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NOV 17 2008

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*Memorandum*

**TO:** HONORABLE MAYOR &  
CITY COUNCIL

**FROM:** Ed Shikada  
Paul Krutko

**SUBJECT:** Monthly Green Vision Update

**DATE:** November 12, 2008

Approved

Date

11/15/08

### INFORMATION

On October 30, 2007, the San José City Council unanimously adopted the Green Vision in an effort to improve quality of life for all residents by simultaneously connecting and advancing economic growth and environmental sustainability. Over the past year, substantial progress has been made towards realizing this Vision. To ensure that progress towards achieving the Green Vision is effectively communicated to Council, staff will provide Information Memoranda with regular updates on the goals as well as additional information about key opportunities and challenges.

In order to focus efforts goals are grouped into two areas, with updates provided for the goals in each group on a bi-monthly basis:

Green Vision Goals	
Group 1 (Resources)	Group 2 (Assets)
1 Clean Tech Jobs	4 Green Building
2 Energy Efficiency	7 General Plan Update
3 Renewable Energy	8 Alternative Fuel Vehicles
5 Zero Waste & Waste to Energy	9 Street Lights & Trees
6 Water Recycling	10 Trails
<b>Update:</b> November, January, March, May	<b>Update:</b> December, February, April, June

In addition to these updates, staff will also be presenting the Annual Green Vision Report to the City Council during a Special Session planned for February 6, 2009.

### **Overview of Staff Approach:**

As part of the implementation process, staff has developed a strategic framework that will guide staff efforts and resource allocation to maximize effectiveness. The strategic framework is designed to:

- Help staff and stakeholders connect their individual actions to the overall achievement of Green Vision goals.
- Identify opportunities for stakeholders to be involved, in ways that maintain focus on near term priorities.

- Facilitate the prioritization of near-term actions as those that can best leverage efforts to achieve Green Vision outcomes.
- Ensure coordination among Green Vision goal teams and “One Voice” communication.
- Support the pursuit of long term strategies and recognize that achievement of Green Vision goals may not be linear.

The framework connects the Green Vision goals, implementation strategies and project-level tactics to the broader intended outcomes of driving economic opportunity and growth, eliminating the structural budget deficit, demonstrating environmental leadership, and improving quality of life throughout community. Each goal is being implemented using the following strategies:

- **Leading by example** – Policies and practices that the City can modify or establish to advance the Green Vision priorities
- **Advocating policies at the regional, state and federal level** – Advocating legislative action and positioning the City to partner with regional entities on policy development
- **Financing mechanisms** – Exploring other financing mechanisms to supplement City dollars such as grants, public private partnerships, and assessment districts
- **Forming strategic partnerships** – Partnering with other entities such as schools, universities, non-profits and private corporations to work towards common goals
- **Communications and engagement** – Communicating with key audiences to bring about awareness, acceptance and action on all of the goals

This effort facilitates collaboration and leveraging of resources between the various goals, highlights key priorities and challenges, and connects staff level work to intended outcomes. A summary of the successes for each Group 1 Green Vision Goal is provided below.

**Green Vision Goal Updates (Group 1):**

**1. Create 25,000 Clean Tech jobs as the World Center of Clean Tech Innovation —**

Priority Areas	Strategies	Tactics
<b>Attract &amp; Grow Clean Tech Companies</b>	<i>Lead by Example</i>	Implementing Council-adopted Clean Tech Strategy; continually improving STI process; recent attraction of Tesla; UL Expansion
	<i>Advocate Policies</i>	Successful advocacy of Federal renewable energy credits; Supporting 2009 Clean Tech Legislative Summit (Dec)
	<i>Financing Mechanisms</i>	Using staff resources & SJRA Clean Tech Jobs funds
	<i>Strategic Partnerships</i>	SolarTech; TechNet; Silicon Valley Leadership Group; Joint Venture Silicon Valley; brokers; venture capital firms; law firms
	<i>Communications and Engagement</i>	Working with Global Fluency to receive media coverage of attraction efforts, such as Tesla Motors; participating in regional/national events to attract companies

<b>Incubate Innovation</b>	<i>Lead by Example</i>	Implementing Demonstration Policy; SJ Prize to Clean Tech Open winners (free incubator space/services)
	<i>Advocate Policies</i>	Advocating for additional commercialization funding (Clean Tech Legislative Agenda)
	<i>Financing Mechanisms</i>	Leveraging of SJRA investment in incubators with general fund support for scholarships
	<i>Strategic Partnerships</i>	Environmental Business Cluster; BioCenter; Clean Tech Open; Department of Energy/Sandia National Laboratories
	<i>Communications and Engagement</i>	Announcing of Clean Tech Open partnership in Nov. and engaging with key innovators/thought leaders
<b>Promote Green Workforce Development</b>	<i>Lead by Example</i>	Developing Green Jobs Strategy; developing CDBG Clean & Green Jobs program (Work2future)
	<i>Advocate Policies</i>	Advocating for increased investment/coordination among workforce investment boards; community colleges
	<i>Financing Mechanisms</i>	Utilizing Workforce Investment Act funds; Employment Training Panel; Community Development Block Grant
	<i>Strategic Partnerships</i>	Work2future; community colleges; labor and trade associations; SolarTech, Silicon Valley Leadership Group, Joint Venture Silicon Valley
	<i>Communications and Engagement</i>	Engaging Work2future Board of Directors and key stakeholders planned for December 2008

*Highlights:*

- Clean Tech Jobs:** In October 2007, there were an estimated 1,500 Clean Tech jobs located in San José. Today, that number totals more than 3,000 with leading clean tech companies such as Phillips Lumileds, Echelon, SunPower, Stion, Solopower, Sopogy, BioFuelBox, Borgata Recycling, Solexant, SunWize, and Fat Spaniel continuing to grow. The City's Clean Tech Strategy adopted to implement the Green Vision has produced substantial results, most significantly helping attract manufacturing jobs to San José. Following Council action in October, Tesla Motors will create 1,000 jobs in San José, about half of which will be manufacturing jobs. In addition, leading thin-film solar companies such as Nanosolar are producing solar cells in Edenvale.
- Incubation:** In addition to attracting and retaining leading companies, San José continues to offer world-class incubation services to the top clean tech companies of tomorrow. San José's Environmental Business Cluster was recognized as the Business Incubation Association's 2008 Randall M. Whaley Incubator of the Year Award. The EBC has successfully helped more Clean Tech start-up companies commercialize their products than any other incubator in the nation. San José has also formed a strategic partnership with the California Clean Tech Open, an annual innovation competition among top entrepreneurs, to connect competition winners with San José's incubator network.
- World Center of Clean Tech Innovation:** Over the past year, San José has also emerged as a national model for growing the green economy. The Rockefeller Brothers' Fund, the Environmental Defense Fund, and International Economic Development Council

recognized the Green Vision as a leading example of a Climate Prosperity Strategy of how communities can create opportunity while addressing climate change. Other key investments in 2008 include Underwriters Laboratory's decision to create their first solar testing/certification facility in North San José, SVTC's creation of a solar development center in Edenvale, and SolarTech's location of its Center of Excellence in San José, co-located with work2future at 1290 Parkmoor Avenue.

- **Challenges:** Competition for Clean Tech Jobs continues to grow as communities around the nation and world attempt to seize the emerging opportunity. While San José has many competitive advantages, such as facilitated development and innovative incentives, advocacy for supportive policies at the Federal and State levels and establishment of strategic partnerships will be increasingly critical to achieving the Green Vision Goals.

**2. Reduce per capita energy use by 50 percent —**

Priority Areas	Strategies	Tactics
<b>Develop Energy Strategic Plan</b>	<i>Lead by Example</i>	Preparing the City's Energy Strategic Plan in collaboration with the community
	<i>Advocate Policies</i>	Developing and promoting energy policy at Federal & State levels; Implementing newly adopted legislation
	<i>Financing Mechanisms</i>	Using existing staff resources
	<i>Strategic Partnerships</i>	Energy Strategic Plan Steering Group (City staff, PG&E, Silicon Valley Leadership Group, Solar Tech, Sierra Club's Cool Cities Campaign, neighborhood representatives)
	<i>Communications and Engagement</i>	Conducting 1:1 interviews with key stakeholders to prepare a draft Strategic Plan; community meetings to refine and finalize the Strategic Plan for Council adoption
<b>Reduce energy use in City Facilities</b>	<i>Lead by Example</i>	Implementing energy efficiency measures citywide (e.g., computer power management)
	<i>Advocate Policies</i>	Participating in California Public Utilities Commission and California Energy Commission proceedings and hearings, including development of the California Strategic Energy Efficiency Plan
	<i>Financing Mechanisms</i>	Reinvesting first year savings and rebates from completed projects to provide resources for additional energy projects; developing commercial paper to finance additional city energy-saving projects
	<i>Strategic Partnerships</i>	PG&E; Department of Energy; Association of Bay Area Governments; General Services Department
	<i>Communications and Engagement</i>	Collaborating with City departments to identify and implementing energy efficiency opportunities; raising awareness about the benefits of energy efficiency

<b>Facilitate reduced energy use in the community</b>	<i>Lead by Example</i>	Demonstrating energy reduction technologies, methodologies, and tools at City-owned facilities (e.g., lighting, HVAC, water conservation)
	<i>Advocate Policies</i>	Developing and promoting energy policy at Federal & State levels; implementing newly adopted legislation
	<i>Financing Mechanisms</i>	Expanding the PG&E Local Government Partnership to provide technical and financial resources to the community for energy efficiency
	<i>Strategic Partnerships</i>	PG&E; Housing Department; Silicon Valley Leadership Group; community and environmental organizations; energy efficiency installers; Bay Area Air Quality Management District
	<i>Communications and Engagement</i>	Raising public awareness through presentations, events and energy efficiency give-away items (e.g., Silicon Valley Energy Watch program)

*Highlights:*

- *Developing an Energy Strategic Plan:* The City's energy program is working with numerous city departments and representatives of the community, including PG&E, Silicon Valley Leadership Group, Sierra Club's Cool Cities, and a Community/Envision 2040 Neighborhood representative, to develop an Energy Strategic Plan. Staff members are conducting interviews with stakeholders throughout the community to identify key issues and barriers, and partnership opportunities. Staff anticipates returning to Council with a draft plan in spring 2009.
- *Continued Energy Efficiency Improvements in City Facilities:* The City is implementing energy efficiency improvements through a variety of funding mechanisms including:
  - *The City Energy fund.* Using first year savings and rebates from completed energy efficiency projects to provide resources for additional energy projects, the city continues to reinvest in reducing energy costs. In the last year, the energy efficiency projects that were implemented in sixteen city buildings are expected to save \$435,000 in annual general fund energy costs and earn over \$162,000 in rebates from PG&E. Based on these successes, staff estimates that \$650,000 will be available in the energy fund for 2009-10 projects. Staff is planning to audit 20-30 additional facilities in 2009-10 and has already identified efficiency projects in five facilities that will cost \$1.6M to implement but could save the general fund an additional \$718K per year and earn up to \$600K in rebates.
  - *Water Pollution Control Plant operating funds.* Plant energy use has been reduced by 22.3%, reducing average electricity usage from 10.5 to 8.1 MW/month since 1999. Over 65% of the Plant's energy is now produced in-house through a variety of co-generation projects.
  - *Community Development Block Grants.* The City received a \$500,000 grant to implement energy, water efficiency, and other green building measures on ten city facilities (3 fire stations, 5 community centers, 2 libraries). It will also fund solar electric systems at 5 of the facilities and solar hot water in one fire station.

- *Commercial paper.* ESD is working with Finance to analyze the potential use of commercial paper and other financing mechanisms for additional city energy-saving projects.
- *Community Energy Efficiency:* The community work continues with a series of partnerships including:
  - *2006-08 Silicon Valley Energy Watch with PG&E.* Using this grant, staff has made over 100 public presentations, staffed fairs and festivals, and handed out over 10,000 compact florescent light bulbs in exchange for pledges to replace incandescent bulbs
  - *2009-11 Local Government Partnership with PG&E.* Pending final approval by the California Public Utility Commission, this project will provide funding for outreach and direct installations of energy efficiency measures to residents, small businesses, and city facilities from late 2009 through 2011
  - *Silicon Valley Leadership Group collaboration.* To encourage energy conservation among the area's leading companies

**3. Receive 100 percent of our electrical Power from clean renewable sources —**

Priority Areas	Strategies	Tactics
<b>Develop Energy Strategic Plan</b>	<i>Lead by Example</i>	Preparing the City's Energy Strategic Plan—the strategic plan for achieving goals 2 & 3—in collaboration with the community
	<i>Advocate Policies</i>	Developing and promoting energy policy at Federal & State levels; Implementing newly adopted legislation
	<i>Financing Mechanisms</i>	Using existing staff resources
	<i>Strategic Partnerships</i>	Department of Energy; Solar Tech; PG&E; small businesses; California Public Utilities Commission; CEC; California Solar Energy Industries Association and others
	<i>Communications and Engagement</i>	Conducting 1:1 interviews with key stakeholders to prepare a draft Strategic Plan; planning community meetings to refine/finalize the Strategic Plan
<b>Renewable energy installations on city facilities</b>	<i>Lead by Example</i>	Installing solar on city facilities; finalizing RFPs for solar electric (7) and thermal (1) purchases & installations on seven city facilities using CDBG funding
	<i>Advocate Policies</i>	Implementing legislation such as AB 2466—the local government renewable energy self generation program that was signed by the governor; participating in California Public Utilities Commission & CEC proceedings and hearings, including working to finalizing tariffs and procedures with the CPUC
	<i>Financing Mechanisms</i>	Analyzing all opportunities for city solar installations—purchase, power purchase agreements, grants, donations
	<i>Strategic Partnerships</i>	U.S. Dept. of Energy; PG&E; Solar Tech
	<i>Communications and Engagement</i>	Working with the City's Interdepartmental Energy and Solar Team to ensure coordination on city installations and educational activities

<b>Facilitate Use of renewable energy in the community</b>	<i>Lead by Example</i>	Providing trainings, seminars and demonstration sites to ensure that San Jose residents and business are aware of opportunities for solar installation
	<i>Advocate Policies</i>	Developing and promoting energy policy at Federal & State levels; implementing newly adopted legislation
	<i>Financing Mechanisms</i>	Mayor's Solar Challenge; renewal of the federal investment tax credit; identifying and developing other financial mechanisms for solar installations, such as use of property tax assessments & neighborhood solar sites
	<i>Strategic Partnerships</i>	Solar Tech; Home Builders (for the California Solar Home Program); solar installers; PG&E
	<i>Communications and Engagement</i>	Developing a city-wide communications plan as part of the DOE Solar America City initiative to ensure awareness of renewable energy opportunities; working with nonprofits, businesses & educational institutions

*Highlights:*

- *Solar on City Facilities:*
  - Completed installation of 185 kW of solar on the Tech Museum
  - Finalizing a RFP and Power Purchase Agreement template for use at all city facilities appropriate for solar installations. Anticipate release of the RFP for up to 1.5MW installations in city service yards and parking garages before the end of the year
  - Prioritizing other facilities for solar installations based on their current energy efficiency status, ownership, and restrictions from tax exempt funding
  - Utilizing part of the CDBG grant to install solar power on three community centers and a library and solar power and hot water at Fire Station #1
  
- *Community Installations of Solar:* In the past year, there have been significant investments in solar throughout San José including Macy's (307 kW), eBay (650 kW), San Jose Unified School District (5 MW on many facilities throughout San Jose), Star Quality Concrete facility (410 kW), and the Target Store (380 kW).
  
- *Legislative Achievements:* Two key pieces of legislation passed in the past two months are likely to significantly spur solar investment. These are:
  - *AB 2466:* City staff worked closely with Assemblyman Laird to sponsored AB 2466 which allowed municipal facilities to get credit on their overall energy bills for up to 1 MW of excess energy produced per municipal solar installation. AB 2466 was signed into law in September 2008
  - *Renewal of Solar Investment Tax Credit:* The solar investment was approved as part of the financial bailout package. One key provision increased the residential credit to 30% of the cost of installation, eliminating the \$2000 cap.
  
- *Key Partnerships:*
  - *U.S. Department of Energy Solar Showcase and Solar America City:* Finalized the contract between the Department of Energy and the City to implement a variety of

activities to increase the use of solar resources throughout the community. Activities will concentrate on increased community knowledge regarding solar, the development of financial mechanisms for installations, identifying and resolving environmental issues or other barriers to success. A first set of workshops focused on improved and coordinated permitting for code officials and guidelines for PV installations for fire officials will be scheduled for December.

- *Solar Developers and PG&E:* Staff is exploring opportunities to use some of the City's underutilized city property for large scale solar generation in partnership with solar developers or utilities.

**5. Divert 100 percent of the waste from our landfill and convert waste to energy —**

Priority Areas	Strategies	Tactics
<b>Adopt a Zero Waste Strategic Plan and Convert Waste to Energy (WTE)</b>	<i>Lead by Example</i>	Treatment Plant runs on Newby Island Landfill methane gas; finalizing a Zero Waste Strategic Plan to be heard by Council in mid-December
	<i>Advocate Policies</i>	Developing a Zero Waste Strategic Plan: 75% waste diversion by 2013 and Zero Waste by 2022; support GV goals for waste to energy and sustainable energy; food waste recycling program
	<i>Financing Mechanisms</i>	Tipping fees; public/private partnerships; grants; waste feedstock commitments from other Bay Area jurisdictions; potential carbon offset value
	<i>Strategic Partnerships</i>	Residents; businesses; haulers; recyclers; non-profits; schools & other government agencies; firms that build and operate WTE facilities; Treatment Plant tributary agencies; other jurisdictions like SF PUC & EB MUD
	<i>Communications and Engagement</i>	Developing and implementing communications strategies for each section of the plan; released WTE RFI in late 2007; meeting with industry to discuss technologies and applicability
<b>Increase Residential Recycling</b>	<i>Lead by Example</i>	Sorting garbage for recyclables and capturing food waste from multi-family buildings; researching food waste recycling from single-family homes; eliminating use of carryout bags to reduce litter & recyclable contamination
	<i>Advocate Policies</i>	Developing a Zero Waste Strategic Plan: 75% waste diversion by 2013 and Zero Waste by 2022; support GV goals for waste to energy and sustainable energy
	<i>Financing Mechanisms</i>	Customer rates; grants from the state; landfill tipping fees
	<i>Strategic Partnerships</i>	Residential haulers; Tri-County Apartment Association; neighborhood associations; & community groups
	<i>Communications and Engagement</i>	Recycling Guide distribution; education campaigns in partnership with haulers and regional groups

<b>Increase Commercial Recycling</b>	<i>Lead by Example</i>	Redesigning the commercial garbage and recycling collection program
	<i>Advocate Policies</i>	Developing a Zero Waste Strategic Plan: 75% waste diversion by 2013 and Zero Waste by 2022; support GV goals for waste to energy and sustainable energy
	<i>Financing Mechanisms</i>	Customer rates
	<i>Strategic Partnerships</i>	Business community (e.g., chambers of commerce, Silicon Valley Leadership Group); solid waste haulers
	<i>Communications and Engagement</i>	Conducting extensive stakeholder outreach to solicit input on the new system (e.g., electronic survey, advertising, presentations, direct mail)
<b>Increase Construction and Demolition (C&amp;D) Waste Recycling</b>	<i>Lead by Example</i>	Achieving increased diversion for C&D waste for City public works projects (C&D accounts for 30% of the City's disposed waste stream); Evaluating Construction/Demolition Diversion Deposit (CDDD) program
	<i>Advocate Policies</i>	Developing Zero Waste Strategic Plan: 75% waste diversion by 2013 and Zero Waste by 2022; support GV goals for waste to energy and sustainable energy
	<i>Financing Mechanisms</i>	Customer rates, CDDD abandoned deposits
	<i>Strategic Partnerships</i>	Construction and remodeling industry; US Green Building Council; haulers; C&D recycling processors
	<i>Communications and Engagement</i>	Direct mail; stakeholder meetings; CDDD program literature development and distribution
<b>Increase City Facilities, Special Events and Venues Recycling</b>	<i>Lead by Example</i>	Achieving up to 93% waste diversion for the five largest events in San Jose; implementing recycling programs in key City venues (e.g., Convention Center, Children's Discovery Museum)
	<i>Advocate Policies</i>	75% waste diversion by 2013 and Zero Waste by 2022
	<i>Financing Mechanisms</i>	On-going budget already in place; evaluating ways to provide more service to more facilities and events within existing budgets
	<i>Strategic Partnerships</i>	City Departments; venue and special event organizers; San Jose Conservation Corps; Green Waste Recovery for organics processing
	<i>Communications and Engagement</i>	Advertising zero waste efforts; technical support for event organizers (e.g., Web-based toolkit)

*Highlights:*

- **Zero Waste Strategic Plan and Treatment Plant Master Plan:** In October 2007, Council approved a Zero Waste goal for San Jose. Staff is coordinating the achievement of this goal with the San José /Santa Clara Water Pollution Control Plant Master Plan. Plant lands could be suitable for future development of zero waste infrastructure and there are opportunities for synergy with the programs of the Plant, including biosolids management, food scrap diversion, and processing of fats, oils and grease. A technology analysis is underway to compare energy conversion technologies such as digestion, gasification, palletizing, and incineration. In addition, the City is currently analyzing the feasibility of a food waste

digestion pilot. A staff member was selected to participate on a State Organics Roadmap task force to implement the state organics roadmap which promotes maximum organics diversion through processing, local contracts and ordinances, and compost market development.

- *Residential Recycling:* Recent improvements to recycling at apartments and condominiums have resulted in the highest performing multi-family recycling program in the United States and created more than 60 new jobs in San Jose. These improvements have resulted in over 75% of multi-family waste being diverted from local area landfills. In early 2008, Council approved the rezoning of the Zanker Material Processing Facility property, to allow an expansion of its operations and the construction of a 200,000 square foot indoor sorting and recycling facility at the Zanker operations. This expansion of local processing infrastructure for recycling will further the North San Jose development of one of the largest recycling processing facilities in Northern California.
- *Commercial Solid Waste System Redesign:* Council has approved the redesign of the commercial garbage and recycling collection program to a multi-district exclusive system. Full implementation will occur in 2012. Staff is completing the evaluation of proposed collection districts, finalizing categories of materials to be included in the new system, and evaluating wage policy options in conjunction with the City Attorney's Office. Staff is soliciting input from the business community and will bring recommendations to Council in December 2008. This will increase diversion of all recyclable material in the commercial waste stream, including organic waste. A waste study estimated that nearly 80% of commercial waste sent to the landfill is recyclable.
- *Construction & Demolition Recycling Evaluation:* In July 2008, staff began an effort to evaluate the City's successful Construction Demolition Diversion Deposit CDDD Program as a means of identifying potential improvements for achieving greater even greater diversion levels.. It is anticipated that the evaluation of the CDDD Program will be completed in June 2009, with potential recommended changes presented to Council in Fall 2009.
- *City Facilities, Events, and Venues Recycling:* Recent improvements to recycling at city facilities, including sorting of all waste at an off-site facility, has achieved a 75% recycling rate for all operations, including the Airport, Convention Center, libraries, and City Hall. Staff worked with event organizers to divert up to 93% of waste from the five largest events in San José which resulted in a one-of-a-kind collaborative partnership with the San Jose Conservation Corps. City staff has also partnered with Team San Jose to introduce an enhanced recycling program at the McHenry Convention Center, including collection of food scraps and compostable food service-ware. City staff worked with the Children's Discovery Museum to implement an expanded public recycling program as well as a Zero Waste program for the Kid's Café within the museum. The program has provided an exciting education opportunity for all of the children visiting the museum.

**6. Recycle or beneficially reuse 100 percent of our wastewater (100 million gallons per day) —**

Priority Areas	Strategies	Tactics
<b>Expand Recycled Water Distribution System For Non-potable Reuse</b>	<i>Lead by Example</i>	Increasing visibility by use at city facilities including the Airport, cooling towers, parks, Guadalupe Gardens, and City Hall
	<i>Advocate Policies</i>	Advancing Ordinances; building codes; State & Federal legislation
	<i>Financing Mechanisms</i>	Investment by the Santa Clara Valley Water District and water retailers; the sale of water; connection fees for new development; State & Federal grants
	<i>Strategic Partnerships</i>	District; water retailers; industrial users; tributary agencies; Bay Area Recycled Water Coalition
	<i>Communications and Engagement</i>	Technical and permitting assistance for existing and potential customers; demonstration projects (Guadalupe Gardens); marketing & training materials
<b>Expand Recycled Water for Indirect Potable Reuse</b>	<i>Lead by Example</i>	Advancing pilot projects with Santa Clara Valley Water District to demonstrate technical capacity & feasibility of indirect potable reuse
	<i>Advocate Policies</i>	State and Federal Regulations; Adoption of a Santa Clara Valley Water District Reuse Policy
	<i>Financing Mechanisms</i>	Investment by District and water retailers; the sale of water; and State & Federal grants
	<i>Strategic Partnerships</i>	Santa Clara Valley Water District; water retailers; scientific and medical professionals
	<i>Communications and Engagement</i>	Advancing public education campaign to raise awareness and gain acceptance of indirect potable reuse

**Highlights:**

- **Expanding the Demand for Recycled Water:** During the past twelve months, the South Bay Water Recycling (SBWR) program has increased average daily use of recycled water by 7.8%, from 10.2 to 11 million gallons per day (mgd). Significant additional projects underway that will help reach the goal of doubling the non-potable use of recycled water to 20 million gallons per day by 2022 include:
  - Using recycled water, as of November 1<sup>st</sup>, for the City's newest community gardens located in the Guadalupe River Park
  - Reaching agreement with DuPont Fabros Technology, Inc. to use 300,000 gallons/day of recycled water to cool their data center now under construction in Santa Clara
  - Continue working with developers to extend recycled water to North San Jose Intensification project
  - Beginning the extension of recycled water to the Mineta-San Jose International Airport
  - Extending the pipeline to a new shopping center at the site of the former GE Plant

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- Reaching 90% design completion on an extension to Santa Clara Central Park
  - Exploring opportunities with the San Jose Redevelopment Agency to include recycled water in projects such as the Convention Center expansion, the St. James Park rehabilitation, and a new bridge to the HP Pavilion
  - Partnering with tributary agencies, industrial users, and water retailers to expand the current pipeline system through infill development
  - Joining the Bay Area Water Recycling Coalition and working with the US Bureau of Reclamation to receive expansion funding. The Bureau has provided \$28 million for SBWR expansion, including \$970,000 this year
- *Provide leadership to expand uses for indirect potable reuse:* Partnerships are essential to expanding recycled water use. We are continuing to strengthen existing and explore new partnerships. Partnership efforts include working with:
    - The Water District on a long-term partnership agreement to expand the use of recycled water. A liaison committee comprised of two council members, the mayor of Santa Clara and three District board members was established to provide policy direction for this effort
    - Edenvale at IDT Inc. to implement a pilot project to demonstrate technical capacity for and feasibility of additional uses of recycled water
    - San Jose Water Company to extend the recycled water distribution system in its service area to serve new as well as converting existing customers to recycled water
    - The newly formed Industrial Users Group on guidelines for effective use of recycled water for cooling in industrial facilities
    - The regional Bay Area Clean Water Agencies (BACWA) to develop statewide water recycling policies and permits, as well as proposed State legislation, to encourage industrial use of recycled water



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