

**Environmental Management Commission****Meeting Notes – April 11, 2012**

Meeting Location: MARC Offices

Commissioners present: Carol Adams, Tom Brink, Caroline Davies, Elizabeth Fischer, Jim Hansen, Ken Kramme, Chuck Moore, Jack Schrimsher, Tom Wyrsh

Staff: Dennis Murphey, Jerry Shechter – OEQ; Matt Gigliotti – Law Dept.; Terry Leeds, Sean Hennessey, Scott Cahail – Water Services Dept

Guests: Claus Wawrzinek and David Mitchell – Sierra Club; Mark Menoly; Richard Mbih and Brian Werner – UMKC Students

Carol Adams, Co-Chair, opened the meeting at 4:10 pm; a quorum was present

- A. Welcome and Introductions
The Chair welcomed commissioners and staff to the EMC meeting. Everyone introduced themselves.
- B. Minutes – Jack Schrimsher made a motion, seconded by Tom Wyrsh, to adopt the minutes of the meetings of February and March, 2012 as written. The motion passed.
- C. Conservation-based Municipal Water Fees – Presentation by Richard Mbih and Brian Werner – UMKC Graduate Students – and Molly Davies. The students have been researching conservation-based fees in 75 or more cities in the US and Europe with regard to rate structures and incentives for sustainability. They have looked at different size cities ranging up to London with 7.2 million people. They found what they characterized as system waste depending on metering. Tucson has increasing payment for increasing use and has reduced per capita consumption by 11%, in the period 2003-2008, as part of a broader program that includes public education, energy conservation, etc.

There was general discussion about incentives, differences in potential impact between residential and larger, non-residential buildings.

Sean Hennessey, Water Services, led a discussion about building rate structures. Rates must cover physical plant costs and labor costs even as use may decline. The biggest use decline is in winter use. He also discussed cost of service fees for sewer rates. All of this must be delivered to the consumer in a simple as possible billing system. The department has just begun developing a new Water Master Plan. Mr. Hennessey and Mr. Leeds discussed costs for new customers including tapping into the system with costs determined by the need which determines the size of line(s). The big question is sufficiency of water supply even though we have a large river, there is degradation of the river channel that is of concern. The big users are industrial – Ford, Pepsi, KCP&L, Veolia, UMKC, hospitals, Cargill, breweries, etc. most of which have cooling chillers and from which there is significant evaporation, and irrigation systems which use no water in the winter.

Mr. Leeds also briefly discussed the Overflow Control Plan (OCP) noting that the projected cost of implementing the Plan is \$1.4 billion for the area with combined waste water and storm water system and \$1.0 billion for the area with separated systems. Marlborough – the Middle Blue River Green Solutions area is a 100 acre pilot area where a green first system is being designed and installed with 150 individual green solutions. These green solutions are designed to intercept water before it gets to the catch basins and to keep excess water out of the system.

KC future rates? Water Services is creating incentives to keep demand under control. It was suggested we might be able to design a rate system that helps smaller systems (residential) and low income families. In Missouri, we must, by law, be careful to treat customers equally.

Industry is at a cross-roads in terms of rates. Must really look at future and how to allocate costs. Another factor is fire protection which has to be available whether or not people live in or use a building. The most expensive class of water customer is non-owner, occupied, single family houses where the Water Department experiences 3% of its costs as bad debt.

D. OEQ – Dennis Murphey

1. City Council adopted the 2012-2013 budget on March 29, 2012. While The KC Fire Department and Bridging The Gap have realized reductions in City budget availability, OEQ took no loss of staff or resources.
2. Staff has been working on upgrades to the City's energy conservation codes. The first stakeholder meeting was held last week which was attended by about 20 representatives of builders and the trades. The next meeting will be April 19th at City Hall at 9:30 am. Overland Park, KS has "broken the ice" on upgrades to 2012 IECC with its primary reviewing committee approving the 2012 IECC with amendments. The document approved was the result of a stakeholder review process that achieved consensus and which is the basis for the Kansas City process. The approved document is on the Overland Park City Council Consent Agenda for adoption. It is projected that the adoption of 2012 IECC with amendments will achieve roughly a 15% reduction in energy use in newly constructed buildings as compared to the 2006 IECC requirements. There remains a discussion about potential cost impact. The Overland Park document does not address improvements in lighting requirements.
3. Development Code Update – City staff have been invited to make a presentation to the EMC at its meeting in May.
4. Kansas City Industrial Council (KCIC) has given its 2012 awards and four have gone to the City of KCMO for various energy efficiency upgrades to City buildings.
5. City Council has adopted a resolution requesting that the Federal Housing Finance Agency (FHFA) consider reversing its position not allowing residential PACE to be a viable financing mechanism. There has been no such position taken with regard to commercial PACE programs.
6. Along with MARC, the City is evaluating the potential for a commercial PACE program. It appears that the City may have an option to become a member of the Clean Energy District established in Jefferson for the PACE program. This could allow commercial entities to have access to bond financing for energy efficiency and/or renewable energy improvements. As opposed to establishing a similar structure in KCMO where administrative expenses could be a major consideration, there may be no cost to the City to join.
7. The City Architect is convening the LEED standards committee to meet April 17, 2012 at 9:30 am. The Chair noted that the EMC has a position on that committee. After discussion, Jim Hansen, Architect and LEED AP, was appointed to be the liaison to the committee from the EMC. In deliberations by the LEED standards committee, Jim was cautioned to be aware of potential conflicts of interest.

E. Environmental Achievement Awards – The EMC agreed to continue the program for 2012. Molly Davies, Elizabeth Fischer, and Tom Brink volunteered to be the screening group.

F. Liaison Updates – No Report

G. Old Business – No Report

H. New Business - None

I. Remarks - None

The next monthly meeting is scheduled for May 9, 2012 at Mid-America Regional Council
The meeting was adjourned at 6:00 pm