



SF Environment

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A Department of the City and County of San Francisco



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Director

**CITY AND COUNTY OF SAN FRANCISCO
COMMISSION ON THE ENVIRONMENT
OPERATIONS COMMITTEE**

**RESCHEDULED MEETING DRAFT MINUTES
THURSDAY, NOVEMBER 29, 2012, 5:00 P.M.**

**Department of the Environment Eco Center
11 Grove Street, San Francisco, CA 94102**

COMMITTEE MEMBERS: Commissioners Angelo King (Chair), Alan Mok, Heather Stephenson

ORDER OF BUSINESS

The Wednesday, November 7, 2012, 5:00 p.m. meeting of the Commission on the Environment Operations Committee scheduled to meet at 1455 Market Street, San Francisco, CA, was RESCHEDULED to Thursday, November 29, 2012 at 5:00 p.m. and was held at the Department of the Environment Eco Center, 11 Grove Street, San Francisco, CA 94102.

- 1. Call to Order and Roll Call.** The Commission Operations Committee meeting convened at 5:05 p.m. Present: Commissioners King (5:20), Mok, and Stephenson.
- 2. Approval of Minutes of the July 18, 2012 Operations Committee Meeting.** (Explanatory Document: July 18, 2012 Operations Committee Draft Minutes) (Discussion and Action) Upon Motion by Commissioner Stephenson, second by Commissioner Mok, the July 18, 2012 Operations Committee Draft Minutes were approved without objection (AYES: Commissioners Mok and Stephenson; Absent: Commissioner King).
- 3. Public Comments:** Members of the public may address the Committee on matters that are within the Committee's jurisdiction and are not on today's agenda. There was no public comment at this time.

Item 5 was heard before Item 4.

- 4. Presentation on San Francisco Water, Power and Sewer's SFGreasecycle Program.** Sponsor: Commissioner Angelo King; Speaker: Karri Ving, Biofuel Coordinator, San Francisco Water, Power and Sewer. (Informational Report and Discussion)

Ms. Karri Ving described her role as a team member of the San Francisco Public Utilities Commission Water, Power and Sewer department that is responsible for San Francisco's sewer system and three treatment plants. The unit is responsible for discharges into the ocean and bay, for air emissions, and for toxics that can get into storm drains and into the bay. As the Acting Manager for the Pollution Prevention program, Ms. Ving's focus is on toxics that may enter into the sewer system and cause harm to the system, wildlife, receiving waters, and public health. Biofuels is another component of her work. A study conducted in 2006 to better understand the impacts of grease in the city's sewer system found that approximately 50% of all the backups were directly caused from grease in sewers. Three and a half million dollars a year is spent on sending work crews out to dislodge sewer grease, but the problem itself was not being addressed at that time.

Mr. Ving described SFGreasecycle, a pro-business program that was formed to complement regulatory efforts, with the intent of hiring city workers to collect cooking oil from restaurants in trucks that have vacuuming capabilities. The program started in 2007 with 30 restaurants as a pilot project and now has over 1000 participating restaurants from 2600 in the city and seven permanent household grease drop-off stations. Four crews go out every day and collect approximately 1000 gallons per day from restaurants and the seven drop-off stations. One hundred percent of the cooking oil that is collected is turned into biodiesel and is used in MUNI vehicles and powers the City's truck collection fleet.

Ms. Ving reported that collection of grease not only serves as cost avoidance but also generates revenue and produces local jobs. She spoke of the success of the program and noted that there was no previous disposal option for residents. A study is in progress to determine whether grease blockages in sewers have been reduced as a result of this program and the Fats Oil and Grease Ordinance (FOG). Other opportunities are being sought to collect grease at the source through enforcing the installation of grease traps located under commercial sinks in restaurant kitchens as well as programs to reduce the price of biodiesel to be competitive with diesel.

Commissioner King suggested that any surplus revenue generated from the program could be used to fund Department initiatives such as the alternate fuel for vehicles program or similar programs. Ms. Ving reported on her work with Department staff and that she is always looking for opportunities to offer grants or in-kind material to support joint program efforts. She reported that 6.9 billion dollars is currently being allocated to sewer upgrades so it is important to look for revenue opportunities and redesigning treatment plants so as not only to treat waste but recover resources, create jobs, and tap into Department expertise whenever possible.

Commissioner Mok inquired whether the collection program is only for commercial use. Ms. Ving reported that there are seven household drop-off stations such as supermarkets that are sponsoring the program. Commissioner Mok inquired about the percentage of citizens using the program. Ms. Ving reported that there is no current tracking mechanism. The main focus is on utilizing focus groups to understand behavior in order to provide outreach and education so people know that by not pouring grease down the drain they are making a difference in the sustainability of their city.

Commissioner Stephenson inquired if there are program plans that are hoped for but not yet possible. Ms. Ving reported that she would like to be able to pay restaurants for their cooking oil as an incentive not to pour it down the drain since it is a source of valuable energy that is currently used to fuel the City's fleet, which spends \$29 million per year on fuel. Federal tax

incentives, AB32, cap and trade, and the low carbon fuel standard portfolio may make it possible to do so.

Deputy Director Assmann inquired as to the potential for what is currently uncollected and how many of the restaurants in San Francisco are participating in programs. Ms. Ving discussed the large number of restaurants that sell their grease to private grease haulers and others who work with SFGreasecycle and have their grease collected for free. She reported on restaurants having to pay \$150 per service to get their grease trap pumped and wanting to drive down the price if the grease trap waste can be turned into a commodity.

Public Comment:

Ms. Diana Zadorozhnaya inquired whether there are benefits available for residents who participate in the grease collection program. Ms. Ving reported that the incentive is that these people are ratepayers that can help avoid rate increases for upgrades by helping protect sewers to begin with.

Ms. Lurilla Harris inquired whether there is outreach to schools about the program. Ms. Ving discussed the competitiveness in reaching schools and an SFPUC grant allocated to the Department of Environment to talk about pollution prevention programs in schools. She stated that the SFPUC also partners with the San Francisco Unified School District on conservation connection.

For additional information about the SFGreasecycle program visit www.Sfgreasecycle.org.

5. Fiscal Year 2013-14 Budget Preliminary Discussion. (Explanatory Document: Fiscal Year 2013-14 Preliminary Budget Document) Sponsor: Commissioner Angelo King; Speaker: David Assmann, Deputy Director (Informational Report and Discussion)

Deputy Director Assmann presented an overview of the Department of the Environment's preliminary Fiscal Year 2013-14 budget categorized by expenses and confirmed revenue for each program area. He reported that the Impound Account is the major source of funding for the Zero Waste and Toxics Reduction program areas, with a smaller amount allocated to Green Building and Environmental Justice programs. The preliminary budget shows a balanced budget for Zero Waste, Energy Watch and Environmental Justice, major shortfalls in the Clean Transportation and Climate program areas, and minor shortfalls in Energy, Outreach, Toxics Reduction and Urban Forest. Work is to be done in the next three months before the budget is submitted to the Mayor's Office in February to either reduce expenses or find additional revenue for the Clean Transportation and Climate programs.

Commissioner Mok if inquired if funding can be carried over for Transportation and Climate from the previous year. Deputy Director Assmann reported that funding is not available for carryover in these two programs. He reported that several grant proposals in these two programs are pending, and there is funding available through AB32 for local government climate projects that could be applied for next year.

Deputy Director Assmann reported that the Impound Account proposed revenue amount is dependent on a rate process starting in January and would not be confirmed until the budget is submitted to the Mayor's Office in February. Deputy Director Assmann reported on confirmed

program revenue sources from the Energy Watch agreement, incoming grants, and work-orders from other City departments. It was explained that from a Department budget of \$15 million, there is only a shortage of \$500,000, which is not unusual at this stage. A more complete budget will be presented to the Operations Committee in 2013.

Commissioner Stephenson inquired whether the budget submittal in February will take into account that funding received during the year will make up for budget shortfalls. Deputy Director Assmann reported that the budget submittal in February will only include secure sources of funding and expenses will be cut wherever necessary in order to submit a balanced budget. He reported that there are still opportunities between February and the time the budget is presented to the Board of Supervisors in May to make up any shortfalls.

Commissioner Stephenson inquired whether the budget may be reduced as a result of the rate process. Deputy Director Assmann reported that adjustments may have to be made because of the process and recommendations will be made. He explained the three stages of the rate process which includes (1) Recology submits an application; (2) Department of Public Works (DPW) and the Department of Environment evaluates the application and makes recommendations; and (3) public has input and can appeal the determination at which point it goes to the Rate Review Board who are the final arbitrators.

Commissioner King inquired about the actual projects in Climate and Clean Transportation that are in jeopardy. Deputy Director Assmann reported that there are two components to Clean Transportation, one is Transportation Demand Management which funding has been secured for through grants, and the other is for alternate clean fuel and electric vehicle programs which is where the shortfall of \$180,032 is. Programs consist of converting the City fleet of vehicles to alternate fuel and setting up an electric vehicle infrastructure. The Climate program consists of green building and renewable energy which have secured revenue sources and climate which is in jeopardy. Climate work consists of work on citywide climate action planning and an update to the 2004 Climate Action Plan.

Commissioner Stephenson inquired whether funding from other City departments could be a potential revenue source to support work on department Climate Action Plans. Deputy Director Assmann reported that funding from other departments could be reviewed as a potential revenue source.

Commissioner King suggested a review at a future Committee meeting on how climate work is funded and its benefit to the city and City departments from a financial standpoint. A request could then be made for general fund money to support the program. Deputy Director Assmann discussed the need to quantify benefits achieved and savings that have resulted for City departments from climate action planning. Commissioner King suggested quantifying the amount the City would be spending if City departments were not applying these strategies and then requesting that City departments allocate funding to support the program.

6. Status of the Department of the Environment's Office Move. (Continued Discussion from the July 18, 2012 Meeting) Sponsor: Commissioner Angelo King; Staff Speaker: David Assmann, Deputy Director (15 minutes) (Informational Report and Discussion)

Deputy Director Assmann reported that the Department's office move is in the construction and budget negotiation stage with a target move-in date of February 20th. The revised budget will be

decided on by Tuesday, at which time a decision will be reached on construction plans. The lease at 11 Grove and 401 Van Ness has been extended until February 28th. All existing furniture at 11 Grove will be reused with the exception of the cubicles that are not movable. Deputy Director Assmann provided information on donations received for the office interior and funding from the Real Estate Department for cubicles. Department staff member Jennifer Kass is the point person for the move with the involvement of the Green Building team.

Commissioner Stephenson inquired whether there is LEED certification for the interior office space. Deputy Director Assmann reported that there is a requirement for LEED Gold for the commercial interior, and that platinum is being targeted. Commissioner Stephenson inquired whether there will be tour information for people coming through the offices. Deputy Director Assmann reported that tour information would be included in the Eco Center display. He described the energy monitoring system that is being donated that would provide real time and historical energy use. Commissioner Stephenson inquired whether cutbacks to meet budget figures would jeopardize the LEED rating. Deputy Director Assmann reported that there would be a review to balance cost, comfort and LEED points.

Commissioner King suggested fundraising for items that may not be in the budget currently at a future date and inquired about vehicle parking. Deputy Director Assmann reported that there are five designated spots in the garage allocated to the Department, three for bicycle parking and two for electric vehicles and carpools. One space will be a shared space. He requested email updates about the move every two weeks.

7. Review and Approval of the Operations Committee Section of the Commission on the Environment's 2012 Annual Report. (Explanatory Document: 2012 Commission Operations Committee Draft Annual Report Section and Commission/Committee 2012 List of Accomplishments and Agenda Topics) (Discussion and Action)

Upon Motion by Commissioner Stephenson second by Commissioner Mok, the Operations Committee section and Commission section of the Commission on the Environment's Draft 2012 Annual Report was approved with amendments for recommendation to the Commission and review at the December 10, 2012 Policy Committee (AYES: Commissioners King, Mok and Stephenson). Amendments include adding language to the Operations Committee section (1) review of the Department's website and providing feedback on the effectiveness of social media and (2) recommendations for compostable bag give away; and (3) adding to the Commission section the outcome of the Resolutions supporting the leatherback turtle as the state's official reptile and support of the Clean Air Act.

8. New Business/Future Agenda Items. (Discussion) Commissioner King expressed his concern about the Department of Public Work's tree planting programs and required maintenance and requested information on this issue. Commission Secretary Fish reported on a presentation at the Commission's Policy Committee on this topic and would send minutes from the meeting. Commissioner Stephenson asked for a presentation on City activities related to urban agriculture. Deputy Director Assmann reported that a Department staff member working on urban forestry and urban agriculture could be invited to present on this topic. Commissioner Stephenson reported that the Operations Committee is scheduled to discuss plans for videotaping Commission meetings on SFGTV and suggested holding a discussion with Mr. Donald Oliveira on how funding could otherwise be applied for outreach. She asked for information on the number of SFGTV viewers in order to identify how many people can be reached through public

broadcasting. Commissioner Mok discussed other city agencies that currently broadcast their meeting proceedings.

9. Public Comments: Members of the public may address the Committee on matters that are within the Committee's jurisdiction and are not on today's agenda. There was no public comment at this time.

10. Adjournment. The Commission Operations Committee adjourned at 6:30 p.m.

The next meeting of the Commission on the Environment Operations Committee is scheduled for Wednesday, February 13, 2012, 5:00 p.m., at the Department of the Environment Eco Center, 11 Grove Street, San Francisco, CA 94102.

Respectfully submitted by,
Monica Fish, Commission Secretary
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Approved: