REGULAR MEETING – WEDNESDAY, JUNE 2, 2010
ATRIUM CONFERENCE ROOM AT CITY HALL – 500 CASTRO STREET
7:00 P.M.

1. **CALL TO ORDER**

2. **ROLL CALL**

Committee Members: Margaret Abe-Koga, Jac Siegel and Chair Ronit Bryant.

3. **ORAL COMMUNICATIONS FROM THE PUBLIC**

This portion of the meeting is reserved for persons wishing to address the Committee on any matter not on the agenda. Speakers are limited to three minutes. State law prohibits the Committee from acting on nonagenda items.

4. **MINUTES APPROVAL**

Minutes for the November 10, 2009 meeting have been delivered to the Committee members and copies posted on the City Hall bulletin board. If there are no corrections or additions, a motion is in order to approve these minutes.

5. **NEW BUSINESS**

5.1 **OVERVIEW OF CURRENT ENVIRONMENTAL SUSTAINABILITY PROJECTS**

Overview:

The Committee will be provided with an update regarding the status of the various environmental sustainability-related projects currently under way in the City of Mountain View.

Recommendation:

None.

5.2 PROPOSED REVISIONS TO THE COMMUNITY ENERGY AUDIT AND UPGRADE PROGRAM

Overview:

In May 2009, the City Council approved a proposed spending plan for the $719,000 in Federal Energy Efficiency and Conservation Block Grant funds (ARRA stimulus funds) the City would be receiving. The proposed spending plan included $343,000 to provide free or subsidized residential energy audits and simple device installations to Mountain View residents.

Initially, staff proposed hiring one organization (either for-profit or nonprofit) to design and implement the residential audit program. Based on a review of current Best Practices among other cities and counties and recent developments at the State and Federal levels, staff now recommends changes to the approach approved by the Council.

Recommendation:

Approve staff's revised approach to conducting residential energy audits and upgrades as outlined in the staff report.

6. COMMITTEE/STAFF COMMENTS, QUESTIONS AND REPORTS

No action will be taken on any questions raised by the Committee at this time.

7. ADJOURNMENT

LT/8/PWK
944-06-02-10A^

AGENDAS FOR BOARDS, COMMISSIONS AND COMMITTEES

- The specific location of each meeting is noted on the notice and agenda for each meeting which is posted at least 72 hours in advance of the meeting. Special meetings may be called as necessary by the Committee Chair and noticed at least 24 hours in advance of the meeting.

- Questions and comments regarding the agenda may be directed to the Transportation, Property and Policy Division of the Public Works Department at (650) 903-6311.

- Interested persons may review the agenda and staff reports at the Public Works Department counter beginning at 4:00 p.m. the Friday evening before each regular meeting. A copy can be mailed to you upon request. Staff reports are also available during each meeting.

- **SPECIAL NOTICE—Reference: Americans with Disabilities Act, 1990**
  Anyone who is planning to attend a meeting who is visually or hearing-impaired or has any disability that needs special assistance should call the Public Works Department at (650) 903-6311 48 hours in advance of the meeting to arrange for assistance. Upon request by a person with a disability, agendas and writings distributed during the meeting that are public records will be made available in the appropriate alternative format.

- The Board, Commission or Committee may take action on any matter noticed herein in any manner deemed appropriate by the Board, Commission or Committee. Their consideration of the matters noticed herein is not limited by the recommendations indicated herein.

- **SPECIAL NOTICE**—Any writings or documents provided to a majority of the Council Environmental Sustainability Committee regarding any item on this agenda will be made available for public inspection in the Public Works Department, located at 500 Castro Street, during normal business hours and at the meeting location noted on the agenda during the meeting.

ADDRESSING THE BOARD, COMMISSION OR COMMITTEE

- Interested persons are entitled to speak on any item on the agenda and should make their interest known to the Chair.

- Anyone wishing to address the Board, Commission or Committee on a nonagenda item may do so during the "Oral Communications" part of the agenda.

REGULAR MEETING – WEDNESDAY, NOVEMBER 10, 2009
ATRIUM CONFERENCE ROOM AT CITY HALL – 500 CASTRO STREET
6:30 P.M.

1. CALL TO ORDER

The meeting was called to order at 6:30 p.m. by Chair Siegel.

2. ROLL CALL

Committee Members: Ronit Bryant, Margaret Abe-Koga and Chair Jac Siegel.

City Staff Present: Cathy Lazarus, Public Works Director; Joan Jenkins, Transportation and Policy Manager; Lori Topley, Solid Waste Program Manager; and Steve Attinger, Environmental Sustainability Coordinator.

3. ORAL COMMUNICATIONS FROM THE PUBLIC—None

4. MINUTES APPROVAL

Minutes of the June 23, 2009 and October 7, 2009 Council Environmental Sustainability Committee (CESC) meetings were approved 2-0; Abe-Koga abstained due to not being present at the October 7 meeting.

5. NEW BUSINESS

5.1 GOVERNMENT OPERATIONS GREENHOUSE GAS (GHG) INVENTORY AND EMISSIONS REDUCTION TARGETS

Staff presented results of the City's recently completed government operations greenhouse gas inventory and long-term greenhouse gas reduction targets for consideration by the Committee and Council, and noted the Council approved community-wide greenhouse gas reduction targets on November 3, 2009.

The City completed an inventory of its 2005 government operations emissions in conjunction with ICLEI, which showed total emissions of 18,340 metric tons of CO_2e. The 2005 inventory will serve as a base-line year against which the City will measure its future emission reductions.

The next step to meeting AB 32 requirements is setting GHG reduction targets. The City's targets can be modified at any time based on measured results and/or economic and environmental considerations.

Staff recommends the following government operations GHG reduction targets:

- 15 percent reduction below 2005 levels by 2010.
- 20 percent reduction below 2005 levels by 2015.
- 25 percent reduction below 2005 levels by 2020.
- 80 percent reduction below 2005 levels by 2050.

Total government operations emissions have already declined approximately 12 percent from 2005 through 2008 due to naturally decreasing landfill emissions. Considering additional landfill emissions decreases in 2009 and 2010 and several energy-efficiency projects completed between 2005 and 2010, the proposed 2010 reduction target of 15 percent appears easily achievable.

Achieving the proposed reduction targets will require the involvement of all departments, and the City has already taken numerous steps to reduce GHG emissions from its operations. To track progress toward emission reduction targets, the City will conduct an inventory of its government operations emissions at least every five years, the year after a target year.

Committee Comments

In response to a question about where the City can actually make reductions, and at what cost, staff explained that the estimated reduction potential of several planned projects is known, and after further analysis, staff will have a good sense where the City is in relation to the 2010 reduction goal.

A Committee member asked whether and when the City will develop a menu of project options with associated costs and budget. Staff explained they will develop a Climate Action Plan in 2010 for government operations, based on the ICLEI emissions data.

Regarding whether buildings other than City Hall will become green businesses, staff indicated the Senior Center has also been certified, the Municipal Operations Center will hopefully be certified this year, the Center for the Performing Arts will be examined, and the Community Center in its current form will not likely qualify.

The Committee asked several questions about the landfill emissions at 52 percent, whether they would decrease 12 percent every three years, and whether they would ever get to 0 percent given the reduction target of 80 percent by 2050. Staff explained that emissions will continue to decrease over time, but not necessarily at that rate, and they would not likely ever reach 0 percent. The current landfill gas capture efficiency is 93.7 percent, which is very good and not likely to improve that much.

Regarding how government operations and community-wide emissions are related, staff explained there are separate GHG inventories for each, with government operations accounting for 2.4 percent of overall community-wide emissions.

A Committee member indicated that setting reduction targets before having a more complete picture of which emissions reduction projects will be required to meet the targets is not ideal, but we should not delay setting the targets. The Committee member requested staff provide a synopsis of major GHG-reducing activities that have occurred since 2005 and are planned going forward, and recommended staff keep an ongoing tally of emissions reduction activities and their impacts, so this information can easily be conveyed to the Council.

A Committee member asked how the reduction targets were derived. Staff explained three factors were considered: (1) AB 32 requirements; (2) what targets other local cities have set; and (3) the ICLEI inventory report. Knowing that landfill emissions decreased 12 percent between 2005 and 2008, it seemed likely the City could reach the 15 percent reduction target by 2010, considering two additional years of decreasing landfill emissions and five years of energy-saving projects completed across City operations. To reach the longer-term targets, it will take effort on everyone's part, the City and community, but the Council can adjust the targets in the future if it wants to.

The Committee discussed it will be important to look at how best to allocate funds between City operations and the community, given city government's 2.4 percent contribution to overall emissions.

Public Input

Julie Lovins wanted to highlight the value of doing things that provide a good example to the community through the very good work being done in City operations.

John Carpenter commented on the importance of the City demonstrating projects that are easy for the entire community to follow. For more costly efforts, a joint City-community effort will be required.

Bruce Karney stated that reduction targets are just the beginning of the process. Sustainability is the big topic everyone should be discussing, including "economic" sustainability and where revenues are coming from. If the City is not economically sustainable, it will not have the money to put toward important sustainability efforts. He commented that landfills never stop releasing emissions, encouraged the City to study its engine idling more closely and inquired about the City Green Team.

Dave Paradise commented on the importance of energy efficiency first, but the City should also look at ways to get solar installations on City buildings through power purchase agreements (PPA).

John Carpenter said new LED Christmas lights are extremely efficient. He added that solar panel efficiency has gone up to 40 percent, so now is a good time to look at more solar on City buildings.

Committee Discussion

A Committee member reiterated interest in seeing staff's "menu" of possible actions and their associated costs, and assumed solar panels on City buildings would be included.

One Committee member commented although there can be a trade-off between the economics and environmental benefits, they are not mutually exclusive. He indicated concern about adopting goals without a clearly defined path to achieve them, but he thought the Council will accept them since they are goals.

Another Committee member commented on the importance of setting goals and getting started. She was concerned about two of the top three biggest emissions areas, landfill and employee commuting, being largely out of the City's control, but was comfortable taking a "wait-and-see" approach and revisiting the goals in the future if necessary.

One Committee member asked if anyone has analyzed the amount of energy used among different employee commute options, such as driving a car, taking the train or riding a bus, and commented that energy is being used regardless of the mode of transportation. Staff explained that if an employee does not drive, those emissions are never produced, but the train and bus will run whether or not the employee rides them.

A Committee member reiterated the City needs to serve as a role model for residents, to demonstrate what is possible, and should publicize what it is doing as a way of teaching the community there is a cost savings as well as a return. Another Committee member agreed the City should publicize its activities as a way of leveraging their impact.

Committee member Bryant moved to recommend the City Council adopt the following government operations GHG emission reduction targets:

- 15 percent below 2005 levels by 2010.
- 20 percent below 2005 levels by 2015.
- 25 percent below 2005 levels by 2020.
- 80 percent below 2005 level by 2050.

The motion was seconded by Committee member Abe-Koga. The motion passed 3-0.

5.2 UPDATE ON SINGLE-USE CARRY-OUT BAGS

Staff presented an update on single-use bags. In January 2009, the Council adopted a resolution supporting regional efforts to reduce single-use carry-out bag waste. Council was not asked to provide a consensus of what that approach might be. Council also provided comments on a model draft ordinance developed by the County-wide Recycling and Waste Reduction Commission (RWRC). Since then, the RWRC sent a recommendation to all the cities asking them to establish a ban on plastic bags and either a fee or ban on paper bags. Two cities have taken action, Palo Alto and San Jose. Palo Alto banned single-use bags at large supermarkets only; they are currently evaluating expanding that to additional retailers—they are also evaluating a paper bag fee or ban. As a result of a lawsuit filed against their original ordinance, they have agreed not to expand the ban until they have done an Environmental Impact Report (EIR).

San Jose is developing an ordinance, prohibiting both plastic and paper single-use bags at all retailers except restaurants and nonprofit social service-type organizations. They anticipate allowing an exception for "green" paper bags, which are defined as having at least 40 percent recycled content—with or without a fee. San Jose is also preparing an EIR that should be available by January or February. That EIR could serve as a basis for ordinance development or adoption by other cities in the County.

Staff outlined several possible approaches for the CESC to consider for Mountain View, ranging from "wait and see" to suggesting that Council direct staff to develop an ordinance. Staff recommends a wait-and-see approach as it would be valuable to see how San Jose fine-tunes their approach once they have the EIR completed. That will help inform which direction Mountain View might want to take.

Committee Comments and Questions

Staff answered several questions received from a Committee member prior to the meeting. Regarding a letter the Council received from the American Chemistry Council, the Committee member wondered about the claim that there is a strong market for recycled plastic bags. Staff believes there is a demand for clean, dry, uncontaminated film plastic. However, it is difficult to collect so the return on investment is typically not enough to offset costs. It is estimated that the recycling rate of plastic bags is only 1 percent to 3 percent, so even if the City ramped up collection and required retailers to take bags back, the number of bags recycled may only increase a small amount.

The second question was about the connection between water quality issues and the storm water permit that was recently adopted and the single-use bag issue. Staff noted there is a provision in the new permit requiring short- and long-term litter reduction plans be developed for Mountain View's waterways. There are specific targets, such as 40 percent reduction of trash load in the creeks by 2014. The permit does not specify what measures have to be in the plan but does mention that litter reduction ordinances could be included. Mountain View must develop and submit a plan to the regional board by February 2012. There will be a Council Study Session on the full scope of the new permit soon.

The last question is whether or not the Zero Waste Plan would be an appropriate place for work on the plastic bag issue. Staff replied this Plan will be a high-level document outlining various measures to increase the City's waste diversion. It might suggest options for hard-to-recycle items, such as plastic bags. Preparation of the Plan will not allow the kind of detailed work and public input that would be necessary to implement a bag ban. The current time line for the Plan is to have the City's waste characterization consultant contract in place in December and possibly an RFP ready for the rest of the Plan by February 2010.

Another Committee member asked about the cost of the outreach campaign that Palo Alto did. Staff does not have specific cost information. The

outreach was a joint effort of the solid waste section and the storm water section. A marketing firm created the materials. Staff can inquire about the costs.

A Committee member asked if a County-wide EIR could be done or would the City have to do its own. Staff indicated that the intention of San Jose is that its EIR can be used by the other cities to support an ordinance. The Committee member also asked if a discussion of this item was still scheduled for the upcoming Cities Association meeting. Staff responded that it was their understanding the issue would be discussed by the Cities Association and that San Jose was going to ask the Cities Association to support their position.

A Committee member asked if there is such a thing as a "green" plastic bag. Staff replied that most plastic bags do not have recycled content at this point, partly because the virgin plastic industry and the recycled plastic industry do not work together. Biodegradable bags might be considered a "green" bag, but they only biodegrade in commercial compost settings and are not made from plastic.

A Committee member inquired why nonprofits and restaurants would be exempt and what would happen if some cities adopt an ordinance but others do not. Staff believes the exceptions are intended to allow an incremental approach. Both the RWRC and the City of San Jose share a concern about some cities not participating and urge all to do so.

A Committee member asked about the City doing a campaign similar to Palo Alto's and putting Bring Your Own Bag reminders at retail stores, and wanted to know how quickly Mountain View could start doing other things. Staff indicated that Green Mountain View has approached the City about partnering on such a campaign and that a Bay Area-wide Bring Your Own Bag advertising campaign was just completed. A Santa Clara County advertising campaign will be done in the spring, but no other staff time has been allocated to the bag effort yet.

Public Input

Bruce England indicated that Green Town Los Altos is interested in a community-level bag campaign also and that Green Mountain View feels there is an opportunity to work with Los Altos and Palo Alto on this. He is also concerned about single-use bags at the Farmer's Market and believes someone should apply leverage and get them involved in this effort.

Janis Zinn believes we need to educate the community and the retailers. For example, the checkers should ask if you want a bag instead of doing it automatically.

Julie Lovins commented that the terminology is confusing. Nothing is really single-use. "Carry-out" bags might be more intelligible to the public as a carry-out bag is something that is plastic with handles that you get at the checkout stand, as opposed to bags without handles for produce. She would also like to understand if the Farmer's Market would be covered—are they a retailer. She believes the Farmer's Market is eager to get on board and staff should talk to them.

Dave Paradise commented that cashiers seem to offer bags whether you need one or not. Signs at the register asking if you have your own bag or promoting a rebate would be nice. He felt the San Jose EIR should be leveraged and it is wise to "wait and see" what they do before doing a ban in Mountain View.

Committee Discussion

The Committee discussed the various options outlined in the report. Developing an outreach campaign seems critical to the success of the program because a behavioral change is needed, but more information about the cost is necessary, so budgeting in the next fiscal cycle can be considered.

The Committee also felt that some outreach and discussion with the business community and other stakeholders should start soon, to get moving in the right direction because there is a lot of work to be done with businesses, retailers and the Chamber before an ordinance can be done. The Public Works Director indicated that any outreach around a particular option would need full Council support first. Staff has not developed information about the timing and resources currently available for that.

The Committee would at least like the City to begin moving forward on the needed analysis and outreach; for example, working with the Farmer's Market and talking to businesses. One Committee member believes the ban on plastic bags is coming and that the City should start moving in that direction and that nonprofits should not be exempt. Staff indicated that if the Committee wants to move ahead with a public information campaign and/or stakeholder process, staff time and cost analysis would need to be done before that recommendation could be forwarded to the Council.

The Committee discussed the need for and the process of developing a policy that would prevent single-use bags from being used in City operations. The

Public Works Director commented it would be important to first figure out where, if at all, plastic bags were currently being used, as there may not be other options available. She noted that this is something that would typically be handled through an administrative policy established by the City Manager. Committee member Bryant made a motion to recommend to the Council: (1) that staff develop a public outreach campaign to help remind shoppers to bring their own bag; (2) staff begin a stakeholder process to begin a dialogue about how to limit single-use bags in Mountain View; and (3) direct the City Manager to develop an administrative policy that addresses single-use bags in City operations. The motion was seconded by Committee member Abe-Koga. The motion passed unanimously.

6. **COMMITTEE/STAFF COMMENTS, QUESTIONS AND REPORTS**—None.

7. **SET DATE AND TIME FOR NEXT MEETING**—None.

The meeting was adjourned at 8:25 p.m.

LT/8/PWK
944-11-10-09mn-E^

CITY OF MOUNTAIN VIEW
MEMORANDUM

DATE: May 27, 2010

TO: Council Environmental Sustainability Committee

FROM: Lori Topley, Solid Waste Program Manager

SUBJECT: OVERVIEW OF CURRENT ENVIRONMENTAL SUSTAINABILITY PROJECTS

This memorandum provides the Council Environmental Sustainability Committee (CESC) with an update regarding the status of the various environmental sustainability-related projects currently under way in the City of Mountain View.

City staff is pursuing a wide variety of environmental sustainability-related projects (see attachment) based on the City Council-approved Environmental Sustainability Program (September 2007) and Environmental Sustainability Action Plan (ESAP) (March 2009). A few additional projects, such as those funded by Federal Energy Efficiency and Conservation Block Grant moneys (e.g., Community Energy Audits), have been added as the result of opportunities that have arisen since the ESAP was adopted last year.

The attached table provides a high-level summary of each of the projects currently under way. The table illustrates the breadth of projects staff is currently engaged in and the level of resources dedicated to sustainability-related projects. Staff will be available at the June 2, 2010 CESC meeting to provide more information about the status of projects currently under way and/or respond to other CESC member questions.

Staff anticipates additional sustainability-related projects will arise in the future from the City's involvement in regional partnerships such as JointVenture:Silicon Valley as well as from the adoption of the Governmental Operations Climate Action and the General Plan Greenhouse Gas Reduction Plans currently under development. Prior to

starting work on any new sustainability initiatives, staff will seek Council authorization to move ahead based on available staffing and funding resources.

Prepared by:

Lori Topley
Solid Waste Program Manager

Approved by:

Michael A. Fuller
Public Works Director

Reviewed by:

Linda Forsberg
Business and Internal Services Manager

Nadine P. Levin
Assistant City Manager

LT/2/PWK
944-05-14-10M-E^

Attachment

Environmental Sustainability Program Projects – As of May 14, 2010

	Project	Source	Lead Dept	Scope		Level of Effort Required	Level of Completion	Estimated Completion Date
				City	Comm			
1	CaliforniaFIRST (AB 811) – Financing of energy retrofit projects for residents and businesses	ESAP 09/10 CIP 10-33	PW/ES		✓	Medium	30%	Program Begins Fall 2010
2	Retrofit Bay Area (ABAG Grant) – Marketing of residential audits	Opportunity	PW/ES		✓	Low	10%	Program Begins Fall 2010
3	Community Residential Energy Audits (EECBGrant)	Opportunity	PW/ES		✓	High	10%	Program Begins Fall 2010
4	EECBGrant Administration	Opportunity	PW/ES	✓	✓	High	20%	Winter 2013
5	Renewable Energy Projects – Solar Power Purchase Agreement	ES Program CIP 10-33	PW/ES	✓		High	30%	Fall 2010
6	Renewable Energy Projects – Possible AB 2466 Facility	ESAP 09/10 CIP 10-32	PW/ES	✓		High	10%	TBD
7	Green Mountain View Liaison	ESAP 08/09 CIP 10-34	PW/ES		✓	Low	Ongoing	Ongoing
8	Green Building Training of Public Works and Community Development Staff	ESAP 09/10	PW/ES	✓		Low	20%	Summer 2010
9	Sustainability Event Tabling	ESAP 08/09	PW/ES		✓	Low	Ongoing	Ongoing
10	Internal City Green Team Activities	Opportunity	PW/ES	✓		Medium	Ongoing	Ongoing
11	Develop a Government Operations Climate Action Plan	ES Program	PW/ES	✓		High	0	TBD

Attachment

	Project	Source	Lead Dept	Scope		Level of Effort Required	Level of Completion	Estimated Completion Date
				City	Comm			
12	Perform 2010 Government Ops GHG Inventory	Follows from ESAP	PW/ES		✓	High	0	Summer 2011
13	2012 Community GHG Inventory	Follows from ESAP	PW/ES	✓		Medium	0	Summer 2013
14	General Plan Greenhouse Gas Reduction Plan (Climate Action Plan)	ESAP	CDD		✓	High	30%	Winter 2011
15	Green Building Ordinance	ESAP 09/10 CIP 10-36	CDD		✓	Medium	40%	Fall 2010
16	Environmentally Preferable Purchasing Policy	ES Program	FASD	✓		Medium	70%	Fall 2010
17	Zero Waste Plan	ESAP 09/10 CIP 10-35	PW/SW	✓	✓	High	20%	Winter 2011
18	Recycling in Public Areas – place stickers on all public trash cans	ESAP 08/09	PW/SW		✓	Low	70%	Summer 2010
19	Single-Use Bag Ordinance	ESAP 08/09	PW/SW		✓	High	30%	TBD
20	Single-Use Bags – BYOB Campaign w/Green Mountain View	Opportunity	PW/SW		✓	Medium	20%	Fall/Winter 2011
21	Free Reusable Shopping Bags to Residents	ES Program	PW/SW		✓	Low	20%	TBD
22	Styrofoam Take-Out Container Ban	ESAP 10/11	PW/SW		✓	High	0	TBD
23	Tennis Lighting Retrofit (an EECBGrant Project)	Opportunity	PW/Fac	✓		Medium	20%	Fall 2010
24	Library Greening	ESAP 09/10	PW/Fac	✓		Medium	40%	TBD

	Project	Source	Lead Dept	Scope		Level of Effort Required	Level of Completion	Estimated Completion Date
				City	Comm			
25	Next Building Greening	ESAP 10/11 (Future CIP)	PW/Fac	✓		Medium	0	TBD
26	Participate in ClimateSmart Program	ES Program	PW/Fac	✓		Low	0	TBD
27	City Facility Energy Audits	ES Program	PW/Fac	✓		Medium	Ongoing	Ongoing
28	Shoreline Landfill Microturbines Replacement (an EECBGrant Project)	Opportunity	PW/PS	✓		High	10%	TBD
29	Landscape Water Conservation Ordinance	ESAP 09/10	PW/PS		✓	High	90%	July 2010
30	Pedestrian Master Plan	ESAP 09/10	PW/Tran		✓	Medium	40%	Fall 2011
31	Bicycle Boulevard	ESAP 09/10 CIP 10-37	PW/Tran		✓	Low	10%	Winter 2011
32	Automated Bicycle Rentals	ESAP 09/10	PW/Tran		✓	Medium	40%	TBD
33	Employee Carpool/Walk/Bike Incentive Program	ES Program	FASD	✓		Low	10%	TBD
34	Inventory City Practices and Recommend Improvements	ES Program	PW/ES	✓			100%	Complete
35	Adopt CO2e Emission Goals – Government Operations and Community	ESAP 08/09	PW/ES	✓	✓		100%	Complete
36	Redesign Water Billing Format	ESAP 08/09	FASD		✓		100%	Complete
37	Recruit and Train Water Conservation Advocates	ESAP 08/09	PW/PS		✓		100%	Complete

	Project	Source	Lead Dept	Scope		Level of Effort Required	Level of Completion	Estimated Completion Date
				City	Comm			
38	Establish LEED Silver as Standard for City Buildings	ESAP 08/09	PW/ES	✓			100%	Complete
39	Create Environmental Displays at Library	ESAP 09/10	Lib		✓		100%	Complete
40	Provide additional Arbor Day Trees	ESAP 09/10	CSD		✓		100%	Complete
41	Community Bus Route	ESAP 08/09	PW/Tran		✓	Medium	100%	Revised Route begins July 2011

Source Key: ESAP = Environmental Sustainability Action Plan adopted by Council March 2009.
ES Program = Environmental Sustainability Program adopted by Council September 2007.
Opportunity = A project that was pursued based on an opportunity presented to City that was in keeping with goals of the program

Lead Dept. Key: PW/ES = Public Works Department, Environmental Sustainability Section
CDD = Community Development Department
FASD = Finance and Administrative Services Department
PW/SW = Public Works Department, Solid Waste Section
PW/Fac = Public Works Department, Facilities Section
PW/PS = Public Works Department, Public Services Section
PW/Tran = Public Works Department, Transportation Section
Lib = Library
CSD = Community Services Department

CITY OF MOUNTAIN VIEW
MEMORANDUM

DATE: May 27, 2010

TO: Council Environmental Sustainability Committee

FROM: Stephen P. Attinger, Environmental Sustainability Coordinator

SUBJECT: PROPOSED REVISIONS TO COMMUNITY ENERGY AUDIT AND UPGRADE PROGRAM

RECOMMENDATION

Approve staff's revised approach to conducting residential energy audits and upgrades as outlined in this report.

BACKGROUND AND ANALYSIS

In May 2009, the City Council approved a proposed spending plan for the $719,000 in Federal Energy Efficiency and Conservation Block Grant funds (ARRA stimulus funds) the City would be receiving. The proposed spending plan included the following activities:

1. Retrofitting Rengstorff Park and Cuesta Park tennis court lights with energy-efficient bulbs ($76,000).

2. Upgrading the Shoreline at Mountain View microturbines ($300,000).

3. Providing free or subsidized residential energy audits and simple device installations to Mountain View residents ($343,000).

Both the tennis court lighting and microturbine projects are currently under way. Staff is testing various high-efficiency lighting products for the tennis court project to determine which product(s) provide the best lighting results and reduced energy use. The Public Services Division is evaluating the best technology and approach for replacing the microturbines.

Residential Energy Audit and Upgrade Program

The Residential Energy Audit and Upgrade Program initially presented to Council included the following elements:

- Conducting basic (Tier 1) audits of single- and multi-family homes (see Attachment 1).
- Installing simple devices (e.g., compact fluorescent lights (CFLs) and smart powerstrips) while at residences conducting audits.
- Obtaining commitments from audit participants to adopt more energy-saving behaviors.

Staff anticipated hiring one firm (either for-profit or nonprofit) to design and implement the program.

However, based on a review of current Best Practices among other cities and counties and recent developments at the State and Federal levels, staff now recommends changes to the approach approved by the Council.

Revised Program Scope/Focus

Current Best Practices suggest that the primary focus of the program should be on Tier 2 and Tier 3 upgrades/retrofits, rather than on the free/subsidized home audits and Tier 1 instant upgrades previously proposed. Several research studies indicate that residents who have a Tier 1 audit performed are only 5 percent to 10 percent likely to perform any subsequent upgrades, while residents who have an advanced (Tier 2 or Tier 3) audit performed are 50 percent likely to perform upgrades. Additionally, Tier 2 and Tier 3 upgrades will result in greater reductions in energy use and greenhouse gas emissions.

Also, based on the advice received from other agencies with audit/upgrade programs already in place, staff is leaning away from the City paying a resident's audit cost up front. Instead, any financial assistance or incentives would be tied to a resident or property owner actually completing an upgrade.

To maximize the number of Tier 2 or Tier 3 upgrades conducted in the City's large multi-family community, staff plans to focus on engaging with property owners since they would make decisions about performing Tier 2/3 retrofits on their buildings. Staff

may still engage renters directly about installing Tier 1 devices, such as CFLs and smart powerstrips, but this will be emphasized less than originally planned. Alameda County's StopWaste.org is developing recommended guidelines and contractor qualifications for audits and Tier 2/3 retrofits in multi-family units. These guidelines are expected to be completed by midsummer and will be available to jurisdictions, including the City of Mountain View, to use in their own local programs. Also, StopWaste.org will be offering workforce training in the fall and, by the end of 2010, software for property managers to evaluate which building upgrades to make. Property managers will have to pay a fee to use the software.

Staff had initially recommended hiring one firm (either for-profit or nonprofit) to administer all aspects of the audit and upgrade program. However, given the proposed new scope and focus of the program, staff now believes it is unlikely that a single firm will possess the full breadth and depth of knowledge, skills and expertise to administer the program. Consequently, staff now recommends that different firms be hired for the project design/management and advertising/outreach components of the program. Staff will encourage firms interested in assisting the City to team up with other firms with complementary skills/expertise to submit a single proposal to the City.

Also, based on advice received from the California Home Energy Retrofit Coordinating Committee (HERCC) and other energy efficiency experts, staff now recommends allowing residents participating in the audit/upgrade program to choose an auditor and upgrade contractor from a list of "approved" vendors, rather than requiring them to use a single contractor selected by the City. The Association of Bay Area Governments (ABAG) is currently developing a list of "approved" vendors, and the list should be available this summer or fall.

A summary of staff's proposed changes to the community energy audit and upgrade program and a list of retrofits by tier is shown in Attachment 1. A flow chart depicting staff's current concept for the program and how a resident might be able to take advantage of financial incentives to offset some of the costs associated with their energy efficiency upgrades is shown in Attachment 2.

It should be noted that focusing on Tier 2 and Tier 3 upgrades will likely result in greater energy and greenhouse gas savings. However, staff is not able to characterize the amount of the savings at this time. Additionally, staff does not yet know how many Tier 2 and Tier 3 home audits and upgrades can be completed with the allocated $343,000. These unknowns will be resolved and specified in the consultant contract forwarded to Council for approval in the fall.

Financial Assistance

Residents and property owners wishing to undertake Tier 2 and Tier 3 upgrades will have the following programs available to help them offset some of the costs of the upgrades.

Rebate Programs

Both Pacific Gas and Electric (PG&E) and the Federal Government are in the final stages of designing residential energy efficiency rebate programs. The PG&E rebate program is expected to go into effect in September or October 2010.

Legislation pertaining to the Federal rebate program (HOME STAR) was passed by the House of Representatives and is awaiting approval by the Senate. The HOME STAR program will offer financial incentives for residential energy-efficiency upgrades (e.g., installing attic insulation, weather stripping windows/doors and purchasing high-efficiency appliances). It is anticipated that program participants will save $200 to $500 per year in energy costs.

Both the PG&E and Federal programs will offer rebates for either prescriptive (e.g., retrofitting five specified items) or performance-based (e.g., attaining a 20 percent energy efficiency improvement overall) home upgrades, with performance-based rebate amounts generally being larger than prescriptive.

For home and business water efficiency upgrades, the Santa Clara Valley Water District currently offers rebates for items such as washing machines, water softeners, toilets and urinals, landscaping, irrigation equipment and submeters.

Financing Programs

In addition to the rebates noted above, residents will also be able to apply for financing for more expensive home energy and water upgrades. On January 12, 2010, the Council approved the City's participation in the CaliforniaFIRST home upgrade financing program. CaliforniaFIRST will enable residential and commercial property owners to obtain loans to finance energy efficiency, water efficiency and renewable energy projects. The loan is paid back via the property tax bill over a period of up to 20 years. The minimum loan amount is $5,000, and the program will likely begin accepting applications in October.

Outreach/Advertising Campaigns

There are currently two advertising/outreach programs being developed that will complement the local outreach performed as part of the City's residential energy upgrade program.

- The State of California is developing a State-wide advertising campaign around "smart energy use" in the home. This campaign is expected to be rolled out over several months starting this summer.

- Santa Clara County will be kicking off a home upgrade outreach campaign for residents and multi-family property owners late this summer or early fall.

The City plans to notify residents about its energy audit and upgrade program through multiple channels, such as the City's newsletter (*The View*), the *Mountain View Voice* newspaper, contacts with neighborhood and homeowner associations and other local groups. Additionally, staff will develop and post information about the program and the financial incentives available to participants on the City's web site.

CONCLUSION/NEXT STEPS

Staff requests feedback from the Council Environmental Sustainability Committee (Committee) regarding the proposed revisions to the City's community energy audit and upgrade program. If endorsed by the Committee, the program would be implemented according to the following schedule.

Date	Action
Mid- to Late June	Distribute RFP for residential audit program
Mid- to Late July	Receive responses to RFP
Mid- to Late August	Staff identifies recommended consultant(s)
Mid- to Late September	Present contract to Council
December	Roll out program to Mountain View residents

PUBLIC NOTICING—Agenda posting.

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Attachments:
1. Proposed Changes to Community Energy Audit/Upgrade Program and Retrofits by Tier
2. City of Mountain View Community Home Upgrade Program Flow Chart

Proposed Changes to Community Energy Audit/Upgrade Program

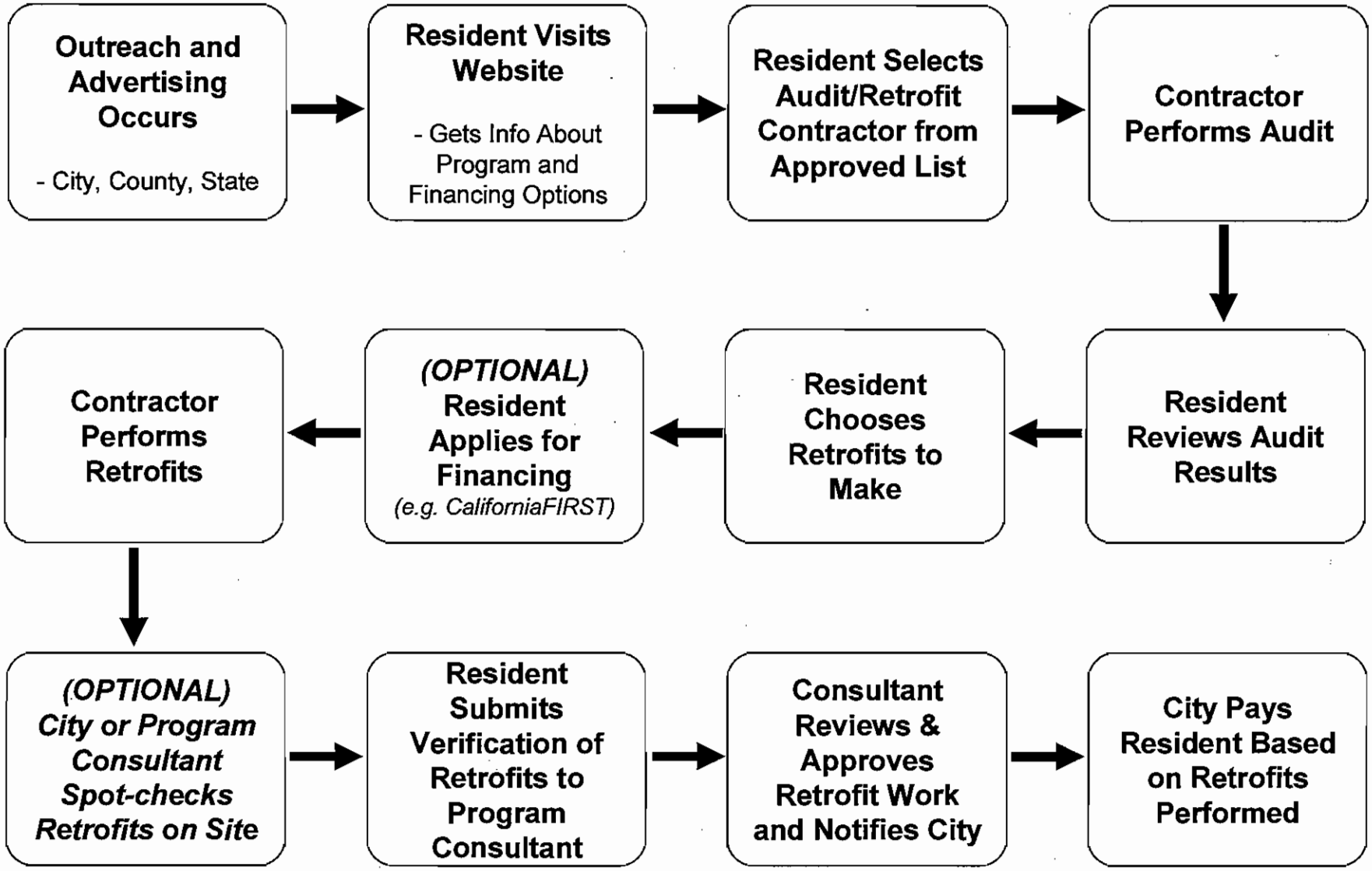
Item	Original Plan	Revised Plan
Audit/Retrofit Type	• Single-family: solely focused on Tier 1 • Multi-family: focused on the occupant/tenant	• Single-family: mostly focused on Tier 2 & 3, but with some attention to Tier 1 • Multi-family: focused on the property owner/landlord
Scope of Consultant Services	One firm to design and brand/advertise the program and conduct the audits.	A lead firm designs/manages the program, but outsources the branding/advertising to other vendors who specialize in this area. Allow residents to select a contractor to perform the audits and retrofits from an "ABAG-approved" list.

Retrofits by Tier — Sample List

Tier 1	Tier 2	Tier 3
Compact Fluorescent Lights (CFLs)	Attic insulation	HERS II audit – looks at house as a "system"
Programmable thermostats	Wall insulation	All Tier 2 retrofits deemed cost effective/applicable
Smart powerstrips	Floor insulation	Insulation defects
Old appliance replacement (e.g. refrigerator, dishwasher, washing machine, etc.)	Old appliance replacement (e.g. A/C, furnace, water heater, etc.)	A/C and furnace installation defects
	Duct sealing or replacement	Duct leakage
	Radiant barriers	Thermal barrier defects
	Cool roofs	Solar PV system
	Energy efficient windows	Solar hot water system
	Building envelope sealing	Combustion safety hazards

City of Mountain View Community Home Upgrade Program

-- Possible Scenario --



Attachment 2