




**COUNCILMEMBER CHRIS CATE
CITY OF SAN DIEGO
SIXTH DISTRICT**

M E M O R A N D U M

DATE: January 15, 2016
TO: Councilmember David Alvarez, Chair, Environment Committee
FROM: Councilmember Chris Cate 
SUBJECT: 2016 Environment Committee Priorities

I appreciate the opportunity to share my Environment Committee priorities for 2016. I look forward to addressing San Diego's critical environmental issues to ensure local resources are protected for the enjoyment of future generations.

WATER AND WASTEWATER

Explore Opportunities for Alternative Compliance to the Municipal Stormwater Permit

The City must spend nearly \$4 billion on stormwater systems and enforcement in order to maintain compliance with the stipulations of the Regional Board's Municipal Stormwater Permit over the next five (5) years. In light of the pressing demands for infrastructure investment and the retention of police officers, the City must realize its budgetary capacity is limited. In November 2015, I drafted a memorandum detailing the critical need to move forward with an alternative compliance feasibility study that will not only provide certainty to the business community, but help identify and analyze potential sites that could be utilized for stormwater capture, filtration, and repurposing. Given that MS4 regulations are expected to go into effect next month, the City should review existing consulting contracts to initiate this study as soon as possible.

Implement Amendments to the 2015 Cost of Service Study

During the review process of the 2015 Cost of Service Study (COSS), my office submitted several amendments that will require the posting of capital projects funded by the COSS for ratepayer review and funding for a Rate Reform analysis. This analysis will outline a variety of options to ensure the protection of revenue for the operations of the Public Utilities Department (PUD) during times of drought while incentivizing ratepayers to conserve water. The current rate system falls short of achieving the aforementioned objectives and should, as such, be reviewed. Finally, the committee should receive quarterly updates from Public Utilities staff on the progress of these amendments.

Review of Wastewater Billing Calculations for Industrial Uses

The Wastewater Division of the Public Utilities Department (PUD) currently does not meter wastewater discharge. Wastewater bills are calculated based upon a national average of businesses in the same Standard Industrial Code classification as the business served. However, breweries do not discharge a proportional amount of water that is purchased given that the vast majority of water purchased is converted into product and shipped. The current billing model is not updated when a new use connects to the City's system, nor is it updated unless initiated by the complainant. PUD staff should establish a programmatic review of wastewater billing for breweries and other industrial uses that discharge less water than what is originally purchased.

Continue Pursuit of Direct Potable Reuse Regulations

The City has a unique opportunity to continue the progress of its recycled water program through the incorporation of Direct Potable Reuse (DPR). DPR has the potential to save ratepayers nearly \$200 million of unnecessary capital expenditures within the Pure Water Program. As costly design contracts for the San Vicente pipeline connect begin to come forward for City Council approval, it is even more imperative for Public Utilities to continue its advocacy efforts in conjunction with the Mayor's office and the City's state lobbyists. City staff should keep the Committee apprised of any developments on a quarterly basis.

ENVIRONMENTAL PROTECTION & ENERGY EFFICIENCY

Monitor the Implementation of Climate Action Plan

Last year, the City Council unanimously approved a bipartisan and historic Climate Action Plan (CAP) that seeks to achieve 100 percent renewable energy by 2035. The first round of implementation ordinances are scheduled to come before the Environment Committee in the spring of this year. A crucial component of the adopted CAP mandates that a cost-benefit analysis be conducted before any action is taken by the City Council. It is imperative that these analyses are done in a timely manner to provide the committee with more than sufficient time to review the respective ordinances. This review process is vital to ensuring the goals of the CAP are met while providing complete information and flexibility.

Conduct Small Business Outreach Campaign for MS4 Compliance

It is anticipated that the provisions of the 2013 municipal stormwater permit will become effective by February 2016. Once these regulations are implemented, small businesses will be expected to comply by capturing water onsite, monitoring disposal activities and controlling irrigation as a means of lowering bacteria levels. To ensure San Diego small businesses are compliant and able to avoid potential lofty fines, the committee should work with the Transportation and Stormwater Department, Economic Development Department and business advocacy groups to raise awareness and educate the small business community.

Initiate Review of Biweekly Recycling and Duplicative Receptacle Delivery Fee

In order to maintain compliance with state goals, the City is making significant strides to achieve a Zero Waste objective by 2040. In 2015, the City Council adopted the Zero Waste Plan and recently approved updated agreements with our haulers to increase reuse operations. The City currently collects trash on a weekly basis, as mandated by the City Charter, and recycling on a biweekly basis. Environmental Services staff should present a cost-benefit analysis on the conversion of single family recycling collection to weekly and refuse to biweekly as a means of extending the life of our landfill and to encourage recycling. Furthermore, staff should review the current practice of charging \$25 per receptacle rather than per delivery. If a constituent needs to order more than one trash can, the constituent is charge per bin rather than a flat \$25 fee. An updated fee model should be presented and referred to the Committee on Budget and Government Efficiency, if necessary.

Review Opportunities to Bolster Comparative Data Initiatives

Comparative data, also known as behavioral energy efficiency, is an innovative large scale usage saving method for wet and dry utilities. In a recently released study, research suggests that segmenting consumers based on geographic regions, behavior, and attitudes can lead to significant improvements in energy-efficiency performance. The Committee should receive a report on whether the Public Utilities Department has looked into comparative data programs for water savings or programs they may already be using. The Committee should also discuss opportunities for collaboration with San Diego Gas & Electric to engage the community and promote energy conservation.

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cc: Mayor Kevin L. Faulconer
Honorable Councilmembers