the Energy Coalition and the efforts of the city and school district staff will not impact other programs and services that are already provided. This program will provide the opportunity for residents and businesses to take advantage of a number of programs offered through the Energy Coalition. The value of the services offered as mentioned during the presentation could total \$500,000. There is no direct fiscal impact with this program.

Respectfully submitted,

Stephen R. Burrell  
City Manager

**RESOLUTION NO: 04-**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, AUTHORIZING THE CITY TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE ENERGY COALITION, A CALIFORNIA NON-PROFIT CORPORATION.

**WHEREAS**, The Energy Coalition has demonstrated its ability to work with Southern California Municipalities, through its work in the cities of Irvine, Santa Monica, Moreno Valley, Palm Desert, Brea, and West Hollywood to provide energy efficiency programs; and

**WHEREAS**, the City of Hermosa Beach enters into the Community Energy Partnership, with the cities of Irvine, Santa Monica, Moreno Valley, Palm Desert, Brea, Cathedral City, Corona, San Bernardino, and Santa Clarita having been nominated by the Coalition to enter into this project; and

**WHEREAS**, all City projects will be coordinated with City Council and the City staff liaison to ensure that proposed projects meet the City's intended energy efficiency goals and target traditionally under-served residents, schools, and businesses; and

**WHEREAS**, the City of Hermosa Beach enters into this Memorandum of Understanding with the sole obligations listed therein.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council that the City of Hermosa Beach will enter into a Memorandum of Understanding with The Energy Coalition, a registered non-profit corporation in the State of California, which in partnership with its utility partners – Southern California Edison and Southern California Gas – will provide the funding for and implementation of energy efficiency programs and services to under-served areas and populations of the City.

PASSED, APPROVED, and ADOPTED this 10<sup>th</sup> day of August 2004.

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**PRESIDENT** of the City Council and **MAYOR** of the City of Hermosa Beach,  
California

ATTEST:

APPROVED AS TO FORM:

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City Clerk

City Attorney

# Community Energy Partnership

between

**THE ENERGY COALITION**

and

**THE CITY OF HERMOSA BEACH**

**August 10, 2004**

This Memorandum of Understanding between the City of Hermosa Beach and The Energy Coalition (the Facilitating Partner of the Community Energy Partnership with up to ten Southern California Cities and Utilities Partners Southern California Edison and Southern California Gas) is the beginning of a promising energy efficiency partnership. Its purpose is to forge effective strategies and programs to foster smart energy management in the City Of Hermosa Beach and to provide a means for the City to chart its sustainable energy future.

This Memorandum of Understanding prepares parties for the Community Energy Partnership and its specialized funding in the Southern California cities of Irvine, Santa Monica, Palm Desert, Moreno Valley, Brea, Cathedral City, Corona, San Bernardino, and Santa Clarita. The cities understand the value of the Community Energy Partnership to create short-mid term energy (kWh), capacity (kW), natural gas savings (therms), and dollar savings, and to shape a secure and healthy energy future.

By participating in the Community Energy Partnership, The Energy Coalition will work with Southern California Edison and Southern California Gas to catalyze, facilitate, and manage a campaign for energy efficiency services in City Of Hermosa Beach that have the potential to save millions of dollars over time. Special emphasis will be placed on providing energy and dollar-saving measures for residents and businesses most in need of efficiency services and who have been underserved by traditional utility-driven, energy efficiency programs.

## **Background**

The Community Energy Partnership is an ongoing demonstration project of a statewide model for the delivery of energy efficiency services in California. The Two Cities Project (also known as the Regional Energy Efficiency Initiative) was operational in Irvine and

Santa Monica from 1999 – 2002 and prepared the path for its expansion to the Six Cities Energy Project in 2002 – 2003, a “third party initiative” funded by the California Public Utilities Commission. The Community Energy Partnership expands the project to up to ten Southern California cities with an aggregate population of approximately 1,000,000.

By targeting neighborhoods for specially bundled services, The Energy Coalition creates critical masses of activities that lead to synergies in service delivery for traditionally “hard-to-reach” power consumers such as low-moderate income residents, senior citizens, small businesses, school districts, and municipal facilities creating both millions of dollars of community savings and building an awareness and sense of community responsibility for local energy use.

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This Memorandum of Understanding defines the roles of the City Of Hermosa Beach and The Energy Coalition for the years 2004 and 2005 and sets the stage for effective partnership:

### **City Responsibilities**

Council Resolution: The City Of Hermosa Beach staff will develop a staff report for a council resolution authorizing the City Manager to sign this Memorandum of Understanding for participation in the Community Energy Partnership. Staff will brief the Council about the project mechanisms and its potential for community benefit. The resolution will authorize the ongoing support and in-kind services necessary to enable and empower the Community Energy Partnership to meet or exceed its stated goals.

Team Leader: The City Of Hermosa Beach will appoint a senior staff member to serve as project liaison (known as a “Team Leader”) for the Community Energy Partnership for the two-year project. The Team Leader will play a prominent role in representing the project within the City and coordinating project activities within the City. He or she will engage in routine communications with the other partner cities. All Team Leaders will participate in a two-day strategic planning forum at the onset of the project. Thereafter, Team Leaders or their assigned delegates, will participate in quarterly meetings with other partner cities throughout the project period and its final evaluation. The level of effort for this official is expected to be less than 10% full-time equivalent.

Staff Support: The City Of Hermosa Beach will provide a minimum of one staff to support the designated Team Leader such that the City a) is represented at all quarterly Team Leaders meetings and other special meetings, and b) provides sufficient support to garner the full benefit of the Community Energy Partnership for the City Of Hermosa Beach. The combined level of effort for these key positions is expected to be less than 10% full-time equivalent.

Local Presence: The City Council Resolution will authorize the City to assist The Energy Coalition in effectively establishing a credible “presence” for the Community Energy Partnership within the City. This may include providing desk space for project staff at City Hall, enabling use of conference rooms, or establishing a hotline managed by the Coalition for interested participants.

Project Promotion: Given the City’s strong position within the community, it will be responsible for collaborative project promotion throughout the project tenure. This will include lending the City’s good name and logo for project promotional materials, introducing Community Energy Partnership staff and management to key local stakeholders, linking the project with appropriate media outlets and connections, helping to identify credible implementation contractors, and highlighting other opportunities that will support the project’s goals. In particular, the City will assist with effective program co-marketing and providing key linkages for success.

## **Coalition Responsibilities**

Project Management: The Energy Coalition bears primary responsibility for project management throughout the term of the project. While urging local participation, the Coalition will bear responsibility to implement viable program plans with attractive offerings for residents and businesses within the City. The Coalition will assure ongoing program refinement and activities to maintain program visibility within the community.

Administrative Services: The Energy Coalition will serve as the Community Energy Partnership administrator. The Coalition will maintain project fiduciary responsibility to hold and disburse project funds from a specially arranged trust account. The Energy Coalition will pay all subcontractors and track financials for the Community Energy Partnership Executive Committee to assure that funds are carefully allocated and in full compliance with the protocols for the program as set forth by the California Public Utilities Commission.

Professional Support Services: The Energy Coalition will support the City Of Hermosa Beach and its energy efficiency initiatives using The Energy Coalition’s technical support services. These include seasoned municipal energy planners, program designers, teachers and educators, marketing and communications firms, and a cadre of engineering firms, each of which can be marshaled as needed to enact program savings and results.

Tailoring Programs for the Community: At the onset of the project, Coalition staff will develop customized sets of efficiency activities in each city. These will guide the delivery of a local “efficiency campaign” that is designed, launched, and refined for maximum benefit. The Coalition will be responsible for a) the comprehensive communications and outreach campaign required, and b) the comprehensive operations required to foster effective community organizing and responsibility around energy issues.

PEAK Student Energy Actions: Also at the onset of the project, Coalition staff will work with City officials to determine the opportunities for launching PEAK Student Energy Actions in the City. PEAK serves as an effective core activity for the Community Energy Partnership. The Coalition is responsible for teacher trainings, provision of curricula, simulation software, etc, as well as supporting the program throughout the project tenure with contests, tool kits, special events, fundraisers, field trips, and summer programs.

Municipal Energy Planning: Throughout the Community Energy Partnership, The Energy Coalition will work with the City Of Hermosa Beach to develop and/or refine the City's Energy Master Plan, placing special emphasis on energy efficiency priorities and programs that serve the spectrum of energy usages in the City. This document will be a road map for energy efficiency activities in the short term, and will outline the project and will provide a ten-year plan for the City's overall smart energy management.

Community Efficiency Tune-Ups: The Energy Coalition will bear primary responsibility the provision of hundreds of Community Efficiency Tune-Ups in the City Of Hermosa Beach. The Tune-Ups in households, apartment complexes, and small businesses demonstrate the Coalition's comprehensive approach to energy and resource management in which electric, peak demand, natural gas, and water savings accrue. The Tune-Ups also highlight the hybrid approach of hard savings coupled with raising awareness about energy use and smart energy management. The Coalition takes full project management responsibility for the Tune-Ups, will select and train installation contractors, provide all program materials, "market" the program to deserving participants, and track results.

Special Events: The Energy Coalition will bear primary responsibility for planning, organizing, preparing, and executing all manner of Special Events related to smart energy management in the City Of Hermosa Beach. Special Events may be related to pre-planned community events or may be stand-alone events managed by the Coalition that serve the community organizing function of the Community Energy Partnership project and raise awareness of the value of energy and how to manage its use most wisely.

Creating Energy Champions: The Energy Coalition will take the lead in an important program feature, namely the Energy Champions Recognition Program. Working with City officials, the Coalition will publicize key individuals and organizations in the partner cities that have "gone the extra mile" to promote smart energy management. Energy Champions may appear in the papers and at City Council and School Board meetings and will be highlighted as local community leaders taking responsibility for energy use.

Performance Tracking: The Energy Coalition will be fully responsible for tracking progress against goals and reporting this information on a quarterly basis to City officials. As stipulated by the contract with the California Public Utilities Commission, the Community Energy Partnership will retain an objective Evaluation, Measurement, and Verification contractor to determine baseline energy consumption and cost data, and to carefully measure short-term, mid-term, and long-term community savings.

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The above represents the Memorandum of Understanding between The Energy Coalition and the City Of Hermosa Beach. This 10<sup>th</sup> day of August 2004. \_\_\_\_\_ of [fill with month and year]

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Ted Flanigan  
Managing Director  
The Energy Coalition

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Stephen Burrell  
City Manager  
Hermosa Beach, California