



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: June 4, 2024

Subject

Memorandums of Agreement on behalf of the City of Cupertino, as a coalition partner with other partner agencies, for the purpose of securing grant funds from the United States Environmental Protection Agency's (EPA) Climate Pollution Reduction Grants program for funding electrification of municipal facilities and implementing a regional reusable takeout foodware program.

Recommended Action

Adopt resolution 24-XXXX authorizing the City Manager to:

- 1) Negotiate and sign Memorandums of Agreement and any amendments on behalf of the City of Cupertino, as a coalition partner with other partner agencies, for the purpose of securing grant funds from the EPA Climate Pollution Reduction Grants program for funding electrification of municipal facilities and implementing a regional reusable takeout foodware program; and
- 2) Negotiate and execute any documents necessary to accept and effectuate the grants.

Reasons for Recommendation

The County of Santa Clara submitted a Priority Climate Action Plan which enables eligible lead organizations and coalitions of partners to apply for implementation grants. The City of Cupertino joined two coalitions of jurisdictions that submitted grant applications under the EPA's Climate Pollution Reductions grant program by the April 1, 2024, deadline:

- 1) Public Facility Resiliency Implementation Project. San Jose is the lead agency with Silicon Valley Clean Energy as fiscal agent, and the coalition also includes Cupertino, San Jose, Mountain View, Morgan Hill, and Sunnyvale. The project includes electrification of 61 facilities. Cupertino is proposing to upgrade and electrify Quinlan Community Center water heating, space heating, and space cooling equipment to reduce greenhouse gases and increase resiliency during extreme heat and dangerous air quality events because of climate change. The estimated labor and equipment cost is approximately \$1.9 million over five years, which includes \$1.6 million for equipment replacement as identified in the 2022 Facility Condition Assessment report for Quinlan.

- 2) Community-Scale Reusable Foodware System Design and Implementation Project. Sunnyvale is the lead agency and fiscal agent, and the coalition also includes Cupertino, San Jose, Mountain View, and San Benito County. The coalition intends to hire a third party to design, outfit, and lead implementation of a regional reusable foodware system. Cupertino Environmental Programs and Sustainability staff will support implementation as part of regular work duties associated with efforts to reduce single-use plastics and foodware reductions.

For coalition partner applications, the coalition lead agency must provide memorandums of agreement (MOAs) by July 1, 2024, detailing roles, and responsibilities. This requirement is in advance of any notice of award of funds. The MOAs will provide documentation that the coalition partner organizations have consulted with each other and are committed to fulfilling their respective roles and responsibilities to successfully implement the GHG reduction measures described in the application.

Draft language for the MOAs is under development. Final versions will be substantially similar to the drafts included as Attachment A and Attachment B.

The following elements need to be included in the MOAs:

- An identification of each partner agency committing to participate in the coalition.
- A description of the purpose of the MOA.
- A clear description of the agreed upon roles, responsibilities, and commitments each partner will provide to ensure project success.
- The roles and responsibilities will align with overall project goals, objectives, and target outputs.
- A description of the proposed operating model for the coalition.
- A description of how the collaboration and partnerships associated with the coalition will benefit the project.
- A description of the resources each partner will contribute to the project. Such resources may include project management, staff time, technical analyses, in-kind contributions, training or facilitation, or other related services.
- A statement that the lead applicant accepts full responsibility for the performance of the coalition and will be accountable to the EPA for effectively carrying out the full scope of work and the proper financial management of the grant.

The grant term for this funding is expected to begin in October 2024 and the period of performance will be up to five years thereafter. Should the coalition be successful in the grant application process and prior to acceptance of the award, the City would need to execute MOAs with coalition partners by July 1, 2024, for the administration of the grant projects.

Sustainability Impact

The proposed grant activities support the City's Climate Action Plan building electrification goals, reducing greenhouse gas emissions through eliminating the use of natural gas. Additionally, combustion of natural gas has negative air quality impacts, so enhanced public health and safety is a co-benefit. Reducing the use of single-use foodware for takeout food service through a regional reusable foodware program will reduce overall waste disposed, supporting the actions outlined in Measure W-2 of the Climate Action Plan.

Fiscal Impact

The EPA Climate Pollution Reduction Grants do not require any matching funds so there is no fiscal impact. Should grant funds be awarded they will be included in quarterly grant updates provided to City Council as part of the Quarterly Financial Reports.

California Environmental Quality Act (CEQA)

Not applicable.

Prepared by: Ursula Syrova, Environmental Programs and Sustainability Manager

Reviewed by: Chad Mosley, Director of Public Works

Reviewed by: Matt Morley, Assistant City Manager

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A - Draft MOA - Public Facility Resiliency Implementation

B – Draft MOA - Community-Scale Reusable Foodware System

C – Draft Resolution