

CITY COUNCIL SUSTAINABILITY COMMITTEE MEETING  
Hayward City Hall – Conference Room 2A  
777 B Street, Hayward, CA 94541-5007

July 11, 2016  
4:30 p.m. – 6:30 p.m.

**MEETING MINUTES**

**CALL TO ORDER:** Meeting called to order at 4:30 p.m. by Chair Al Mendall.

**ROLL CALL:**

**Members**

- Al Mendall, City Council Member /CSC Chair
- Greg Jones, City Council Member
- Francisco Zermeño, City Council Member

Staff:

- Kelly McAdoo, Assistant City Manager
- David Rizk, Director of Development Services
- Erik Pearson, Environmental Services Manager
- Jeff Krump, Solid Waste Program Manager
- Jennifer Yee, Sustainability Technician
- Gillian Corral, CivicSpark AmeriCorps Fellow
- Mary Thomas, Management Analyst
- Carol Lee, Administrative Secretary (Recorder)

Others:

- Jillian Buckholz, Director of Sustainability, California State University East Bay (CSUEB)
- Kelly Fergusson, Opterra

**PUBLIC COMMENTS**

None.

**1. Approval of Minutes of Council Sustainability Meeting on May 9, 2016.**

The Committee approved the minutes of the Council Sustainability Committee meeting of May 9, 2016.

**2. Renewable Energy Potential & Establishment of ZNE Goal**

Erik Pearson, Environmental Services Manager, presented the report. Mr. Pearson displayed potential installation sites for solar photovoltaics (PV), noting that some

facilities that were not conducive to installing rooftop solar PV could potentially install solar on carports. He explained that the plans in his presentation were not proposed designs, but rather a proof of concept.

Council Zermeño mentioned that he was in favor of solar PV carports because of the added value that carports would also be protecting cars from the elements. Council Zermeño asked if staff intends to replace the gas appliances to electric appliances, noting that it would be costly. Mr. Pearson explained that such changes would take place as the appliances reach their life expectancy. However, in the near term the City may offset the emissions from the natural gas use with additional PV.

Council Member Jones asked staff to consider prioritizing the various projects and phase in groups of projects that were most cost effective. Kelly Fergusson of Opterra, encouraged staff to consider both the conservation aspect and financial benefit to the City when preparing the policy. Ms. Fergusson explained that at a Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) site, such as the solar field at the Water Pollution Control Facility, PG&E only allows the City to offset the commodity cost, about 45% of the PG&E bill. She further explained that if the City were to build solar PV onsite, the City would be able to offset 100% percent of the cost in addition to the environmental benefits of achieving zero net energy. She also noted that by bundling projects that have a faster return on investment, the City could potentially fund future projects that have a longer return on investment without having to rely completely on the General Fund.

Chair Mendall asked staff to include what the City currently spends on energy and natural gas when preparing the report for City Council. He requested that staff report on the cost savings so that the Council is clear as to what they are committing to. Chair Mendall also noted that East Bay Community Energy (EBCE) may have options for municipalities that maybe better than RES-BCT, and encouraged staff to push for an option that is as good or better than RES-BCT.

The Committee was in favor of bringing a cumulative municipal zero net energy policy before the City Council for consideration.

### **3. GHG Inventory Update: Building Energy Data, 2005-2015**

Gillian Corral, CivicSpark AmeriCorps Fellow, presented an update on the City's Greenhouse Gas Inventory. She noted that the City's fluctuation in emissions are largely due to the changing mix of energy sources in PG&E's portfolio.

Ms. Corral reported that residential electricity usage has decreased since 2005. She noted that the per capital usage of natural gas and electricity has also decreased from 2005 to 2015. Chair Mendall suggested that the decline in electricity and natural gas consumption could be a trend of warmer winters.

Staff stated that they will focus future efforts toward reducing the electrical and natural gas usage of commercial users. Mr. Pearson noted that the East Bay Energy Watch and PG&E have resources and programs to encourage energy efficiency for commercial customers and that installing solar was another means of achieving this. Council Member Jones noted that Hayward has a number of food manufacturers, and suggested that staff use those that have made changes to lower their greenhouse gas emissions, such as Sugar Bowl Bakery, as a model for other manufacturers. He noted that Sugar Bowl Bakery has installed solar and converted some of their gas ovens to electrical ones. Chair Mendall agreed that the commercial sector had the biggest potential for energy conservation.

David Rizk, Director of Development Services, mentioned that construction codes are updated every three years, and that the energy efficiency standards will increase by 28% in the upcoming energy code, which may help the reduce overall energy use.

Chair Mendall requested that staff present the full 2015 GHG inventory update in late 2017.

#### **4. Net Energy Metering 2.0 Regulations**

Mary Thomas, Management Analyst, presented a brief update on Net Energy Metering (NEM) 2.0 Regulations, a utility billing structure that allows consumers with solar systems to “sell” electricity back to the grid when they are overproducing and use the credits to offset the electricity that they purchase from the grid when they are under-producing. She explained that the current tariff was set to expire in July 2017 or when a Utility Company, such as PG&E, reached 5% of their capacity, and that all new solar customers will be on a successor tariff. Ms. Thomas noted that PG&E has reached 5%, therefore the current tariff has expired. She explained that the California Public Utilities Commission (CPUC) will reanalyze the billing structure in 2019, but explained that all solar customers who sign up before then will have a similar NEM rate structure to existing solar customers, which is incentive for customers to join now.

Chair Mendall stated that East Bay Community Energy may replace this program in a few years. He also highlighted that solar permitting has increase 485% in the last four years.

#### **5. East Bay Community Energy – Presentation of Technical Study**

Erik Pearson, Environmental Services Manager, presented an overview of the technical study prepared by Alameda County to determine the feasibility of establishing a community choice energy program. Mr. Pearson stated that staff relayed three revisions to the draft joint powers agreement from City Council to the County, all of which were received favorably.

Chair Mendall urged staff to stress the importance of the voting shares vote needing a request by only two Board members as opposed to the requested change made by one of the participating cities, which proposed the need for a request by four Board members for a voting shares vote. Chair Mendall stated that Hayward is the third largest entity in the organization, and the need for more than two Board members to call for weighted voting may put Hayward at a disadvantage. He further commended Joseph Brick, Assistant City Attorney, for analyzing the draft agreement and preparing him to adequately discussing the matter at the Alameda County Community Energy Steering Committee meeting. The Committee affirmed Chair Mendall's stand on the issue.

Mr. Pearson presented four scenarios included in the technical study. Council Member Jones asked staff if the consumer will have at least two choices when deciding to join the program. Staff anticipates there to be two options. The Committee was in favor of scenario four, which would result in lower GHG emissions, provide financial savings to the customer, and supports locally generated power. Chair Mendall requested that staff offer guidance to the City Council on the issue and prepare a follow up report separate to the issue of the City joining the Joint Powers Authority, and present options two and four as recommended by the Committee.

Chair Mendall and Kelly McAdoo, Assistant City Manager, suggested bringing the item to City Council in September instead of October in case there are any proposed changes.

## **6. Sustainability Education and Outreach Update**

Mary Thomas presented a brief demonstration of the green portal of the City's website, and noted that the staff report provides detailed lists of accomplished outreach activities as well as projected outreach activities to come. Ms. Thomas explained that the current display of metrics on the website is static but staff is working to update the website to display dynamic metrics.

The Committee encouraged staff to utilize resources from StopWaste and Bay Area Water Conservation Agency, and include links to such agencies on the green portal of the City's website.

## **7. Suggested Agenda CSC Topics**

Chair Mendall was pleased that the Downtown Specific Plan was going to be brought before the Committee. Council Member Jones asked the Committee to address the issue of trees in an upcoming meeting. He mentioned that he noticed many sidewalks and medians that would benefit aesthetically from more trees. He also stated that many buildings would benefit from the shading of additional trees, which could reduce the need for air conditioning in those buildings.

**COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS:**

Chair Mendall thanked Council Member Greg Jones for his years of service, and presented a display of the awards that the City has received during the four years he served on the Council Sustainability Committee.

ADJOURNMENT: 6:15 p.m.

Attendance	Present 7/11/15 Meeting	MEETINGS		
		Present to Date This Fiscal Year	Excused to Date This Fiscal Year	Absent to Date This Fiscal Year
Greg Jones	✓	4	1	0
Al Mendall*	✓	5	0	0
Francisco Zermeño	✓	5	0	0

✓ = Present    0 = absent    X = excused  
\* Chair