

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Monday, May 9, 2016

4:30 PM

City Hall, Conference Room 2A

Council Sustainability Committee

CALL TO ORDER**ROLL CALL****PUBLIC COMMENTS:**

(The Public Comment section provides an opportunity to address the City Council Sustainability Committee on items not listed on the agenda as well as items on the agenda. The Committee welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Committee is prohibited by State law from discussing items not listed on the agenda, any comments on items not on the agenda will be taken under consideration without Committee discussion and may be referred to staff.)

APPROVAL OF MINUTES

1. [MIN 16-035](#) Approval of the Minutes of the City Council Sustainability Committee Meeting on March 14, 2016

REPORTS/ACTION ITEMS

2. [LB 16-043](#) East Bay SunShares

Attachments: [Attachment I East Bay SunShares Overview](#)
[Attachment II Participation Letter Template](#)

REPORTS/INFORMATIONAL ITEMS

3. [RPT 16-048](#) Reusable Bag Ordinance Expansion - Review Draft Ordinance

Attachments: [Attachment I Proposed Draft Expanded Bag Ordinance](#)
[Attachment II Reusable Bag Ordinance Expansion Schedule](#)

4. [RPT 16-050](#) Update on PAYS Implementation

Attachments: [Attachment I Summary of Projects](#)

5. [RPT 16-049](#) Suggested Sustainability Committee Meeting Topics

FUTURE AGENDA ITEMS

COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS

ADJOURNMENT

NEXT REGULAR MEETING, 4:30 PM, MONDAY, JULY 11, 2016



CITY OF HAYWARD

Hayward City Hall
777 B Street
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Staff Report

File #: MIN 16-035

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

March 14, 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, Council Member.

ROLL CALL:

Members

- Al Mendall, City Council Member /CSC Chair
- Greg Jones, City Council Member/City's Representative to StopWaste
- Francisco Zermeño, City Council Member

Staff:

- Kelly McAdoo, Assistant City Manager
- Alex Ameri, Utilities & Environmental Services Director
- David Rizk, Development Services Director
- Erik Pearson, Environmental Services Manager
- Elisa Wilfong, WPSC Administrator
- Corinne Ferreyra, Senior Management Analyst
- Mary Thomas, Management Analyst
- Alicia Sargiotto, Senior Utility Service Representative
- Jennifer Yee, Sustainability Technician
- Carol Lee, Administrative Secretary (Recorder)

Others:

- Jillian Buckholz, Director of Sustainability, California State University East Bay
- Jillian Hogan, Hayward Resident, Keep Hayward Clean and Green Task Force
- Sasha Stackhouse, Public Services Sector Manager, Waste Management of Alameda County (WMAC)

PUBLIC COMMENTS

Jillian Buckholz, Director of Sustainability, California State University East Bay (CSUEB), announced that CSUEB faculty is looking into a program called Sustainable City Year, which originated at the University of Oregon (UO). The program allowed the city of Springfield to work with UO students and faculty to complete projects that the city did not have the means to implement, which benefited the city and allowed students the opportunity to experience real-world sustainability efforts. CSUEB Faculty is hosting Nico Larco, Sustainable Cities Initiative Co-Director at UO, and invited staff, the Committee, and their guests to attend an open forum on Wednesday, April 6 to learn more about the UO program and discuss the potential of partnering with CSUEB for a pilot program at CSUEB next year. She closed by directing any interested parties to Erik Pearson, Environmental Services Manager, as he will be kept apprised of the details of this event.

CSC Chair Mendall requested that the Committee be kept apprised of the event and that the program be placed on a future CSC agenda for discussion.

1. Approval of Minutes of Council Sustainability Meeting on December 10, 2015

The Committee unanimously approved the minutes of the Council Sustainability Committee meeting on December 10, 2015.

2. Solid Waste Franchise Agreement Annual Report

Jennifer Yee, Sustainability Technician, presented the report.

Council Member Jones expressed concern regarding the unaccounted waste that is generated in Hayward and is being hauled out of the City. He noted that there are efforts at StopWaste and legislation at the State level aiming to limit this.

The Committee and staff agreed that organics separation is crucial in order to reach the diversion goals set for the City. Staff and WMAC will focus efforts to address this.

CSC Chair Mendall suggested that staff directly contact WMAC when Access Hayward requests are generated for abandoned debris, in order to lessen the load for Maintenance staff.

Staff stated its concerns with WMAC inconsistent service to public receptacles. Mr. Mendall echoed the concern and encouraged staff to continue working with WMAC to improve the service.

Staff indicated that the City has received additional public containers. Member Zermeño suggested that additional containers be placed outside of The Cobblers in response to the amount of garbage generated in the area.

The Committee was in favor of changing Hayward's Municipal Code (Section 5-1.15) regarding modifications to the setout time, from 6:00 a.m. to 6:00 p.m. the day prior to scheduled Collection.

3. Municipal Regional Stormwater Permit

Elisa Wilfong, WPSC Administrator, presented the report and shared a short video clip that highlighted Green Infrastructure, described how it can be a means to filtrate and treat for pollutants, and how Hayward can possibility encourage it for new development.

Ms. Wilfong noted that there was some controversy over the Stormwater Permit adopted in November 2015. Hayward is among the municipalities that have filed a petition asking the State Water Resources Control Board to review the Permit's approval process.

The Committee asked staff to be mindful, from a policy perspective, when developing comprehensive standard detail requirements for developers, such as balancing solar and green infrastructure. They further asked staff to encourage contractors to use higher quality products such as permeable concrete for future City projects and suggested that sunken landscaping may be a feasible means to recharge stormwater that can be implemented sooner.

CSC Chair Mendall was in favor of requiring businesses to be responsible for costs directly related to the enhanced stormwater inspection enforcement, especially businesses that contribute to the trash found in routine stormwater inspections, such as fast food restaurants and like establishments.

4. Update on East Bay Community Energy

Erik Pearson, Environmental Services Manager, provided an update on East Bay Community Energy (EBCE) and reported that the Alameda County Steering Committee has met three times since the last update. Mr. Pearson explained that the County announced that they aim to launch this program by spring of 2017, and hopes to have the first JPA Board Meeting in October 2016. He noted that by doing this, the JPA will need to be formed before the findings of the technical study and the details of the program are finalized. He explained that the County has assured the Steering Committee that there will be a provision which would allow a city to join the JPA and withdraw, before the program launches in spring of 2017, if certain criteria are not met.

Chair Mendall mentioned that, at the EBCE Steering Committee meeting, he had supported implementation of a weighted voting structure for the JPA. The Committee was in favor of the JPA having weighted voting based on population or electrical demand.

The Committee discussed finding a balance between market acceptability and environmental impact as it related to the default option available to customers. Staff mentioned that the number one criteria in joining EBCE was lower greenhouse gas emissions, and cautioned that if customers join EBCE at 50% renewable energy as the default, the program may not be competitive with PG&E's current options as it relates to greenhouse gas emissions.

5. Update on City-Wide Water Conservation and Revised Emergency Regulations for

Statewide Urban Water Conservation

Alicia Sargiotto, Senior Utility Service Representative, presented a brief update on City-wide conservation and addressed the State's Emergency Regulations for Statewide Urban Water Conservation extension through October 2016.

CSC Chair Mendall commented that Hayward continues to use less water year over year, as shown in Attachment II of the report, despite continued development and growth. He recommended that staff be cognizant of that trend when preparing the long term water plans for the City. He encouraged staff to expand the incentives for water conversation, especially as it relates to outdoor water usage. Staff commented that, in response to the Committee's prior recommendation, such measures were taken to revise the lawn conversion rebate program in order to encourage additional participation. Staff noted that since the previous program guidelines were removed, such as the healthy lawn requirement and the limit to the maximum rebate, the City has received several large commercial applications for the lawn conversion rebate.

6. 2016 Agenda Topics

Council Member Jones requested staff to provide an update on the PAYS program and address the state legislation related to the issuance of debt.

CSC Chair Mendall asked staff to agendize the topic of Sustainable City Year and Green Infrastructure. He encouraged staff to focus on policy-related issues as future CSC agenda items are developed and place on the agenda.

COMMITTEE MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS:

None.

ADJOURNMENT: 6:15 p.m.

Attendance	Present 3/14/15 Meeting	MEETINGS		
		Present to Date This Year	Excused to Date This Fiscal Year	Absent to This Fiscal Year
Greg Jones	✓	3	0	0
Al Mendall*	✓	3	0	0
Francisco Zermeño	✓	3	0	0

✓ = Present 0 = absent X = excused

* Chair



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Staff Report

File #: LB 16-043

DATE: May 9, 2016

TO: Council Sustainability Committee

FROM: Director of Utilities and Environmental Services

SUBJECT

East Bay SunShares

RECOMMENDATION

That the Committee reviews and comments on this report and directs staff to participate in the East Bay SunShares program.

BACKGROUND

In 2015, the cities of Walnut Creek, Fremont, Piedmont, and Lafayette participated in a program called East Bay SunShares - a group purchase program for solar photovoltaic systems. The three-month campaign resulted in more than 600 residents signing up to learn more about residential solar; and contracts providing over 850 kW of new residential solar power were signed.

DISCUSSION

For 2016, East Bay SunShares will be expanded to include electric vehicles (EVs) in addition to solar photovoltaic systems. Staff is considering participating in this regional program as it would help Hayward residents investigate and purchase EVs and solar systems, to offset grid energy use and to reduce vehicle emissions. The City would partner with multiple East Bay entities to create a larger market for bulk purchasing. All of these entities will market the program to their constituents and employees. A joint Request for Proposals will be issued, and a contractor will be selected from the bids that meet the requirements of the RFP. The goal is to spur lower pricing through bulk purchasing. The more participants who sign up, the lower the pricing will be. Currently, the cities of Fremont, Berkeley, and Oakland have expressed interest.

The 2016 East Bay SunShares program will be administered by the Business Council on Climate Change (BC3). As noted in Attachment I, staff's role would be to assist BC3 with coordinating public workshops and contacting potential participants via email, newsletters, intranet sites, and posters. In early June, after the participating cities are confirmed, BC3 will issue a request for proposals to find interested solar companies and EV dealers.

The following General Plan policies related to solar and EVs support Hayward's participation in East Bay SunShares.

Policy NR-4.6 Renewable Energy - The City shall encourage and support the generation, transmission, use, and storage of locally-distributed renewable energy in order to promote energy independence, efficiency, and sustainability. The City shall consider various incentives to encourage the installation of renewable energy projects (i.e. reduced permit fees and permit streamlining).

Policy NR-2.10 Zero-Emission and Low-Emission Vehicle Use - The City shall encourage the use of zero-emission vehicles, low-emission vehicles, bicycles and other non-motorized vehicles, and car-sharing programs by requiring sufficient and convenient infrastructure and parking facilities throughout the City.

Policy NR-2.11 Zero-Emission and Low-Emission Vehicle Advocacy - The City shall collaborate with regional, State, and Federal entities to promote the use of alternative fuels and increased vehicle fuel efficiency standards, and to advocate for higher fuel-economy standards, or contribute to regional and state marketing and outreach efforts.

Policy NR-2.4 Community Greenhouse Gas Reduction - The City shall work with the community to reduce community-based GHG emissions by 20 percent below 2005 baseline levels by 2020, and strive to reduce community emissions by 61.7 percent and 82.5 percent by 2040 and 2050, respectively. [Source: New Policy, City staff] (RDR)

FISCAL IMPACT

Participation in East Bay SunShares would result in minimal financial impacts to the City. Some staff time will be needed for outreach and advertising; however, the costs of solar or EVs will be borne by program participants.

SUSTAINABILITY FEATURES

Energy: Electricity/natural gas/other fossil fuels.

East Bay SunShares will facilitate solar photovoltaic installations and the purchase of electric vehicles - both of which reduce the community's reliance on fossil fuels.

Air: Air emissions of pollutants.

East Bay SunShares will promote the purchase of electric vehicles, which will reduce transportation-related emissions, including greenhouse gas emissions.


NEXT STEPS

Upon direction from the Committee, staff will send a letter (see Attachment II) to the Business Council on Climate Change (BC3) expressing Hayward's interest in participating in the program. Staff would then participate in collaborative efforts to market the program.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Utilities and Environmental Services

Approved by:



Fran David, City Manager

Attachments:

Attachment I
Attachment II

East Bay SunShares Overview
Participation Letter Template



BUSINESS COUNCIL ON
CLIMATE CHANGE

April 2016

**East Bay SunShares
Program Description**

Concept: In conjunction with their work on solar soft-cost reduction, a group of East Bay communities and their program partner, the Business Council on Climate Change (BC3, the Program Team) is for the second year offering interested organizations an opportunity to participate in SunShares. BC3 will provide administrative program support to reduce the complexity and cost of residential solar. Additionally, the program this year will include a component aimed at reducing the complexity and cost of electric vehicles (EVs).

The goal of the program is to reach solar and EV customers via targeted outreach through community organizations including local governments, private employers, and neighborhood groups and non-profit organizations. Organizations participating in the program will offer their members / employees (i.e., the individual participants) the opportunity to become a part of an engaging sustainability initiative.

In 2015, the cities of Walnut Creek, Fremont, Piedmont, and Lafayette participated in the SunShares program, which was then administered by the Vote Solar Initiative and did not yet include an EV component. More than 600 residents signed up to learn more about residential solar, and over 850 kw of new residential solar contracts were signed via a three month campaign.

Benefit to Local Governments: Initiatives that engage residents, businesses and the community in shared sustainability efforts are a key component in achieving local and regional renewable energy goals.

Benefit to Participating Outreach Organizations: Collaborative purchasing programs for solar and EVs offer a new opportunity for organizations to engage their members in helping to achieve community wide clean energy goals while investing in their well-being at home. Additionally, aggregating a group of homeowner sites (or potential customers for EVs) and soliciting bids from potential contractors can attract more competitive proposals, accomplish community goals faster, and reduce transaction costs.

Benefit to Participants: Homeowners want to save on their utility and driving costs and use clean electricity but often aren't sure how to go about it, and don't have time to research all the options themselves. East Bay SunShares will pool the buying power of the community to secure lower up front purchase pricing and highly attractive financing options for both solar and EVs. Participants will also benefit from free educational workshops and webinars run by the program administrator.

How it works: The Program Team will manage all program components, creating a custom campaign targeted at an organization's members / employees throughout the community to generate excitement and participation.

As program administrator, BC3 will manage a procurement process that includes the issuance of Request for Proposals to qualified solar installers and EV manufacturers. A community evaluation committee will be recruited to review proposals and select the programs' vendors based on proposal evaluation criteria and scoring. BC3 will act as the group's technical advisor, answering participant questions throughout the program.

The education and outreach components of the East Bay SunShares program include a dedicated registration website, promotional materials to attract and encourage participation, and group workshops and webinars.

Local Government Role: Local governments have two distinct opportunities to participate in the East Bay SunShares program. The first is directly as an employer, by conducting internal outreach to employees. The second is as a community champion, by recruiting outside community organizations to the program, which will in turn act as a network of outreach partners that spread the message to individual participants. Once an individual organization is informed of the opportunity and responds positively, BC3 staff will handle ongoing communication regarding program implementation.

Organizational Role: The Program Team requests that a director or executive from each participating organization provide an affirmative letter indicating their participation in the East Bay SunShares program. Each participating organization will inform its members / employees about the program in a similar manor to other member engagement and/or benefit efforts. A minimal amount of staff time will be needed to assist the Program Team with reserving meeting space for onsite workshops and contacting employees through approved channels of communication including email, newsletters, intranet sites and posters.

EXAMPLE PROJECT TIMELINE

Confirm employer organization participation	May – Week 4
(deadline: May 27)	
Issue Request for Proposals	June – Week 1
Form evaluation committee	June – Week 2
Proposals Due	July – Week 1
Firm(s) Selected	July – Week 3/4
Program launch	July – Week 4
Education & Outreach	Aug., Sept., Oct.
Group list closes	Oct. – Week 4
Deadline: Homeowner contracts signed	November – Week 4
Installations Complete*	January – Week 4

*Timeframes indicated are approximate – any specific step may require additional time, particularly recruitment and installation.

Liability or Risk: The procurement process documents issued by the Program Team on behalf of the employee group and all contracts between the Program Team and the selected solar firm(s) specify that the participating organizations have no fiscal or legal liability. All contracts for solar installations are between the selected firm(s) and individual homeowners.

Example Legal statement to be included in RFP:**X.X.X Participating Organizations**

Each of the participating organizations, on behalf of their membership groups, will collaborate with the Business Council on Climate Change and the selected Firm(s) on Program implementation. Organizations will identify approved communication channels and promote education and information sessions including webinars and onsite presentations to their employees.

While the East Bay SunShares Program is being offered to the members of each participating organization, these organizations do not endorse any Firms and will not endorse the selected Firm(s). Any participant who enters into the Program does so in his/her personal capacity and at his/her own risk and will expressly hold each of the participating organizations harmless from any liability associated with his/her decision to participate in this Program for services for his/her personal, non-work related projects.

[DATE]

Michael Parks
Executive Director
Business Council on Climate Change
1455 Market Street, 12th Floor
San Francisco, CA 94103

Re: Participation in East Bay SunShares Program

Dear Mr. Parks:

I am pleased to provide this letter in support of the collaborative solar and electric vehicle (EV) education and discount East Bay “SunShares” program now being developed by the Business Council on Climate Change (BC3).

[CITY NAME] believes the proposed program, which will be administered by BC3, will help to continue to overcome soft cost barriers impeding broad market transformation of residential rooftop solar and EVs by enabling homeowners to voluntarily participate in a group education and discount program. Participating as a partner city can help to meet our [CITY CLIMATE AND/OR ENERGY GOALS].

[CITY NAME] welcomes the opportunity to collaborate with BC3 and its program partners on this innovative program and will use our communication channels to reach our residents. We may also promote the program to local business employees and community group members throughout the program term. The City commits to the following:

1. Provide BC3 with contact information of, and make introductions to, relevant City staff and community stakeholders who can reach City residents as a part of the programs outreach strategy. The main City staff point of contact is: [NAME, TITLE, E-MAIL, PHONE]
2. The City understands that it will initiate contact with community groups on behalf of the “SunShares” program, which will enable BC3 to follow up with interested community groups to coordinate outreach efforts.
3. The City will conduct outreach to residents to promote program availability using internal communication channels which may include email blasts, utility bill inserts, neighborhood association social media outlets, newsletters, and posters. The City will report back to BC3 on the number of outreach contacts made.
4. BC3 will provide the City and our community partners with formatted electronic files to conduct outreach to community members.

Sincerely,

[NAME]
[TITLE]



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Staff Report

File #: RPT 16-048

DATE: May 9, 2016

TO: Council Sustainability Committee

FROM: Director of Utilities and Environmental Services

SUBJECT

Reusable Bag Ordinance Expansion - Review Draft Ordinance

RECOMMENDATION

That the Committee reviews this report and provides a recommendation to the full Council with any comments on the draft ordinance and a City policy position.

BACKGROUND

The Reusable Bag Ordinance adopted by the Alameda County Waste Management Authority in 2012 (Ordinance 2012-2) went into effect in January 2013 and applies to approximately 1,300 grocery, drug and liquor stores in Alameda County that traditionally distribute a high volume of single-use bags. The ordinance promotes the use of reusable bags to prevent waste from happening in the first place, as well as reducing litter and keeping plastic bags out of local waterways. For more information on the Reusable Bag Ordinance, please review the Council Report on the [Reusable Bag Ordinance](http://citydocuments.hayward-ca.gov/WebLink8/DocView.aspx?id=141512&searchid=854ff183-3d7e-457b-b962-8bc69062741f&dbid=0) [<http://citydocuments.hayward-ca.gov/WebLink8/DocView.aspx?id=141512&searchid=854ff183-3d7e-457b-b962-8bc69062741f&dbid=0>](http://citydocuments.hayward-ca.gov/WebLink8/DocView.aspx?id=141512&searchid=854ff183-3d7e-457b-b962-8bc69062741f&dbid=0).

Ordinance Requirements

As of January 1, 2013, affected stores can only distribute compliant reusable bags or bags made of recycled content paper and only if the store charges a minimum price of ten cents per bag, itemized on the receipt.

Ordinance Effectiveness

Since implementation, the reusable bag ordinance has had dramatic results:

- Overall bag purchases by affected Alameda County retail stores have declined by 85%.
- The number of shoppers bringing a reusable bag, or not using a bag at all, has more than doubled.
- A 44% decrease in plastic bags found in Alameda County storm drains.
- Stores are participating with a compliance rate of 90%.

Ordinance Expansion

Given the effectiveness of the current ordinance, the Waste Management Authority (WMA) Board directed staff to plan for an expansion of the reusable bag ordinance to include all retail stores and restaurants. The WMA is expected to vote on an amended ordinance in September 2016. The draft

ordinance is included as Attachment I to this report.

Timeline

The below timeline indicates the action taken since adoption of the Reusable Bag Ordinance by the WMA Board, up until the most recent action taken on expansion of the Ordinance:

<u>January 2012</u>	Reusable Bag Ordinance 2012-2 adopted by WMA Board. The ordinance covers approximately 1,300 stores that sell packaged food and liquor. Board stated it would consider possible expansion of the ordinance at a later time, once effectiveness of original ordinance was determined.
<u>January 2013</u>	Ordinance became effective in all Alameda County jurisdictions. Single-use plastic bags no longer available at stores that sell milk, bread, soda, and snack foods as well and/or liquor. A minimum of ten cents must be charged for each paper bag or reusable bag distributed at point of sale, itemized on receipt.
<u>September 2014</u>	WMA Board finds that ordinance has achieved its goal to substantially reduce environmental impacts.
<u>October 2014</u>	WMA Board approved process for expansion activities; directed staff to further develop budget and scope for potential expansion of the ordinance.
<u>March 2015</u>	Alameda County Clean Water Program committed \$180,000 in funding support for expansion of ordinance to a larger set of stores (original county-wide costs were estimated at \$518,000 in FY 2013, and \$200,000 thereafter).
<u>July 2015</u>	WMA committed additional funding and staff hours to conduct research and stakeholder outreach relating to ordinance expansion activities.
<u>December 2015</u>	WMA Board directed staff to develop budget and draft ordinance language to expand to all retail stores (9,000 additional stores) and restaurants (4,000 public eating establishments), with a phase-in approach for restaurants (expanded retail stores will be effective May 2017, whereas restaurants will be effective November 2017).
<u>March 2016</u>	WMA approved the proposed reusable bag ordinance expansion language.

DISCUSSION

The proposed ordinance expansion changes were developed together with legal counsel and with input from member agency staff (via the Technical Advisory Committee). The proposed expanded ordinance

would include all retail stores (an estimated 9,000 additional stores) and restaurants (estimated 4,000). The ordinance, as amended, is scheduled to be introduced to the WMA Board for a first reading on September 28, 2016. The attached draft ordinance was developed in advance to provide time for review and distribution to member agencies, and to allow for member agencies to present the item to their governing bodies if so desired.

The following items summarize the key changes of the ordinance expansion, including revised definitions, exemptions, and related details:

Revised definitions:

- **Store:** Any commercial establishment operating from a permanent enclosed structure that sells perishable or nonperishable goods including, but not limited to, clothing, food and personal items directly to a customer. (Intent: to capture all types of retail stores. Any place where you can walk into a “brick and mortar” store and purchase a tangible item is covered by the ordinance.)
- **Public Eating Establishment:** Any restaurant, take-out food establishment or other business (including but not limited to food sales from vehicles or temporary facilities open to the public) that receive 90% or more of its revenue from the sale of prepared and ready-to-consume foods and/or drinks to the public. (Intent: to cover food trucks and vendors who distribute food in bags.)

Exemptions:

- **Produce/Product Bags:** bags that are integral to the packaging of the product, or bags without handles provided to the Customer (i) to transport produce, bulk food or meat from a produce, bulk food or meat department within a Store to the point of sale, (ii) to hold prescription medication dispensed from a pharmacy, or (iii) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Content Paper Bag.
- Stores operating in a certified farmers’ market registered in accordance with Section 47020 of the California Food and Agricultural Code. (Only twenty California certified markets operate in the county, and many use produce bags without handles, which are already exempt.)

Public Eating Establishments are not required to charge customers if distributing recycled content paper bags, but must charge a minimum of ten cents for a compliant reusable bag.

Other Changes:

- Recordkeeping requirements for stores regarding customer bag sales and store bag purchasing are removed. The WMA found that records provided by stores have been illegible and/or incomplete and therefore do not accurately capture performance metrics. The WMA will continue to collect their own data to track performance metrics.
- Switch routine inspections to complaint-based inspection only.

Opt-Out Provision:

Should Council elect not to participate, staff will bring this matter back with the appropriate resolution for Council adoption. Jurisdictions may choose not to participate in the ordinance by December 9, 2016. Staff is seeking comments on the draft ordinance from the Committee. Upon a recommendation from the Committee, staff will present the draft ordinance to the full Council.

SUSTAINABILITY FEATURES

Energy: Electricity/natural gas/other fossil fuels.

The proposed ordinance expansion may further encourage shoppers to use reusable bags and restaurants and stores to minimize use of bags, which could minimize energy-use attributed to plastic-bag manufacturing and distribution.

Water: Efficiency and conservation.

The proposed ordinance expansion could minimize water-use attributed to the manufacturing of plastic bags.

Solid Waste: Waste reduction and diversion.

The ordinance expansion will decrease the amount of plastic bags purchased by stored and restaurants in the City, as well as promote the use of reusable bags among shoppers, decreasing the use of single-use plastic bags overall.

NEXT STEPS

The WMA Board anticipates the following timeline for the proposed ordinance expansion:

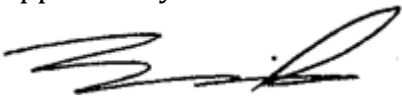
<u>April - July 2016</u>	WMA staff available to attend or present (upon request) to member agency governing boards to provide overview of ordinance revisions.
<u>September 2016</u>	Ordinance introduced and first reading by WMA Board; approval of EIR Addendum
<u>October 2016</u>	Ordinance second reading and adoption by WMA Board. All member agencies automatically opted in.
<u>December 2016</u>	Any member agency choosing to opt out must do so by a resolution of its governing body by December 9, 2016.
<u>May 2017</u>	Ordinance effective for expanded retail stores.
<u>November 2017</u>	Ordinance effective for all restaurants.

File #: RPT 16-048

Prepared by: Jennifer Yee, Sustainability Technician

Recommended by: Alex Ameri, Director of Utilities and Environmental Services

Approved by:

A handwritten signature in black ink, appearing to read 'Fran David', is positioned below the 'Approved by:' text.

Fran David, City Manager

Attachments:

Attachment I Attachment II

Proposed Draft Expanded Bag Ordinance Reusable Bag
Ordinance Expansion Schedule

Proposed Expanded Reusable Bags Ordinance.

This document shows how Alameda County Waste Management Authority Ordinance 2012-2 would be amended if the Board approves expansion of its scope to include all stores and public eating establishments.

**ORDINANCE 2012-2
AS AMENDED BY ORDINANCE 2016-#
(Scheduled for introduction September 28, 2016)**

**ORDINANCE REGULATING THE USE OF CARRYOUT BAGS
AND PROMOTING THE USE OF REUSABLE BAGS**

The Board of the Alameda County Waste Management Authority (“Authority”) ordains as follows:

SECTION 1 (Enactment)

The Board of the Authority does hereby enact this Ordinance in full consisting of Section 1 through Section ~~11~~**10**.

SECTION 2 (Findings)

- (a) The purpose of this Ordinance is to reduce the use of single use carryout bags and promote the use of reusable bags at the point of sale in Alameda County.
- (b) The Authority has the power to enact this Ordinance pursuant to the Joint Exercise of Powers Agreement for Waste Management (“JPA”). The JPA grants the Authority the power, duty, and responsibility to prepare, adopt, revise, amend, administer, enforce and implement the County Integrated Waste Management Plan (“CoIWMP”), and pursuant to Section 5.m of the JPA, the power to adopt ordinances necessary to carry out the purposes of the JPA.
- (c) Reducing single use bag use is reasonably necessary to carry out the purposes of the JPA and implement the CoIWMP, including the following goals and policies.
- (d) Goal 1 of the CoIWMP is to promote environmental quality, ensure protection of public health and safety, and to minimize environmental impacts in all aspects of solid waste management. Policy 1.4.1 includes reduction of hard to recycle materials.
- (e) Goal 2 of the CoIWMP calls on the Authority and its member agencies to achieve maximum feasible waste reduction and to reduce the amount of waste disposed at landfills through improved management and conservation of resources.
- (f) Policy 2.1.1 adopts a waste management hierarchy that ranks management of waste through source reduction and then recycling and composting above landfill disposal.
- (g) Goal 7 of the CoIMWP is to Promote Inter-jurisdictional Cooperation. Policy

7.1.3 states that the Authority shall coordinate with other organizations as needed to fulfill its countywide role including coordinating on related issues such as water and litter. Objective 7.8 states that the Authority will coordinate and facilitate program implementation by individual or subregional groupings of member agencies.

- (h) Numerous studies have documented the prevalence of plastic carry-out bags littering the environment, blocking storm drains and fouling beaches.
- (i) Plastic bags are a substantial source of marine debris.
- (j) Plastic bags cause operational problems at County landfills and transfer stations and contribute to litter countywide.
- (k) ~~The Authority has participated in a campaign with The Bay Area Recycling Outreach Coalition to promote reusable bags countywide for several years. Despite these efforts, plastic bags comprise 9.6% of litter collected during coastal cleanup days (based on 2008 data) in Alameda County. Additionally, plastic bags continue to cause processing equipment problems at County transfer stations.~~ Agency studies show that as a result of Ordinance 2012-2, there has been a 44% decrease in plastic bags found in Alameda County Storm drains and a 69% decrease in paper and plastic bags at point of sale, and the number of shoppers bringing a reusable bag to affected stores, or not using a bag at all, has more than doubled.
- (l) Member Agencies are required by the Municipal Regional Permit (MRP) for storm water to reduce trash by 70% by 2017 and 100% by 2022, with cities having the option to implement plastic bag bans to achieve these requirements.
- (m) There are several alternatives to single-use carry-out bags readily available.
- (n) ~~Studies document that banning single use plastic bags and charging for single use paper bags will dramatically reduce the single use of both types of bags.~~ Despite the positive impacts of the existing ordinance, it is estimated that 62% of the projected 764 million bags distributed in Alameda County are distributed by currently affected stores. Further efforts are needed to decrease single-use checkout bags.
- (o) The Authority prepared the Mandatory Recycling and Single Use Bag Reduction Ordinances Environmental Impact Report, which considered two separate projects and included the environmental review required by the California Environmental Quality Act for this Ordinance. The Authority certified those portions of the EIR relevant to this Ordinance. [This section will describe the additional environmental review prepared for amending the reusable bag ordinance once the review is completed].
- (p) This ordinance will be enforced using the principle of progressive enforcement with the objective of bringing the regulated community into compliance. Progressive enforcement measures shall be used in the following order in order to promote compliance: (i) official notification of non-compliance, (ii) warning of an

impending administrative citation and related fine, (iii) issuance of an administrative citation and fine, and (iv) civil enforcement and/or criminal enforcement if warranted by the nature of the violation.

SECTION 3 (Definitions)

The definitions set forth in this Section shall govern the application and interpretation of this ordinance.

- (a) "Alameda County" means all of the territory located within the incorporated and unincorporated areas of Alameda County.
- (b) "Authority" means the Alameda County Waste Management Authority created by the Joint Exercise of Powers Agreement for Waste Management (JPA).
- (c) "Authority Representative" means any agent of the Authority designated by the Enforcement Official to implement this Ordinance, including Member Agency employees, or private contractors hired for purposes of monitoring and enforcement.
- (d) "Covered Jurisdiction" means a Member Agency of the JPA that has not opted out of coverage under **Ordinance 2012-02 or Ordinance 2016-01** ~~this Ordinance~~ pursuant to Section 9 of this Ordinance. **"2012 Covered Jurisdiction" means a Member Agency. "2016 Covered Jurisdiction" means a Member Agency that has not opted out of coverage under Ordinance 2016-01.**
- (e) "Customer" means any Person obtaining goods from a Store.
- (f) "Enforcement Official" means the Executive Director of the Authority or his or her authorized designee.
- (g) "Executive Director" means the individual appointed by the Authority Board to act as head of staff and perform those duties specified by the Authority Rules of Procedure and by the Board.
- (h) "Member Agency" means a party to the JPA. Current member agencies are the County of Alameda, the Cities of Alameda, Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro, Union City, and the Castro Valley and Oro Loma Sanitary Districts. The service areas for the purpose of Section ~~9~~**8** of this Ordinance are:
 - (1) The legal boundaries of each of the 14 incorporated municipalities within Alameda County.
 - (2) The unincorporated sections of the County.
- (i) "Nonprofit Charitable Reuse Organization" means a charitable organization recognized as having Section 501 (c)(3) status by the Internal Revenue Code of 1986, or a distinct

operating unit or division of the charitable organization, that reuses and recycles donated goods or materials and receives more than fifty percent (50%) of its revenues from the handling and sale of those donated goods or materials.

- (j) "Person" means an individual, firm, public or private corporation, limited liability company, partnership, industry or any other entity whatsoever.
- (k) "Postconsumer recycled material" means a material that would otherwise be destined for solid waste disposal, having completed its intended end use and product life cycle. Postconsumer recycled material does not include materials and byproducts generated from, and commonly reused within, an original manufacturing and fabrication process.
- (l) "Primary Enforcement Representative" is the chief executive of a Covered Jurisdiction or a qualified designee who will coordinate with the Authority regarding implementation of the Ordinance. A qualified designee shall have at least two years of municipal code enforcement experience or have undergone at least the level one municipal code compliance training program of the California Association of Code Enforcement Officers, or equivalent training program approved by the Enforcement Official.
- (m) **"Produce/Product Bags" are bags that are integral to the packaging of the product, or bags without handles provided to the Customer (i) to transport produce, bulk food or meat from a produce, bulk food or meat department within a Store to the point of sale, (ii) to hold prescription medication dispensed from a pharmacy, or (iii) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Content Paper Bag.**
- (n) "Public Eating Establishment" means a restaurant, take-out food establishment or other business **(including, but not limited to, food sales from vehicles or temporary facilities open to the public)** that receives 90% or more of its revenue from the sale of **prepared and ready-to-consume** foods and/or drinks **to the public** ~~prepared on the premises.~~
- (o) "Recycled **Content** Paper Bag" means a paper bag provided by a Store to a Customer at the check stand, cash register, point of sale, or other location for the purpose of transporting food or merchandise out of the Store and that contains no oldgrowth fiber and a minimum of forty percent (40%) postconsumer recycled material; is one hundred percent (100%) recyclable and compostable, consistent with the timeline and specifications of the American Society of Testing and Materials (ASTM) Standard D6400; and has printed in a highly visible manner on the outside of the bag the words "Recyclable," the name and location of the manufacturer, and the percentage of post-consumer recycled content.
- (p) "Reusable Bag" means a bag with handles that is specifically designed and manufactured for multiple reuse and meets all of the following requirements: 1) has a minimum lifetime of 125 uses, which for purposes of this subsection, means the

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capability of carrying a minimum of 22 pounds 125 times over a distance of at least 175 feet; 2) has a minimum volume of 15 liters; 3) is machine washable or is made from a material that can be cleaned or disinfected; 4) does not contain lead, cadmium or any other heavy metal in toxic amounts, as defined by applicable state and federal standards and regulations for packaging or reusable bags; 5) has printed on the bag, or on a tag that is permanently affixed to the bag, the name of the manufacturer, the location (country) where the bag was manufactured, a statement that the bag does not contain lead, cadmium, or any other heavy metal in toxic amounts, and the percentage of postconsumer recycled material used, if any; and 6) if made of plastic, is a minimum of at least 2.25 mils thick.

- (q) "Single-Use Carryout Bag" means a bag other than a Reusable Bag provided at the check stand, cash register, point of sale or other location for the purpose of transporting food or merchandise out of the Store. Single-Use Carryout Bags do not include **Produce/Product Bags**, ~~bags that are integral to the packaging of the product, or bags without handles provided to the Customer (i) to transport produce, bulk food or meat from a produce, bulk food or meat department within a Store to the point of sale, (ii) to hold prescription medication dispensed from a pharmacy, or (iii) to segregate food or merchandise that could damage or contaminate other food or merchandise when placed together in a Reusable Bag or Recycled Paper Bag.~~
- (r) "Store" means any of the following stores located within Covered Jurisdictions:
- (1) **Within 2012 Covered Jurisdictions a** A full-line, self-service retail store with gross annual sales of two million dollars (\$2,000,000), or more, that sells a line of dry grocery, canned goods, or nonfood items and some perishable items;
 - (2) **Within 2012 Covered Jurisdictions a** A store of at least 10,000 square feet of retail space that generates sales or use tax pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code) and that has a pharmacy licensed pursuant to Chapter 9 (commencing with Section 4000) of Division 2 of the Business and Professions Code; or
 - (3) **Within 2012 Covered Jurisdictions a** A drug store, pharmacy, supermarket, grocery store, convenience food store, foodmart, or other entity engaged in the retail sale of goods that include milk, bread, soda, and snack foods, including those stores with a Type 20 or 21 license issued by the Department of Alcoholic Beverage Control.
 - (4) **Within 2016 Covered Jurisdictions on and after May 1, 2017 the stores listed in sections 3(r)(1), (2) and (3) above and any other commercial establishment operating from a permanent enclosed structure that sells perishable or nonperishable goods including, but not limited to, clothing, food and personal items directly to a customer; and**
 - (5) **Within 2016 Covered Jurisdictions on and after November 1, 2017 any Public Eating Establishment.**

SECTION 4 (Carryout Bag Restrictions)

- (a) No Store shall provide a Single-Use Carryout Bag or Reusable Bag to a Customer at the check stand, cash register, point of sale or other location for the purpose of transporting food or merchandise out of the Store ~~after January 1, 2013~~ except as provided in this Section.
- (b) ~~On or before January 1, 2015, a~~ A Store may make available for sale to a Customer a Recycled Content Paper Bag or a Reusable Bag for a minimum price of ten cents (\$0.10).
- (c) **A Store that is a Public Eating Establishment may make available to a Customer a Recycled Content Paper Bag at no charge, or a Reusable Bag for a minimum price of ten cents (\$0.10).** ~~On or after January 1, 2015, a Store may make available for sale to a Customer a Recycled Paper Bag or a Reusable Bag for a minimum price of twenty-five cents (\$0.25). This restriction, however, shall not apply if the Authority finds, after January 1, 2014, that the Ordinance has achieved its goal to substantially reduce the environmental impacts of the use of Single-Use Carryout Bags, in which case the minimum ten cents (\$0.10) per bag price provided in Section 4(b) shall apply.~~
- (d) No Store may make available for sale a Recycled Content Paper Bag or Reusable Bag unless the amount of the sale of the Recycled Content Paper Bag and Reusable Bag is separately itemized on the sales receipt.
- (e) A Store may provide a Reusable Bag at no charge if it is distributed as part of an infrequent and limited time promotion. An infrequent and limited time promotion shall not exceed a total of 90 days in any consecutive 12 month period.
- (f) A Store may provide free Reusable Bags or free Recycled Content Paper Bags at the point of sale to a Customer participating in the California Special Supplemental Food Program for Women, Infants, and Children pursuant to Article 2 (commencing with Section 123275) of Chapter 1 of Part 2 of Division 106 of the California Health and Safety Code; **a Customer participating in CalFresh pursuant to Chapter 1 commencing with Section 18900) of Part 6 of Division 9 of the California Welfare and Institutions Code;** and a Customer participating in the Supplemental Food Program pursuant to Chapter 10 (commencing with Section 15500) of Part 3 of Division 9 of the California Welfare and Institutions Code, as necessary to carry the items purchased at the Store by each such Customer.

SECTION 5 (Permitted Bags)

Nothing in this Ordinance prohibits Customers from using bags of any type that they bring to the Store themselves or from carrying away goods that are not placed in a bag.

SECTION 6 (Exemptions)

This Ordinance does not apply to:

- (a) ~~Single-Use Carryout Bags or Reusable Bags~~ **Produce/Product Bags** distributed to Customers by food providers for the purpose of safeguarding public health and safety during the transportation of take-out foods and drinks prepared on the food provider's premises but intended for consumption at or away from the food provider's premises.
- (b) Single-Use Carryout Bags or Reusable Bags used by ~~Public Eating Establishments~~ or Nonprofit Charitable Reuse Organizations.
- (c) **Stores operating in a certified farmers' market registered in accordance with Section 47020 of the California Food and Agricultural Code.**

SECTION 7 (Recordkeeping and Inspection)

- (a) ~~Every Store shall keep complete and accurate records of the number of Recycled Paper Bags and the number of Reusable Bags purchased and sold each month at the Store during the period commencing July 1, 2012 and ending December 31, 2013. The store shall also keep complete and accurate records of the days on which free Reusable Bags are distributed pursuant to section 4(e) of this Ordinance. All records required by this Ordinance shall be available for inspection within 7 days of the Authority's request at no cost to the Authority during regular business hours by any Authority Representative authorized to enforce this Ordinance. Unless an alternative location or method of review is mutually agreed upon, the records or documents shall be available at the Store address.~~
- (b) ~~The provision of false information including incomplete records or documents to the Authority shall be a violation of this Ordinance.~~
- (c) ~~Authority Representatives are authorized to conduct any other inspections reasonably necessary to further the goals of this Ordinance, subject to applicable laws.~~

SECTION 87 (Enforcement and Phasing)

- (a) **Pre-enforcement Consultation.** An enforcement action shall not be taken in any Covered Jurisdiction without written approval from the Primary Enforcement Representative of that Covered Jurisdiction. The Primary Enforcement Representative shall provide approval or disapproval of a proposed enforcement action in a timely manner.

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- (b) **Administrative Enforcement.** Violation of any provision of this Ordinance shall constitute grounds for assessment of a notice of violation and fine by an Authority Representative in accordance with Government Code § 53069.4 or as the code shall subsequently be amended or reorganized. Where an enforcement action is necessary to enforce this Ordinance, the Enforcement Official will typically issue a notice of violation as authorized in this subsection prior to taking the actions authorized pursuant to sections 78(c) or 78(d) of this Ordinance. A separate notice of violation and fine may be imposed for each day on which a violation occurs. The fine shall not exceed the amounts detailed for misdemeanors in Section 78(d) of this Ordinance. The notice of violation shall list the specific violation and fine amount and describe how to pay the fine and how to request an administrative hearing to contest the notice of violation. The fine must be paid within 30 days of the notice of violation and must be deposited prior to any requested hearing. A hearing, by a hearing officer, will be held only if it is requested within 30 days of the notice of violation. Evidence may be presented at the hearing. If it is determined that no violation occurred, the amount of the fine shall be refunded within 30 days. The Authority shall serve the final order on the Person subject to the notice of violation by first class, overnight or certified mail.
- (c) **Civil Action.** Violation of any provision of this Ordinance may be enforced by a civil action including an action for injunctive relief.
- (d) **Infractions and Misdemeanors.** Violation of any provision of this Ordinance shall constitute a misdemeanor punishable by a fine not to exceed \$500 for the first violation, a fine not to exceed \$750 for the second violation within one year and a fine not to exceed \$1000 for each additional violation within one year. Violation of any provision of this Ordinance may also be enforced as an infraction punishable by a fine not to exceed \$100 for the first violation, a fine not to exceed \$200 for the second violation within one year and a fine not to exceed \$500 for each additional violation within one year. There shall be a separate offense for each day on which a violation occurs.
- (e) **Authorized Representatives.** Enforcement pursuant to this Ordinance may be undertaken by the Authority through its Executive Director, counsel, or any Authority Representative. In any enforcement action, the Authority shall be entitled to recover its attorneys' fees and costs from any Person who violates this Ordinance. **Authority Representatives are authorized to conduct any inspections reasonably necessary to further the goals of this Ordinance, subject to applicable laws.**
- (f) **Phasing. Notwithstanding the foregoing inspection and enforcement authorization** ~~Enforcement of this ordinance~~ **the amendments to this ordinance adopted by Ordinance 2016-01** shall be phased on the following schedule. Prior to January 1, 2013, ~~the date that a type of establishment will be considered a Store,~~ **those establishments** Stores will be notified and public education and outreach activities will take place. ~~Warnings and enforcement~~ **Enforcement** actions will be taken as needed **beginning November 1, 2017 for Stores described in Section 3(q)(4) and beginning May 1, 2018 for Stores described in Section 3(q)(5)** ~~January 1, 2013.~~

SECTION 98 (Local Regulation and Opt-Out and Opt-In Provisions)

- (a) Local Regulation. Nothing in this Ordinance shall be construed to prohibit any Member Agency from enacting and enforcing ordinances and regulations regarding the distribution of Single-Use Carryout Bags and Reusable Bags, including more stringent requirements than those in this Ordinance.
- (b) Opt-Out Provision. Any Member Agency by a resolution of its governing body prior to ~~March 2, 2012 may choose to exclude its service area from this Ordinance~~ **December 9, 2016 may choose to exclude its service area from the amendments to Ordinance 2012-02 adopted by Ordinance 2016-01 adopted September 28, 2016.**
- (c) Opt-In Provision. Any Member Agency that chooses to exclude its service area may request of the Authority by a resolution of its governing board to be re- included in coverage of the Ordinance at any subsequent time. Such coverage under the Ordinance, however, shall not occur unless it is accepted in writing by the Enforcement Official or the Authority Board, and shall become effective only on the date specified in such written acceptance. Such acceptance shall not be unreasonably withheld or delayed.
- (d) Dispute Resolution. In the event of a dispute between the Authority and a Covered Jurisdiction regarding the implementation of this Ordinance, either party may request a meeting, in which case the Enforcement Official and the Primary Enforcement Representative for the Covered Jurisdiction (or other designee of the chief executive of the Covered Jurisdiction) shall meet to discuss implementation of the Ordinance. After such meeting, the parties may agree to enter into mediation to resolve any disputes between the parties related to implementation of the Ordinance. In addition, after meeting to seek to resolve any disputes between the parties and possible mediation, the Authority Board or the governing body of the Covered Jurisdiction, with at least 30 days public notice, may by resolution choose to exclude the service area of the Covered Jurisdiction from this Ordinance.

SECTION 102 (Severability)

If any provision of this Ordinance or its application to any situation is held to be invalid, the invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

SECTION 110 (Notice and Verification)

This Ordinance shall be posted at the Authority Office after its second reading by the Board for at least thirty (30) days and shall become effective thirty (30) days after the second reading.

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REUSABLE BAG ORDINANCE EXPANSION
SCHEDULE

Timing	Activity
<i>FY 15/16</i>	
March 2016	Draft amended ordinance language presented to WMA
April 2016	Budget presentation*
April - June 2016	CEQA analysis and update conducted
April – July 2016	WMA representatives, city and agency staff consult with elected colleagues
* Note that the FY 16/17 budget proposal will need to include dollars and staff hours for expansion activities prior to consideration of adoption of an ordinance amendment. However, if the expansion is not adopted, the budgeted costs will not be needed.	
<i>FY 16/17</i>	
September 2016	1 st reading of ordinance
October 2016	2 nd reading of ordinance/adoption
December 2016	If adopted, outreach to stores commences
Dec. 2016 - March 2017	Store observation surveys conducted
April 2017 – Earth Day	Ordinance becomes effective at newly affected retail stores
April 2017 (+ 6 months)	Technical assistance begins (for 6 months)
<i>FY 17/18</i>	
July 2017-September 2017	Technical assistance continues
October 2017	Complaint based enforcement activities at retail stores begins (6 months post effective date)
November 2017	Ordinance becomes effective at restaurants
December 2017	Store observation surveys conducted to assess effectiveness
June 2017	Complaint based enforcement activities begin for restaurants (6 months post effective date)
<i>FY 18/19</i>	
July 2018 - June 2019	Complaint based enforcement continues.
December 2018	Store observation surveys conducted to assess effectiveness



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

Staff Report

File #: RPT 16-050

DATE: May 9, 2016

TO: Council Sustainability Committee

FROM: Director of Utilities and Environmental Services

SUBJECT

Update on PAYS Implementation

RECOMMENDATION

That the Committee receives and comments on this report.

BACKGROUND

On June 23, 2015, the City Council passed a resolution authorizing the Green Hayward PAYS® (Pay-As-You-Save) On-Bill Conservation and Efficiency Financing Pilot Program. The purpose of this report is to provide an update on the progress of the Program. For more background on PAYS, including a FAQ, please visit [Hayward-ca.gov/PAYS](http://www.hayward-ca.gov/PAYS) <<http://www.hayward-ca.gov/PAYS>>.

DISCUSSION

The Committee last received an update on PAYS at its December 2015 meeting. Since then, two properties have signed contracts and the upgrades are scheduled to be completed by Bottom Line Utility Services (BLUS), the City's selected contractor, by mid-May. One of the properties will upgrade with basic measures, which includes toilets, showerheads, faucet aerators, and in-unit lighting. The other property will upgrade with basic measures as well as the water heater and common-area lighting.

In addition, BLUS has completed site visits and has proposed scopes of work at twelve properties. Contracts are pending for nine of these properties and three have declined to move forward. Two of the properties declined because they decided it was more cost effective to do the work themselves. One property did not give a reason for declining.

The number of units and dollar amount for these projects are summarized in Attachment I.

Summary of Outreach Activities since December

Since December, staff has worked with BKi, the City's Certification Agent, and BLUS to complete the following outreach to multifamily property owners:

- Letters to all property owners advertising PAYS and the Bay Area Multifamily Rebate Program
- Phone calls to all multifamily properties that have phone numbers listed

- Additional calls and follow up outreach to fifty targeted properties


NEXT STEPS

Staff will update the Committee on the progress of the PAYS® Program again at the November 2016 meeting. This update will include performance data for the properties that have completed upgrades.

Prepared by: Mary Thomas, Management Analyst

Recommended by: Alex Ameri, Director of Utilities and Environmental Services

Approved by:



Fran David, City Manager

Attachments:

Attachment I Summary of Projects

Summary of PAYS Projects

Properties with Work Scheduled

Project	Units	\$ Amount
1	24	\$18,032
2	44	\$15,685
Total	68	\$33,717

Properties with Contracts Pending

Project	Units	\$ Amount Proposed
3	58	\$19,472
4	42	\$8,126
5	150	\$99,338
6	58	\$17,001
7	48	\$27,482
8	243	\$91,210
9	24	\$14,886
10	63	\$31,058
11	19	\$10,177
Total	705	\$318,751

Properties that Declined after Site Visit

Project	Units	\$ Amount Proposed
12	104	\$58,554
13	39	\$9,081
14	252	\$153,256
Total	395	\$220,891



CITY OF HAYWARD

Hayward City Hall
777 B Street
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Staff Report

File #: RPT 16-049

March 14
Municipal Regional Stormwater Permit
Update on Community Choice Energy
WMAC Contract - Annual Review
City Water Consumption and Water Conservation
May 9
Reusable Bag Ordinance Expansion - Review Draft Ordinance
Update on PAYS Program
Sun Shares
July 11
Renewable Energy Generation Potential & Est. of a Municipal ZNE Goal
Community Choice Energy - Review Draft Ordinance & JPA
GHG Inventory & Sustainability Metrics
Update on Water Supply, Outlook, Efficiency, and Conservation
Outreach Campaigns - Results
Solar Net Energy Metering (NEM) 2.0 Regulations
September 12
Downtown Specific Plan
Energy Performance and Disclosure (EPAD)
Car Sharing
C.3 Regulations & Green Infrastructure
November 14
Bicycle Master Plan
Addressing Sustainability Impacts in Staff Reports (implementation update)
Annual Update on Administrative Rule 3.9 - Environmentally Preferred Purchasing Policy (combine with CAP & General Plan Update)
Review Agenda Topics for 2017