



Agenda Item #: \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Aldinger and Members of the City Council

**FROM:** Geoff Dolan, City Manager

**DATE:** January 22, 2008

**SUBJECT:** Information for the January 22, 2008 Study Session on Environmental Issues

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### **RECOMMENDATION:**

Staff recommends that the City Council review and discuss the attached information. As determined by Council, the attached environmental initiatives can be brought to a regular meeting for consideration, returned to staff for more analysis, held until the budget process or held until a future date.

### **FINANCIAL IMPACT:**

Nearly all of the possible actions will have a financial impact. They could range from significant capital expenditures to increased operating costs. In some cases the costs will be transferred to the resident or consumer. Based on the specific strategies selected by City Council more detailed financial or cost/benefit analysis will need to be conducted.

### **SUMMARY:**

On November 20, 2007, staff presented Council its Green Report book, which endeavored to review a host of environmental issues from global warming to storm water run off. This book included the City's current best management practices, other best management practices and alternatives for consideration.

After presentation and discussion, City Council decided to hold a Study Session and initially focus on three general environmental issues and two process issues. This report utilizes information from the Green Report and presents it in a way to facilitate discussion and decision making.

The three environmental issues Council decided to initially focus on were global warming, storm water management and sustainable development.<sup>1</sup> The two process issues Council wanted to discuss further were community involvement and the recommendation to hire an additional staff member. For ease of review, each of those five issues is presented as a separate chapter attached to this staff report. Each chapter includes information culled from various chapters of the Green Report and, in some cases, supplemental information is provided.

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<sup>1</sup> For each of these three environmental issues, we have included the cost and feasibility ratings from the Green Report. As a reminder, cost considerations include equipment, resources, staff time, operations, capital expenditures and other tangible items. Feasibility (ease) of implementation considerations included public acceptance, conflicting environmental concerns, infrastructure, practicality and intangible concepts. The cost scale ranges from one \$ sign (little to no cost) to \$\$\$\$ signs (very costly). The feasibility scale ranges from 1 (very easy to implement) to 5 (extremely difficult to implement).

**GLOBAL WARMING**

When City Council adopted a resolution endorsing the US Mayor’s Climate Protection Agreement, we made a commitment to reduce our carbon emissions to 7% below our 1990 levels. This commitment led to us joining ICLEI and measuring our municipal activity carbon emissions. In order to achieve our goal, we will need to reduce emissions 20% below 2005 levels.

You will recall our municipal emissions are comprised of:

- City Operated Facilities and Parks 27%
- Vehicle Fleet Fuel Usage 26%
- Employee Commute 17%
- Water/Sewage Pump Stations 15%
- Street Lights and Traffic Signals 15%

The following strategies, identified in the Green Report, would reduce carbon emissions:

- |   |          |   |
|---|----------|---|
| 1. Increase use of energy efficient lighting  | \$\$     | 1 |
| 2. Install daylight controls and occupancy sensors  | \$\$     | 1 |
| 3. Reduce energy consumption from appliances/electrical devices   | \$\$     | 2 |
| 4. Consider supporting development of green energy sources  | \$\$     | 1 |
| 5. Consider using bio diesel in City vehicles   | \$\$     | 1 |
| 6. Evaluate every replacement vehicle as a possibility for alt. fuel  | \$\$     | 1 |
| 7. When contracts such as street sweeping and solid waste expire consider more stringent requirements than SCAQMD Rule 1193             | \$\$     | 1 |
| 8. Implement an alternative work schedule   | \$       | 3 |
| 9. Reassess City street lighting needs  | \$\$     | 1 |
| 10. Upgrade all traffic signals with LED lighting   | \$\$     | 3 |
| 11. Explore lighting alternatives for the Gas Lamp District   | \$\$     | 4 |
| 12. Embrace sustainable building practices for City facilities and consider a resolution stating future building will be LEED certified | \$\$\$   | 2 |
| 13. Improve central building management and monitoring  | \$\$\$   | 2 |
| 14. Expand the intelligent traffic corridor program   | \$\$\$   | 2 |
| 15. Consider solar powered applications   | \$\$\$\$ | 1 |
| 16. Create a regular alternative fueling structure  | \$\$\$\$ | 4 |

Finally, water and sewage pump stations account for 15% of our total carbon emissions and, while not in the Green Report, there may be a strategy for looking at this. We will be recommending a comprehensive review of our water and waste water infrastructure in the budget next year. It has been nearly 15 years since this review was last completed. That report will form the basis for capital spending in the coming years, and will be incorporated into anticipated water and waste water rate adjustments.

As part of this evaluation, we should include in the scope of work a review of the energy efficiency of our system and ask for suggestions with return on investment for proposed enhancements.

## **STORM WATER MANAGEMENT**

Ocean and beach cleanliness has annually been a top priority for our residents and the way we manage our storm water is of paramount importance. In addition to the obvious practical reasons we want a clean beach and ocean, there are ever increasing State and Federal regulatory requirements. The City has been taking the necessary steps to be in compliance; however, new rules requiring additional spending are on the horizon.

As with many environmental issues, there are a variety of ways we can address urban run off. The various strategies include everything from education and policy changes to increased operating and capital spending. As we begin discussing these alternatives, please consider a brief overview of the Storm Water Fund.

In FY 2006-2007, the fund had operating revenue of \$353,929, and operating expenses of \$322,565, resulting in net operating income of \$31,364. The revenue is derived from direct assessments on property tax bills and is based on runoff factors determined through a 1996 assessment engineer study. Under the current rate structure, single family residences pay a flat \$19.12 per year. Because the revenues are based on assessments, a Proposition 218 vote is necessary in order to increase revenues. Legislation has been introduced in the past to change requirements so that storm water is handled like water and sewer rates (e.g. Council sets the rates). However, that legislation has been unsuccessful so far. Perhaps Council would want to support a legislative change.

While operations resulted in a small profit last year, and the fund has an unreserved balance of \$664,000, the missing piece of the puzzle is the future costs that will result from new mandates and requirements associated with storm water, as well as other future capital improvements. A storm water needs assessment study is planned for this next fiscal year (cost of \$75,000) and the Bell Avenue storm drain replacement project (\$700,000 in FY 2011-2012) are known projects at this time, and exceed our current revenue forecasts. The study will most likely identify more infrastructure needs as well, for which funding sources will need to be identified.

While not readily apparent in the financial statements, a cost allocation plan developed several years ago identified un-reimbursed General Fund support to the Storm Water Fund of approximately \$465,000 (this accounts for the costs to the General Fund in support of the Storm Water enterprise fund such as indirect employee salaries, benefits, overhead, etc.). In addition, as we review our infrastructure needs, consideration of the depreciation of the existing infrastructure and how we fund it will have an impact on the true costs of the storm water utility. As a result, the Storm Water Fund income statements understate the true operational costs.

Financially speaking, the Storm Water operation, along with our Water, Waste Water, Refuse and Parking operations, are considered enterprises – businesses in which a profit should be made in order to support continued operations. A meaningful analysis can be made by comparing the enterprise's net capital assets to the operating income (i.e., return on assets). In this case, our return on assets in this fund is less than one percent (.7%). Clearly, the operation is not generating a return sufficient to cover capital needs and fully burdened costs.

We have been very successful in the past obtaining grants for significant infrastructure projects. Examples include our current pervious pavement project, the installation of CDS units in six locations and a portion of the funding for the installation of the low-flow diversion at 27<sup>th</sup> Street. We will continue to aggressively pursue government opportunities in this regard.

As we consider the following alternative strategies to reduce run off, we will need to keep finances in mind. Certainly some enhanced educational efforts can be undertaken by staff and perhaps some minor additional expenses will also be able to be absorbed without a rate increase. However, any significant additional expenses will need to come from the General Fund or CIP Fund and thus compete with a variety of other demands.

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|---|----------|---|
| 1. Install street sweeping signs on all City streets                              | \$       | 3 |
| 2. Increase education, enforcement and monitoring to reduce illicit discharge     | \$\$     | 2 |
| 3. Enhance the current business inspection program                                | \$\$\$   | 1 |
| 4. Install devices to reduce or eliminate trash from entering storm drains        | \$\$\$   | 1 |
| 5. Evaluate additional opportunities to divert dry weather flows                  | \$\$\$   | 1 |
| 6. Evaluate additional storm water infiltration opportunities                     | \$\$\$   | 1 |
| 7. Consider modifying Municipal Building Codes to:                                | \$\$\$   | 3 |
| a.) Enhance trash enclosure requirements  |          |   |
| b.) Require storm water retention on site   |          |   |
| c.) Impose administrative penalties for SUSMP violations                          |          |   |
| 8. Evaluate opportunities at City facilities to reduce contaminated runoff:       | \$\$\$\$ | 4 |
| a.) Recirculation of car wash water, underground storage tanks or injection wells |          |   |
| b.) Percolation basins  |          |   |
| c.) Additional pervious pavement opportunities                                    |          |   |

In conclusion, the current state of the finance in the storm water fund will not allow for appreciable additional spending. Consequently, short of a rate increase or use of CIP Funds, policy changes, (street sweeping), education, or new requirements (retention of storm water) seem the most practical measures that can be taken at this time.

## **SUSTAINABLE DEVELOPMENT**

The phrase sustainable development is a somewhat general description of the idea that new development should be environmentally wise. A whole host of environmental concerns can be addressed through the development process. The opportunities range from energy consumption and storm water run off to our urban forest and recycling. Additionally sustainable development refers to projects and policies that are larger than a single development. It relates to planning principles such as pedestrian orientation, mixed use, historic preservation and public transportation. Many of these larger policy issues are found in our City's General Plan or in other adopted City policies. However, these policies are not the specific focus of this chapter.

In this component of Sustainable Development we are focusing on the development of private property involving both commercial and residential zoned property. As a general comment, all of the potential strategies can be applied to commercial or residential. However, City Council may choose to consider those land uses separately depending on the issue.

Additionally the alternative strategies can be viewed as either education based, incentive driven or legislatively required. Each has its own advantages, costs and implementation hurdles. It is likely that the City will utilize a combination of all three approaches in the coming years.

(Again while we are focusing on private development the City Council may want to adopt a resolution indicating that all City facilities will be designed by LEED certified architects and green building practices will be followed.)

As a first step, City Council recently adopted all of the state required revised building codes. During this process, the City Council added the following provisions that are sound "Green" practices, but not included in the basic codes. Following are the recent code changes approved by City Council:

- Insulate hot water pipes to minimize energy loss
- Use caulk and insulation that are formaldehyde-free or contain low VOC (volatile organic compounds)
- Pre-plumb water piping and sensor wiring to the roof for future solar water heating
- Use duct mastic on all duct joints and seams to minimize energy loss
- Install "Energy Star" bath fans vented to the outside
- Installation of waterless urinals is now allowed

Further, the City Council is considering a number of planning and zoning changes related to mansionization that have "green" benefits. These include methods to encourage remodeling rather than demolition and provisions for additional open space.

The entire arena of sustainable buildings provides a great opportunity to implement new initiatives. While that is a good thing, it also makes our choices challenging. Following are all the ideas included in the Green Report within the sustainable development section. We have also included other strategies for your consideration, discussion and direction.

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|---|----------|-------|
| 1. Educate City staff and provide information for the public which could include a variety of initiatives:  | \$\$\$   | 1     |
| a) Work with SBESC to create a sustainable building reference center  |          |       |
| b) Develop, write and distribute our own reference materials  |          |       |
| c) Utilize our construction newsletter to provide sustainability information  |          |       |
| d) Utilize the City website   |          |       |
| 2. Review the two primary building rating models and consider a LEED requirement for all construction, or just for commercial, and consider the “Build it Green” green point rating system for residential construction | _____    | _____ |
| 3. Increase required recycling for C&D diversion and compliance verification  | \$\$\$\$ | 2     |
| 4. Reduce storm water runoff by requiring on-site retention   | \$\$\$   | 3     |
| 5. Evaluate and adopt incentives such as expedited service, reduced fees or rebates for certain programs  | _____    | _____ |
| 6. Review/revise landscape requirements to increase landscaped area:  | _____    | _____ |
| a) Require additional tree planting for new construction  |          |       |
| b) Require native and/or drought tolerant plants  |          |       |
| c) Require smart sprinkler controllers  |          |       |
| 7. Promote residential grey water systems   | \$\$\$\$ | 4     |
| 8. Promote capture and use of rainwater for commercial irrigation   | \$\$\$\$ | 3     |

As we consider these various strategies, it will be necessary to keep in mind the other Community Development work plan items. It may be the case that City Council will want to more specifically review existing and potential projects at our annual Work Plan Meeting. As a reminder, the following issues are either in the current year work plan or have been mentioned by Council as potential future projects; Mansionization (nearly complete), Housing Element, EIR for the FSP, Manhattan Mall Project, the Sepulveda area planning study and support for the tree committee.

While different staff members are utilized, other projects with Community Development responsibility include; school area traffic issues, Sepulveda and Oak Street traffic and parking issues, El Porto traffic study, downtown parking study, pedestrian walking programs and the traffic component with the FSP EIR.

## **ENVIRONMENTAL PROGRAMS MANAGER**

The City of Manhattan Beach has made great progress towards implementing environmental programs and in meeting State and Federal regulatory requirements. In terms of making progress in understanding our carbon emissions footprint, we are further along than most neighboring cities. From ongoing contact with other South Bay Cities in the Council of Governments, we know that we are the only city that has successfully completed the first two ICLEI milestones—conduct a baseline survey and establish an emissions reduction goal.

We were able to achieve that progress, in large part, by borrowing work time from the Police Department's Management Analyst. Additionally, the research and development of the entire Green Report consumed many hours of time from the Department Heads and their staff and took time away from existing duties.

In order to successfully achieve the next ICLEI milestones—develop a Local Climate Action plan, implement the plan, track and report progress on carbon emissions reduction—*and* in order to make focused progress on other new or expanded Council-directed environmental programs, our recommendation, as in the Green Report, is to add an additional staff member.

This person would immediately take on several urgent responsibilities including:

- Design, with appropriate input, a Local Climate Action Plan
- Track and report progress (emissions reduction) on the Local Climate Action Plan
- Research, write and promote materials for best management practices for sustainable buildings
- Write and promote information for residents regarding the impact of storm water runoff
- Conduct cost benefit analysis of various environmental strategies
- Produce an annual environmental report covering all environmental areas
- Coordinate city environmental efforts among departments
- Seek environmental grant opportunities and administer grant requirements
- Create and maintain an environmental City webpage
- Represent the city and seek information at environmental seminars, workshops, etc.
- Act as the staff liaison with other internal and external entities such as a Council appointed environmental committee/commission, other community interest groups and other government agencies' environmental offices
- Write a regular "green" article in the quarterly City newsletter
- Serve as an environmental point of contact for residents' questions

We envision that over time, this position will take on additional responsibilities and the work time dedicated to each area will be adjusted as the city establishes its environmental plan moving forward. Our Human Resources department has developed a draft class specification (attached) with a detailed description of this position based on a review of similar positions in other agencies and input from the Green Team. Recruitment for this position could begin immediately. However, staff expects that it could take 4-5 months to fill the position.

## **COMMUNITY INVOLVEMENT**

Many cities, both locally and across the country, have formed environmental committees or commissions as an important step to engage their communities. As recommended in the Green Report, a Council appointed environmental group in Manhattan Beach could serve in a short-term capacity to make specific recommendations on a narrow set of issues; or, in an ongoing capacity to vet new environmental ideas, guide creation of our Climate Action Plan (one of the ICLEI milestones) and suggest further roles for community involvement. Or, it is possible that some combination of short-term and ongoing involvement could be effective.

Each city that has established an environmental commission or committee has taken a slightly different approach, and we will need to find the right approach for Manhattan Beach. The following descriptions of experiences from several nearby cities provide specific examples of how these groups can operate.

### Hermosa Beach

The environmental building committee in Hermosa Beach does not have a formal designated name or appointed members. This committee grew out of the interest and efforts of a handful of energetic and forward thinking architects and builders that are also residents of Hermosa Beach. The committee also grew out of, and is a smaller, more organized offshoot of, the larger “green” movement called Hermosa Verde. The smaller committee began meeting early in 2007 and gained the support of several Councilmembers and the City Manager. The committee’s goal was to generate specific, practical “green” development guidelines that could be implemented immediately. The group set a self-imposed sunset term of approximately eight months for their work, and has met their goal.

### Redondo Beach

In January 2007, the Redondo Beach City Council appointed a 15-member environmental task force. The task force has defined membership designed to be inclusive of public and private interests and was tasked with making recommendations to City Council on specific actions that could be taken to better protect the city’s environment and resources.<sup>2</sup> The task force was initially formed to meet for one year. However, according to staff, the issues considered are very broad ranging and although they will have some recommendations to take to Council by mid-2008, they may continue meeting for some time. The task force broke into 5 sub-committees to explore environmental issues related to economic vitality, sustainable development, land use and tree policies, resource conservation and transportation. One of the constraints facing the task force and sub-committee is limited staff resources. The staff member assigned to coordinate the task force’s efforts absorbed the new responsibility while retaining all of his other duties. Further, much of the sub-committees’ research revolves around information requested of city departments from fully burdened staff.

### Torrance

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<sup>2</sup> The task force is made up of the Mayor; 1 councilmember; 1 Public Works Commissioner; 1 Planning Commissioner; a student representative; one representative from the real estate industry, the BCHD, the Chamber of Commerce, the construction industry and the alternative energy industry; and 5 Council-appointed members.



In Torrance, the seven member commission that considers green building, landscaping and cool cities issues grew out of a long-standing Council-appointed commission that is responsible for nuisance complaints, signage issues and oil well hearings. A couple of environmentally-interested commissioners have steered this commission to cover more “green” issues. According the Deputy Community Development Director, the staff coordinator for the commission, the commission wants to cover a lot of ground, but she is limited in being able to complete new research and program development since she maintained all of her other ongoing responsibilities. Torrance recently formed a staff level green team with representation from all departments. This group has completed a comprehensive review of all of the current environmentally friendly city-practices and plans to meet monthly to expand those environmental efforts.

Santa Monica

The City of Santa Monica’s Task Force on the Environment was established in 1991 by the City Council. The Task Force was created to advise the City Council on environmental programs and policy issues and was the driving force behind the development of Santa Monica’s Sustainable City Plan. The Task Force, which meets monthly, is composed of seven members, selected by the City Council, with expertise in specific environmental areas including energy, water, transportation, storm water, waste reduction, land use and public education.

In conclusion, there does not appear to be any standard, or “correct”, way for cities to include their residents. It would be beneficial if City Council would discuss these alternatives and any other options you may have. Should Council begin to focus on a particular format, staff would suggest that we return with a more detailed and specific implementation plan, which could include additional alternatives as directed by Council.

**ENVIRONMENTAL PROGRAMS  
MANAGER**

**DEFINITION:**

Under the direction of a senior staff member, the Environmental Manager performs a variety of complex, responsible, professional, analytical duties; plans, directs, organizes and reviews citywide environmental "green" initiatives, programs and procedures; and does related work as required.

**ESSENTIAL JOB FUNCTIONS:**

The listed tasks are essential for this position and may include, but are not limited to, the following:

Analyze and recommend solutions for complex administrative issues related to citywide environmental programs; identify local "green" resources; evaluate and assist with implementing new "green" initiatives; coordinate and develop the collection and analysis of data for reports and recommendations; pursue grant opportunities; prepare reports for review and consideration; make presentations to City Council, commissions and other groups; assist with city website development and upkeep for environmental programs; identify and implement citizen involvement opportunities; maintain programs and projects as assigned and may be assigned as staff coordinator for a commission or committee. May be required to work shifts, holidays, and/or weekends.

**QUALIFICATIONS:**

**Training and Experience:** Requires the equivalent to a Bachelor's degree in Environmental Science, Engineering, Planning, Architecture, Business, Public Administration or a related field and three years of related experience in a public sector agency. Experience in managing projects or programs regulated by state or federal environmental commissions and/or working with environmental organizations and groups on environmental issues is highly desirable. Municipal government experience preferred. A Master's degree is highly desirable. A valid California driver's license is required at the time of employment.

**Knowledge, Skills, and Abilities:** Must have knowledge of the methods and techniques of administrative analysis and governmental organization and operations; current trends in environmental science and public administration; management of projects and programs; skill in communicating effectively both orally and in writing; and the ability to analyze environmental/administrative problems and situations and present appropriate facts and recommendations; work cooperatively with employees, the general public and other agencies; work independently and exercise good judgment; and have proficiency with personal computer applications.

**PHYSICAL DEMANDS AND WORK CONDITIONS:**

While performing the duties of this job, the employee may frequently drive to specific locations (including the field) and is frequently required to sit and talk or hear and use a personal computer with a VDT screen for extended periods of time. The employee is occasionally required to walk, stand, reach with hands and arms, and occasionally lift and/or move up to 25 pounds.