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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO:	Board of Supervisors
FROM:	Steven Lederer - Director Environmental Management
REPORT BY:	Steven Lederer, DIRECTOR OF ENVIRONMENTAL MGT , 253-4471
SUBJECT:	Green Business Program

RECOMMENDATION

Department of Environmental Management to present a report on the ABAG Green Business Program, together with Ceil Scandone, ABAG Green Business Coordinator and request direction regarding whether full implementation in Napa County is appropriate, discuss options for implementation, and funding of the program.

EXECUTIVE SUMMARY

The Bay Area Green Business Program (Program) certifies the environmental performance of small-tomedium sized businesses and government agencies that volunteer to operate in a more environmentally responsible way. Certification requires compliance with all regulations and meeting program "beyond compliance" standards for conserving resources, preventing pollution and minimizing waste.

The Program was developed by Bay Area local governments in collaboration with the U.S. EPA, Cal EPA, Department of Toxic Substances Control (DTSC) and the business community. ABAG coordinates the Program, which is implemented by Green Business Coordinators in the seven participating counties (Napa County is considered as one of the seven participating Counties). Beginning in July 2007, all nine Bay Area counties will offer the Program.

The Program was launched in 1996. Today, there are nearly 1000 businesses and public agencies certified in the participating ABAG Bay Area counties of Alameda, Contra Costa, Marin, Napa, San Francisco, Santa Clara and Sonoma. Recently, Solano and San Mateo Counties appropriated funds to commence pilot programs.

Napa County implemented the program in 1997, certifying 6 auto repairs shops at the time. However, the program was put on long-term hold after that due to lack of resources, and remained inactive until July, 2006 when the current Director chose to invest a minimal amount of resources into investigating whether the program should be revived and commenced working with the Napa Valley Vintners Association to see if the

ABAG program and the Vintner's Napa Green program could be coordinated. Several other Napa businesses also showed an interest in certification and were included in what has essentially become a small pilot effort to determine if the program should be revived.

Because of the interest in the program from the community, staff now requests input from the Board to determine if further efforts should be expended in developing the program, if funds should be allocated for same, in what Department or Agency the program should reside, and how best to move forward, if at all, with the program.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Assuming a \$20,000 contribution to NCTPA, the Department of Environmental Management could likely fund the 2007-2008 out of its existing budget. This is because of several existing vacancies which will result in short term salary savings. However, it is unlikely that this source of revenue will be available in future fiscal years so long term funding would still need to be pursued.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The Green Business Program has proven effective in assisting companies in voluntarily improving their environmental performance, reducing water and energy use, and improving regulatory compliance. The program has no apparent downside, except that it requires funding to exist.
Is the general fund affected?	Yes
Future fiscal impact:	Depending on the level of staffing the Board (and other agencies) choose to support, these costs will be ongoing on an annual basis as long as the program continues.
Consequences if not approved:	The program will not be implemented in Napa County.
Additional Information:	

ENVIRONMENTAL IMPACT

There is no Environmental Impact for this item as defined under CEQA. There is potentially a very positive environmental impact as businesses are encouraged to improve their environmental performance.

BACKGROUND AND DISCUSSION

SUMMARY:

The Bay Area Green Business Program (Program) certifies the environmental performance of small-tomedium sized businesses and government agencies that volunteer to operate in a more environmentally responsible way. Certification requires compliance with all regulations and meeting program "beyond compliance" standards for conserving resources, preventing pollution and minimizing waste. Participants receive recognition by displaying a window decal of the Green Business logo that is marketed so consumers can identify the environmentally responsible businesses.

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The Program provides businesses with consolidated information and technical assistance on:

- § Complying with environmental regulations (including those pertaining to air quality, wastewater discharge, storm water management, chemical storage and handling, and hazardous waste management); and
- § Going beyond compliance to adopt environmentally-sound practices in four areas energy efficiency, water conservation, solid and hazardous waste reduction, and pollution prevention.

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DISCUSSION:

Background on the Hazardous Waste Facility Allocation Committee (FAC)

The Tanner Act, or AB 2948, was enacted by the California Legislature in 1986 mandating that local governments develop a Hazardous Waste Management Plan (HWMP) for the management of all hazardous wastes generated within their jurisdiction and required the designation of general areas for the siting of hazardous waste facilities within a County for the disposal of those wastes.

The Hazardous Waste Management Facility Allocation Committee (FAC) was established in 1990 in response to the Tanner Act by Bay Area elected officials who successfully sought approval to respond to

these requirements as a region. The FAC developed the "fair-share" process whereby counties with capacity deficits are allocated responsibility to provide potential sites for hazardous waste facilities. In FY 1994/95, the counties formally approved the methodology and entered into an Inter-jurisdictional Agreement (IJA). The IJA provides that the FAC members review hazardous waste generation data periodically, update the allocations as needed and address hazardous waste minimization. The review of these items maintains the currency of the IJA and compliance with the Tanner Act.

ABAG continues to provide staff support to the FAC as it relates to implementations of the Tanner Plan requirements under the regional agreement that has included supporting programs like the Green Business Program which is intended to help promote reduction of hazardous waste generation. Napa County is represented by one board member (Mark Luce) and the five cities are represented by Kevin Miller of the City of Napa.

Green Business Program Benefits

ABAG's Green Business Program (Program) is the only one of its kind to assist the small-to-medium size generators in reducing the large quantities of hazardous waste they generate. Currently, both the State and Federal Governments only have programs in place recognizing larger generators for their efforts to reduce the amount of hazardous waste produced at their facilities.

Under the Tanner Act, or AB 2948, the HWMP also requires the promotion of pollution prevention programs that will effectively reduce hazardous waste generation. Participation in the Program satisfies this requirement because it supports countywide pollution prevention activities that address the minimization of hazardous wastes through source reduction opportunities beyond regulatory requirements. However, this is not a mandated program under the HWMP.

The Program also seeks to improve the relations with all participating government agencies by providing for a safe harbor provision. Prospective businesses found to be in regulatory non-compliance will be encouraged by the appropriate regulatory agency to meet compliance and then reapply for certification. The voluntary measures that prospective green businesses implement to meet the Program standards help partner agencies achieve their respective pollution prevention, resource efficiency and solid waste diversion objectives. Certification benefits a business by holding a "green" marketing edge over the competition, strengthens its bottom line through operation efficiencies achieved through the checklist audits and improves employee morale by implementing visible measures that improve the overall health of the workplace. But, again, this is solely a voluntary program.

Napa County Pilot Program

In reviewing other County programs, there are roughly three categories of businesses that participate in the Green Business program:

Category One: CUPA-regulated businesses who handle and generate hazardous materials and waste in reportable quantities that are regulated/permitted by Counties under existing state laws.

Category Two: Businesses that handle hazardous materials and waste in quantities below the regulated/permitted thresholds.

Category Three: Businesses that do not use or handle hazardous material or wastes but implement environmentally friendly practices and measures voluntarily.

Although we have conducted no outreach, Staff has been contacted by businesses in all three categories. Some of these businesses include:

- I NewLevel Group
- Mechanics Bank
- Harvest Inn, Gaia Hotel
- 1 Thern Electric
- Wineries (including Cakebread, Saintsbury, Sutter Home, and others through the NVVA)

FINANCING AND PROGRAM OPTIONS:

The cost of preparing this staff report and coordinating the presentation has been borne by the Department of Environmental Management. Though the Program is promoted through ABAG staff from the Hazardous Waste Management Facility Allocation Committee (FAC), implementation and operation of a Program by a local government jurisdiction is the responsibility of that local government.

Some of the options for the Board include:

1. Fully fund the program. Most Counties started their program with 0.5 FTEs (approximately \$60,000), and later expanded to one full FTE as more businesses were certified or required re-certification.

2. Fund a pilot program using part-time extra-help which would be initially funded by the General Fund while staff works to identify other sources of funding, including cost sharing with the private sector, cities, sanitation, water, and solid waste districts or increase of other fees to support on-going costs. (\$25,000)

3. Do not fund the program and cease all efforts (\$0)

4. Direct staff to attempt to fund the program through another County Wide Agency, such as NCTP&A, with the County contributing a "fair share" (\$20,000 maximum) to the effort. Other contributions to the program could be provided by such agencies as the cities, water, wastewater, and waste management providers, or the private sector. The Director of Environmental Management will be presenting this concept to the NCTP&A Board on June 20th and will report on the results of those discussions. At this time Staff believes this to be the most appropriate and sustainable option to assure that all municipalities and agencies are involved in and benefit from the program. As discussed above under fiscal impact, DEM would likely be able to absorb the \$20,000 contribution in 2007-2008 out of salary savings in its existing budget due to an unusual number of vacancies. However, a new source of funding will be needed in later fiscal years or the County will need to cease funding our share of the program. Possible funding sources include Grants, use of franchise fee revenue from various waste hauling contracts, or possible contributions of private sector funds.

SUPPORTING DOCUMENTS

A . Typical Green Business Checklist

CEO Recommendation: Approve Reviewed By: Helene Franchi