



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Post Office Box 339, Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

www.sslocsd.org

AGENDA

BOARD OF DIRECTORS MEETING

City of Arroyo Grande, City Council Chambers

215 East Branch Street

Arroyo Grande, California 93420

Revised

Wednesday, May 21, 2014 at 6:00 P.M.

Board Members

Matthew Guerrero, Chair

Tony Ferrara, Vice Chair

Glenn Marshall, Director

Agencies

Oceano Community Services District

City of Arroyo Grande

City of Grover Beach

Alternate Board Members

Mary Lucey, Director

Jim Guthrie, Director

Debbie Peterson, Director

Oceano Community Services District

City of Arroyo Grande

City of Grover Beach

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

This public comment period is an invitation to members of the community to present comments, thoughts or suggestions on matters not scheduled on this agenda. Comments should be limited to those matters which are within the jurisdiction of the District. The Brown Act restricts the Board from taking formal action on matters not published on the agenda. In response to your comments, the Chair or presiding Board Member may:

- Direct Staff to assist or coordinate with you.
- It may be the desire of the Board to place your issue or matter on a future Board meeting agenda.

Please adhere to the following procedures when addressing the Board:

- Comments should be limited to three (3) minutes or less.
- Your comments should be directed to the Board as a whole and not directed to individual Board members.
- Slanderous, profane or personal remarks against any Board Member, Staff or member of the audience shall not be permitted.

Any writing or document pertaining to an open-session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the offices of the Oceano CSD, a member agency located at 1655 Front Street, Oceano, California. Consistent with the Americans with Disabilities Act (ADA) and California Government Code §54954.2, requests for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires

modification or accommodation in order to participate at the above referenced public meeting by contacting the District Manager or District Bookkeeper/Secretary at (805) 481-6903.

3. CONSENT AGENDA

The following routine items listed below are scheduled for consideration as a group. Each item is recommended for approval unless noted. Any member of the public who wishes to comment on any Consent Agenda item may do so at this time. Any Board Member may request that any item be withdrawn from the Consent Agenda to permit discussion or to change the recommended course of action. The Board may approve the remainder of the Consent Agenda on one motion.

3A. Review and Approval of the Minutes of the May 7, 2014 meeting

3B. Review and Approval of Warrants

3C. Financial Review as of April 30, 2014

4. PLANT SUPERINTENDENT'S REPORT

5. BOARD ACTION ON INDIVIDUAL ITEMS:

A. Staff recommends the Board of Directors authorize the execution of a letter in support of Assembly Bill (AB) 1970, the Community Investment and Innovation Program.

6. MISCELLANEOUS ITEMS

A. Miscellaneous Oral Communications

B. Miscellaneous Written Communications

7. PUBLIC COMMENT ON CLOSED SESSION

8. CLOSED SESSION

(1) Conference with Legal Counsel pursuant to Government Code Section 54956.9;

Carter v Wallace
Johnson V Wallace

9. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

10. ADJOURNMENT

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

City of Arroyo Grande, City Council Chambers
215 East Branch Street
Arroyo Grande, California 93420

Minutes of the Meeting of Wednesday, May 7, 2014
6:00 P.M.

1. CALL TO ORDER AND ROLL CALL

Present: Chair Matthew Guerrero, Oceano Community Services District; Director Jim Guthrie, City of Arroyo Grande; Director Glenn Marshall, City of Grover Beach.

District Staff in Attendance: Rick Sweet, District Manager, Amy Simpson, District Bookkeeper/Secretary

Others in Attendance: Shannon Sweeney

2. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

Director Guerrero opened the public comment period. There being no comments, Director Guerrero closed the public comment period.

3. CONSENT AGENDA

3A. Review and Approval of the Minutes of the April 16, 2014 meeting

3B. Review and Approval of the Warrants

Director Guerrero pulled Item 3B from the Consent Agenda since Director Guthrie was not present at the April 16 meeting.

Action: It was moved by Chair Guerrero to approve Consent Agenda Item 3B, as presented. Director Marshall seconded, and the motion was carried 3-0.

Action: 3A and 3C approved by a roll call vote 2-0 and 1 abstention.

4. PLANT SUPERINTENDENT'S REPORT

District Manager Rick Sweet gave the Superintendent's Report.

Action: The Board received and filed the Plant Superintendent's report.

7. MISCELLANEOUS ITEMS

A. Miscellaneous Oral Communications

B. Miscellaneous Written Communications

District Manager Rick Sweet mentioned there are a couple items for next meeting.

Mr. Sweet let the Board know that the Fiscal Audit 2013 is complete.

Mr. Sweet also addressed having a meeting with the Regional Water Quality Control Board regarding recycling efforts. He did have a meeting with RWQCB and they talked about recycling. There is 2 million being hotly contested with final buildable plans and 8 million at low interest money this would consume our total revenue to pay off the debt stream. Believes there is a better possibility if there is a joint sharing in from the water supply side and the discharge side. It will take a combination of the two.

The Board continued with a discussion of some ideas of what to do with the water instead of sending it to the ocean.

8. ADJOURNMENT

There being no further business to come before the Board, Director Guerrero adjourned the meeting at approximately 6:30 p.m.

THESE MINUTES ARE DRAFT AND NOT OFFICIAL UNTIL APPROVED BY THE BOARD OF DIRECTORS AT A SUBSEQUENT MEETING.

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

WARRANT REGISTER REVISED

05/21/2014 FY 2013/14

ISSUED TO	PURCHASE/SERVICE	INV. # / SERVICE PERIOD	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ABALONE COAST	CHEMICAL ANALYSIS	APRIL	052114-8551	7078	1,530.00	1,530.00
ABBA EMPLOYER SERVICES	CONTRACT LABOR	INVOICE #20099	52	6085	921.60	921.60
ADAMSKI MOROSKI MADDEN CUMBERLAND & GREEN	LEGAL SERVICES	INVOICE #33206	53	7070	563.00	563.00
ALLIED ADMINISTRATORS	EMPLOYEE DENTAL	June	54	6025	909.43	909.43
ANDRE, MORRIS & BUTTERY	LEGAL SERVICES	Carter, et al., v. Wallace,	55	7070	208.55	208.55
AUTOSYS, INC.	INFL VFD	INVOICE #632		26-8065	990.36	
	SCADA INTEGRATION	INVOICE #633	56	20-8010	2,445.00	3,435.36
BARTLE WELLS ASSOCIATES	FINANCIAL CONSULTING	December through March	57	7089	1,920.54	1,920.54
BRENNTAG PACIFIC, INC.	CHEMICALS	BPI410834	58	8050	4,731.90	4,731.90
CALIFORNIA ELECTRIC SUPPLY	MISC SUPPLIES	Boiler Project		26-8065	355.99	
		SCADA Job		20-8010	360.50	
		VFD	59	26-8065	100.56	817.05
CENTRAL COAST WATER TRTMNT	LAB SUPPLIES	INVOICE #19836	60	8040	60.00	60.00
CHARTER	INTERNET SERVICE	April	61	7011	59.99	59.99
ENGEL & GRAY, INC.	BIOSOLIDS HANDLING	INVOICE #73914	62	7085	2,250.72	2,250.72
FASTENAL	MISC SUPPLIES	CAS147913	63	8056	37.76	37.76
FEDEX	SHIPPING	1-641-31637	64	8045	128.14	128.14
GARING TAYLOR & ASSOCIATES	ANALYSIS FOR SUPPORT SYSTEM	INVOICE #12593	65	7077	36.25	36.25
GAS COMPANY	GAS SERVICE	04/03/14 -05/02/14	66	7092	2,255.56	2,255.56
GOLDING CONCRETE SAWING	CORE DRILLING FOR BOILER	INVOICE #19712	67	26-8065	200.00	200.00
GORDEN SAND, CO	DRYING BED SAND	0623009-IN	68	7085	1,027.09	1,027.09
GROVER TOOL RENTAL	MISC RENTALS	INVOICE #624	69	7032	95.00	95.00
INTERSTATE BATTERIES	CART BATTERIES	INVOICE #101002901	70	8030	707.53	707.53
JB DEWAR INC	VEHICLE FUEL AND OIL	INVOICE #57341	71	8020	275.47	275.47
JOSLYN HODSON ACCOUNTING	DISTRICT ACCOUNTING	INVOICE #14-03	72	7076	1,560.00	1,560.00
MINERS ACE	MISC SUPPLIES	APRIL	73	8060	194.74	194.74
NESTLE PURE LIFE	LAB WATER FOR APRIL	14D0012917373	74	8040	158.95	158.95
OFFICE DEPOT	OFFICE SUPPLIES	APRIL	75	8045	45.34	45.34
PG&E	ELECTRICITY	4/10/14 THROUGH 5/11/14	76	7091	3,022.86	3,022.86
POLYDYNE INC.	CLARIFLOC	INVOICE #879594	77	8050	5,835.10	5,835.10
SEVERN TRENT WATER PURIFICATION, INC.	CHLORINE ANALYZER	INVOICE #1668925	78	8040	647.69	647.69
SHIPSEY & SEITZ	DISTRICT COUNSEL SERVICES		79	7071	5,434.50	5,434.50
SO CO SANITARY SERVICE	TRASH SERVICE	MAY	80	7093	113.47	113.47
SPRINT	CELL PHONE SERVICE	APRIL	81	7013	70.44	70.44
STANLEY SECURITY	SECURITY - JUNE	INVOICE #11297176	82	7011	62.20	62.20
STATE FUND COMPENSATION	WORKERS' COMP	MAY	83	6080	6,079.17	6,079.17
STELEC	WINSYS	INVOICE #62	84	8045	150.00	150.00
TLT TRUCKING	SAND TRANSPORT	INVOICE #5725	85	7085	252.56	252.56
VWR	LAB SUPPLIES	INVOICE #8057485195	86	8040	41.72	41.72
WALLACE GROUP	FOG INSPECTIONS	APRIL	87	7084	790.33	790.33
	SETTLEMENT	CARTER V. WALLACE & JOHNSON V. WALLACE	88	7070	25,000.00	25,000.00
SUB TOTAL		SUBTOTAL			71,630.01	71,630.01
PAYROLL	PPE 05/02/14	\$24,708.61				
RABOBANK	TRANSFER TO COVER PAYROLL & PERS		89	1016	43,140.35	
PETTY CASH	REPLENISH PETTY CASH	APRIL	90	1000	49.09	
GRAND TOTAL		GRAND TOTAL			\$ 114,819.45	\$ 114,819.45

We hereby certify that the demands numbered serially from 052114-8551 to 052114-8590 together with the supporting evidence have been examined, and that they comply with the requirements of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT. The demands are hereby approved by motion of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, together with warrants authorizing and ordering the issuance of checks numbered identically with the particular demands and warrants.

BOARD OF DIRECTORS:

DATE: _____

Chairman

Board Member

Board Member

Secretary



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Post Office Box 339, Oceano, California 93475-0339
1600 Aloha Place, Oceano, California 93445-9735
Telephone (805) 489-6666 FAX (805) 489-2765
www.sslocsd.org

TO: Board of Directors
FROM: Amy Simpson, District Bookkeeper/Secretary
VIA: Rick Sweet, District Manager
DATE: May14, 2014
SUBJECT: Financial Review as of April 30, 2014

Overall Financial Summary

As of April 30, 2014, the District has recognized total revenues of \$ 2,466,732. Of this amount, \$2,278,010 is for operating revenues, and \$188,721 is for non-operating revenues. Please note, April sewer service revenues have not been received from our member agencies as of the date of this report, so this revenue has not been accrued.

District operating expenses totaled \$1,832,488 and non-operating expenses totaled \$132,570 as of April 30, 2014.

As of April 30, 2014, the District revenues exceeded expenses by \$501,674.

Local Agency Investment Fund

The balance in the District's LAIF account was \$ 2,404,950 at April 30, 2014.

County of San Luis Obispo Treasury Pool

As of April 30, 2014, the reconciled cash balance with the County of San Luis Obispo Treasury Pool was \$ 2,174,714. The County issues the majority of the District's checks, and the majority of the District's revenues are deposited with this agency. As such, the County provides 'banking services' to the District and provides some accounting documents for internal control purposes.

Rabobank Funds

At April 30, 2014, the reconciled cash balance in the District's Rabobank account totaled \$52,698. This account has been used to process the District's contracted payroll provider service and other District expenditures. Historically, this account was funded with transfers from the Local Agency Investment Fund account. Starting in April 2014, this account will be funded with transfers from the County of San Luis Obispo Treasury Pool.



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Post Office Box 339, Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

www.sslocsd.org

Cash Balance at 03/31/14 \$ 4,578,809.23

Deposits	259,414.98
Interest Income-LAIF	1,394.01
Interest Income-County Treasury	911.29
Warrant Registers 04/02/14	(47,288.30)
Warrant Registers 04/16/14	(108,968.90)
Payroll PPE 04/04/14	(26,070.73)
Payroll PPE 04/18/14	(22,233.39)
Rabobank March Activity	(3,605.78)
Total March Activity	<u>53,553.18</u>

Cash Balance at 04/30/14 \$ 4,632,362.41

Cash by Institution

CASH BALANCE @ 04/30/14

Cash with County Treasury	\$ 2,174,713.68
Cash with LAIF	2,404,950.41
Cash with Rabobank	52,698.32
	<u>\$ 4,632,362.41</u>

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
 FINANCIAL SUMMARY AS OF APRIL 30, 2014
 FISCAL YEAR 2013-2014**

UNAUDITED

	FUND 19 OPERATING	FUND 20 EXPANSION	FUND 26 REPLACEMENT	TOTAL DISTRICT-WIDE
REVENUES - YTD				
OPERATING	\$ 2,278,010.74	\$ -	\$ -	\$ 2,278,010.74
NON-OPERATING				
Connection Fees	-	63,730.00	-	63,730.00
Pismo Reimbursements	18,565.52	-	-	18,565.52
School Services	-	-	-	-
Brine Disposal	53,353.00	-	-	53,353.00
Lease (At&t)	20,596.55	-	-	20,596.55
Interest	1,928.90	4,880.99	-	6,809.89
WDR Reimbursement	4,812.25	-	-	4,812.25
FOG Reimbursement	20,854.10	-	-	20,854.10
Transfers	(80,498.15)	-	80,498.15	-
TOTAL NON-OPERATING	39,612.17	68,610.99	80,498.15	188,721.31
TOTAL REVENUES	2,317,622.91	68,610.99	80,498.15	2,466,732.05
EXPENSES - YTD				
YEAR TO DATE EXPENSES	1,832,488.30	64,803.53	67,766.69	1,965,058.52
TOTAL EXPENSES	1,832,488.30	64,803.53	67,766.69	1,965,058.52
NET INCOME (LOSS) - YTD	\$ 485,134.61	\$ 3,807.46	\$ 12,731.46	\$ 501,673.53

NEW CONNECTIONS	FY 2013/2014	
	NUMBER	REVENUE
Arroyo Grande	15.00	\$ 37,743.00
Grover Beach	8.00	25,987.00
Oceano	-	-
TOTAL NEW DISTRICT CONNECTIONS	23.00	\$ 63,730.00



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Post Office Box 339, Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

www.sslocsd.org

Subject: Superintendent's Report
May 15, 2014

Chart 1 – Plant Data

May* 2014	FLOW MGD	Peak MGD	INF BOD mg/L	EFF BOD mg/L	INF TSS mg/L	EFF TSS mg/L	Fecal Coli	Cl2 lbs/day	
Average	2.25	3.7	360	23.7	447	33	32	175	
High	2.49	4.3	389	26.9	476	37	130	391	
Limit	5.0			40/60/90		40/60/90	2000		
1 st Qtr									
Average	2.39	3.8	401	32.7	393	33	35	157	
High	2.77	4.6	483	42	492	45.6	500	339	

*- Thru May 15, 2014

Limit – 40/60/90 represent NPDES Permit limits for the monthly average, weekly average, and instantaneous value for plant effluent BOD and TSS.

Projects

- Boiler Project - The boiler is currently being installed by the contractor. Physical installation expected to be completed by May 23rd.
- SCADA Project – SCADA Server and components have been installed. Staff will begin programming associated software with direction from AutoSys (Contractor).

- The #3 FFR pump has been installed. Scheduled to be wired the week of May 12th.
- Influent Pump Station – Awaiting #2 pump from distributor. New variable frequency drives for the numbers 1 and 2 pumps have been installed.

Training

- Superintendent J. Clemons attended In Touch Part 1 Training Class for managing Wonderware Software (SCADA System). Bookkeeper A. Simpson and Operator 2 A. Allen attended an Excel training seminar.
- Annual Confined Space Training for staff is scheduled for May 21st.

John Clemons
Superintendent

AGENDA REPORT

May 21, 2014

TO: Board of Directors

FROM: District Manager

SUBJECT: SUPPORT FOR ASSEMBLY BILL 1970; COMMUNITY INVESTMENT AND INNOVATION PROGRAM

RECOMMENDATION:

That the South San Luis Obispo County Sanitation District Board of Directors authorize the execution of a letter, attached, in support of Assembly Bill (AB) 1970, the Community Investment and Innovation Program.

BACKGROUND:

The California Global Warming Solutions Act of 2006 (AB 32) authorizes the California Air Resources Board (CARB) to create a market mechanism to help reach the state's Greenhouse Gas (GHG) emissions reduction goals as stated in AB 32. With this authorization, CARB created the cap-and-trade auction revenue program. In this program, CARB auctions off emission credits to covered entities that must comply with a cap on GHG emissions. California receives the revenue derived from the auctions, and is directed to spend these funds on GHG emission reduction projects.

DISCUSSION

AB 1970 creates the Community Investment and Innovation Program (Program) at the Strategic Growth Council. The Program would receive cap-and-trade auction revenue to fund competitive grants for local governments to implement GHG emissions reduction projects. Projects where methane gas developed by the digesters at the plant is utilized to provide heating or electricity may be eligible for grants from this program. The California Special Districts Association and the League of California Cities are in support of the legislation and much of the information for this report has been derived from these organizations.

RICHARD G. SWEET, P.E.
District Manager

Attachment: Letter of Support



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

Post Office Box 339, Oceano, California 93475-0339

1600 Aloha Oceano, California 93445-9735

Telephone (805) 489-6666 FAX (805) 489-2765

www.sslocsd.org

April 30, 2014

The Honorable Rich Gordon
California State Assembly
California State Capitol Room 3013
Sacramento, California 95814

RE: AB 1970 (Gordon) – Support

Dear Assembly Member Gordon:

On behalf of the board members of **South San Luis Obispo County Sanitation District**, I am pleased to inform you of our support for your Assembly Bill 1970 to provide funding for local government greenhouse gas (GHG) emissions reduction projects. South San Luis Obispo County Sanitation District provides wastewater collection, treatment, and disposal services to a population of approximately 40,000 people across much of the Five Cities Area.

AB 1970 proposes to create the Community Investment and Innovation Program for grants and other financial assistance for local governments to develop and implement GHG emissions reduction projects.

Local governments are instrumental to meeting the state's climate and energy goals. We are best able to identify and implement projects to reflect local needs, leverage other funding, achieve the greatest reductions of GHG emissions and create jobs. Local governments have already developed programs that improve energy efficiency, divert waste, increase urban greening, upgrade fleets and facilities, and plan for cleaner, more efficient communities. However, local funding to continue or complete these projects is dwindling.

The competitive grant program created by AB 1970 would allow local governments to access cap-and-trade auction revenue to provide the funding necessary to implement or complete GHG emissions reduction projects. Local governments are well suited to partner with other local and regional organizations, as well as leverage private capital from the local economy, making these dollars go even further.

The District typically produces 80 to 100,000 cubic feet of gas, (65% methane, 34% carbon dioxide, trace amounts of hydrogen sulfite gas and other gasses) which is burnt into the atmosphere through a flare. We are currently planning to install a boiler which will use the majority of this gas as a fuel source. Another benefit of this project is that we no longer require natural gas to fuel our boiler.

South San Luis Obispo County Sanitation District is pleased to support AB 1970, as it empowers local governments to serve as a delivery tool on investments for a range of GHG emissions reducing projects

that will help the state reach its climate and energy goals, while creating jobs and improving the economy. We thank you for your leadership on this important issue and are pleased to offer our support.

Sincerely,

Matthew Guerrero,

Chair

CC: The Honorable Rich Gordon [fax: 916.319.2124]
The Honorable K.H. "KATCHO" ACHADJIAN
Assembly Natural Resources Committee [fax: 916.319.2192]
Assembly Local Government Committee [fax: 916.319.3959]
John Kennedy, Assembly Republican Consultant [fax: 916.319.3902]
William Weber, Assembly Republican Consultant [fax: 916.319.3902]
California Special Districts Association [fax: 916.520.2466]

ASSEMBLY BILL

No. 1970

Introduced by Assembly Member Gordon

February 19, 2014

An act to add Chapter 3.6 (commencing with Section 39680) to Part 2 of Division 26 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 1970, as introduced, Gordon. California Global Warming Solutions Act of 2006: Community Investment and Innovation Program.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund.

This bill would create the Community Investment and Innovation Program and would require moneys to be available from the Greenhouse Gas Reduction Fund, upon appropriation by the Legislature, for purposes of awarding local assistance grants and other financial assistance to eligible grant applicants, as defined, who submit plans to develop and implement integrated community-level greenhouse gas emissions

reduction projects in their region. The bill would require the Strategic Growth Council, in coordination with the state board, to administer the program, as specified. The bill would require 25% of the moneys appropriated for purposes of the program be awarded to eligible grant applicants whose projects include and specifically benefit environmental justice communities, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The reduction of greenhouse gas emissions is critical to
- 4 public health, safety, the economy, and the natural environment
- 5 that residents rely on.
- 6 (b) The scoping plan prepared by the State Air Resources Board
- 7 pursuant to the California Global Warming Solutions Act of 2006
- 8 (Division 25.5 (commencing with Section 38500) of the Health
- 9 and Safety Code) encourages local governments to adopt
- 10 greenhouse gas emissions reduction goals consistent with the state’s
- 11 overall goal of reducing statewide emissions to 1990 levels by
- 12 2020. In addition, the scoping plan recognizes local governments
- 13 as critical partners in achieving the state’s goals to reduce
- 14 greenhouse gas emissions.
- 15 (c) Local and regional governments have broad influence and,
- 16 in some cases exclusive authority, over activities that contribute
- 17 to significant direct and indirect greenhouse gas emissions through
- 18 their planning and permitting processes, local ordinances, outreach
- 19 and education efforts, and municipal operations. Many of the
- 20 measures in the scoping plan to reduce greenhouse gas emissions
- 21 rely on local government actions.
- 22 (d) State investments in local and regional greenhouse gas
- 23 emission reduction projects in this state help local communities
- 24 thrive, support the state’s emission-reduction and clean-energy
- 25 targets, lower the statewide unemployment rate, and spur new job
- 26 growth.
- 27 (e) Providing incentives to local governments to plan and
- 28 implement their own greenhouse gas emission reduction efforts

1 will assist the state to reach its emission-reduction targets faster
2 and more efficiently.

3 (f) Local greenhouse gas emission reduction initiatives best
4 recognize the particular reduction opportunities at the local level
5 and provide an opportunity to enhance the environment and
6 economy of local and regional places through multibenefit projects.

7 (g) Local governments are well suited to coordinate and
8 aggregate micro-, small-, community-, and regional-scale projects
9 that will help the state reach its environmental targets while
10 providing incentives for investments and job growth at the local
11 level.

12 (h) It is the intent of the Legislature to promote investments in
13 local and regional greenhouse gas emission reduction projects.

14 SEC. 2. Chapter 3.6 (commencing with Section 39680) is added
15 to Part 2 of Division 26 of the Health and Safety Code, to read:

16

17 CHAPTER 3.6. COMMUNITY INVESTMENT AND INNOVATION
18 PROGRAM

19

20 39680. (a) The Community Investment and Innovation
21 Program is hereby created.

22 (b) Moneys shall be available from the Greenhouse Gas
23 Reduction Fund, created by Section 16428.8 of the Government
24 Code, upon appropriation by the Legislature, for purposes of
25 carrying out this chapter.

26 (c) (1) The Strategic Growth Council, in coordination with the
27 state board, shall administer the Community Investment and
28 Innovation Program.

29 (2) The Strategic Growth Council, in coordination with the state
30 board, shall establish the Community Investment and Innovation
31 Program to provide local assistance grants and other financial
32 assistance to eligible grant applicants who submit plans to develop
33 and implement integrated community-level greenhouse gas
34 emissions reduction projects in their region.

35 (d) For purposes of this chapter, the following terms have the
36 following meanings:

37 (1) "Eligible grant applicant" means a city, county, city and
38 county, charter city, charter county, special district, regional energy
39 network, environmental justice community, or a collection of cities,
40 counties, or special districts.

1 (2) “Environmental justice community” means a community
2 that has been in the top 10 percent of statewide community scores
3 under the latest version of the California Communities
4 Environmental Health Screening Tool published by the Office of
5 Environmental Health Hazard Assessment.

6 39681. The Strategic Growth Council, in consultation with the
7 state board, shall develop guidelines for the implementation of this
8 chapter consistent with Division 25.5 (commencing with Section
9 38550) and Chapter 4.1 (commencing with Section 39710). The
10 guidelines shall do all of the following:

11 (a) Allow for project implementation by eligible grant
12 applicants, as well as metropolitan planning organizations, regional
13 climate authorities, regional energy networks, joint powers
14 authorities, districts, regional collaboratives, or nonprofit
15 organizations working in coordination with the eligible grant
16 applicant.

17 (b) Provide for a portfolio of projects to be implemented that
18 reduce greenhouse gases and maximize the ability to achieve one
19 or more of the following:

20 (1) Decrease air or water pollution.

21 (2) Reduce the consumption of natural resources or energy.

22 (3) Provide opportunities to achieve greenhouse gas emissions
23 reductions in ways that increase localized energy resources.

24 (4) Promote public-private partnerships to implement energy
25 efficiency and clean energy projects.

26 (5) Promote financing incentives for residential and commercial
27 facilities.

28 (6) Increase the reliability of local water supplies.

29 (7) Increase solid waste diversion from landfills.

30 (8) Increase electric vehicle infrastructure.

31 (9) Achieve greenhouse gas emissions reductions in ways that
32 reduce vehicle miles traveled.

33 (10) Prevent conversion of agricultural, forest, and open space
34 lands to uses that result in higher greenhouse gas emissions.

35 (c) Maximize the development of community-level projects that
36 reduce greenhouse gas emissions.

37 (d) Ensure projects are consistent with Chapter 4.1 (commencing
38 with Section 39710).

1 (e) Provide opportunities for both small- and large-population
2 participants and take into consideration regional context when
3 determining project eligibility.

4 (f) Provide incentives for projects that are in addition to projects
5 already being implemented at the local level.

6 (g) Provide opportunities for the development and
7 implementation of innovative projects that create new systems or
8 technologies.

9 (h) Provide opportunities for existing, proven greenhouse gas
10 emissions reducing or sequestering projects, including, but not
11 limited to, those projects and programs already adopted by local
12 agencies.

13 (i) Provide for the aggregation of community- and regional-scale
14 emissions reduction or sequestration projects.

15 (j) Ensure projects funded pursuant to this chapter maximize
16 moneys appropriated, provide environmental benefits, create jobs,
17 and are consistent with law.

18 39682. In evaluating potential projects to be funded pursuant
19 to this chapter, the Strategic Growth Council, in coordination with
20 the state board, shall give priority to projects that demonstrate one
21 or more of the following characteristics:

22 (a) Regional integrated implementation.

23 (b) The ability to leverage additional public and private funding.

24 (c) The potential for cobenefits or multibenefit attributes.

25 (d) The potential for the project or program to be replicated and
26 to create best practices to serve as a model for communities across
27 the state and region.

28 (e) Consideration of geographic and socioeconomic issues.

29 (f) Demonstration of innovative strategies and approaches to
30 reducing greenhouse gas emissions.

31 39683. (a) (1) Twenty-five percent of the moneys appropriated
32 by the Legislature for purposes of this chapter shall be set aside
33 for projects from eligible grant applicants that include and
34 specifically benefit environmental justice communities.

35 (2) A project is only eligible for the set-aside if it meets both
36 of the following requirements:

37 (A) One or more of the applicants is a city, county, city and
38 county, or special district.

1 (B) The project is located in whole or in part in an environmental
2 justice community and directly benefits an environmental justice
3 community.

4 (b) Of the moneys to be appropriated pursuant to this section,
5 the eligible grant applicant may use a portion of the moneys to
6 provide technical assistance to environmental justice communities
7 for purposes of preparing competitive projects and plans to be
8 submitted to the Strategic Growth Council.