

I. Call to Order and Announcements:

The meeting was called to order with a roll call at 3:03 p.m. There were 7 members present at roll call.

Chair Colin Tetreault announced that he will be asking Mayor Kate Gallego for a meeting and perhaps she could address the Commission at a future meeting.

II. Public Comment – No Comments

Chair Tetreault welcomed journalism and public policy students from Arizona State University who were in attendance. None spoke.

III. Review and approval of March 14, 2019 Minutes:

ACTION:

Commissioner Penny Allee Taylor made a motion to approve the March 14, 2019 minutes. Commissioner Kimberly Ruht seconded the motion and it carried 7:0.

IV. Budget Hearing Meetings

Chair Tetreault informed the Commission of currently on-going City budget hearings scheduled at various remote locations in the city. He urged members to attend and support funding for the Office of Environmental Programs and Office of Sustainability as well as for trees and shade. Commissioner Dwayne Allen added that it may be helpful to coordinate tree and shade advocacy with Sarah Porter, Chair of the Commission's Urban Heat Island / Tree and Shade Subcommittee.

V. Strategic Planning

Chair Tetreault announced that he would like to schedule for early summer a 3-4 hour strategic planning working session of the Commission focused on food, climate and air quality. Discussion would include the roles and responsibilities of the Commission and the City. A voluntary outside facilitator would be helpful to bring more focus to the working session. A Doodle Poll could be used to schedule the meeting.

VI. Discussion: The Circular Economy

Brandie Barrett, City of Phoenix Deputy Director of the Public Works Department was in attendance and added to the discussion of this agenda topic. Ms. Barrett discussed the challenge of removing plastics Numbers 3-7 from the waste-stream, especially after China no longer is accepting those types of plastics for recycling. There currently is no recycling market for these items that include wrappers and plastic tub containers. Already, Public Works pays for and oversees 125 long-haul tractor trailer trips carrying municipal waste to the landfill from the city's two transfer stations.

The Resource and Innovations Network of the Public Works Department issued a Request for Proposals (RFP) for private sector proposals to separate out plastics Numbers 3-7 from the waste stream and produce liquid vehicle fuel from the materials. In April, City Council approved the proposal from Renew Phoenix, a joint venture between Generated Materials Recovery and Renewlogy, to work together to build a facility to process the materials on the city's Resource Innovation

Campus, near the Public Works 27th Avenue Transfer Station. More information can be found at: <https://www.phoenix.gov/news/publicworks/2303>

Ms. Barrett continued to discuss another new waste diversion program of Public Works. Specifically, a pilot curbside textile recycling program is now being considered to remove textile materials from the waste stream. Currently the diversion rate is 33% with the 40% target set for the end of 2020.

Chair Tetreault closed the discussion with an offer to Ms. Barrett to avail the role of the Commission to advocate and assist City staff in any way possible to help Phoenix reach its sustainability goals.

VII. Presentation: Green Finance

Denise Olson, Chief Financial Officer for the City of Phoenix presented information on Green Finance. Green Finance includes both where the City invests its funds and how the city obtains its loans or bonds. One leg of Green Finance is the municipal use of Green Bonds, or bonds with slightly lower pay-back interest rates used to underwrite municipal sustainability projects. Green Bonds have a pool of investors who are willing to accept lower returns to help the planet.

Another leg of Green Finance is to ensure that municipal funds are invested into beneficially green enterprises. Phoenix generally has two types of invested fund accounts. Checking accounts are used for day-to-day operations and must be liquid and conservatively invested. Trust accounts are held for long-term and can afford slightly more risk and ESG potential, i.e., abiding by environmental, social and governance (ESG) criteria. For example, the City's pension funds are generally ESG, or environmental, social and governance criteria invested.

The City currently has no Green Bonds on its books. Ms. Olson indicated that her office monitors rates on Green Bonds and has found that such bonds could afford up to a 6 basis point advantage if the green project to be underwritten is certified and rated by a reputable rating firm. However, her research has found that most Green Bonds do not currently offer cities any cost advantage. She did indicate that to lend themselves to Green Bonds, projects must be discrete whole projects in their description that would be new construction, not rehabilitation, and would generate a consistent secure revenue stream. Some of the water infrastructure projects to be underwritten by Water's new rate increase potentially could fit under this description. It is also possible to bundle older green projects and refinance them under Green Bonds.

At the end of Ms. Olson's presentation, Chair Tetreault thanked Ms. Olson and offered next steps for the Commission. The Commission could advocate for Green Bonds to be used for future water infrastructure projects as well as for more consideration of sustainability criteria in our trust account investments.

VIII. Announcements and Review of Future Agenda Items

PROPOSED FUTURE AGENDA ITEMS:

Chair Tetreault stated that he and Richard Adkins, the city's forestry expert, would contact a non-profit organization called American Forests to obtain information and

possibly request a representative give a presentation to the Commission. Other possibly future agenda items include

- **City Sustainability Goals (May)**
- **Light Rail status (May)**
- **Mayor Kate Gallego – TBD**

NEXT MEETING: Thursday, May 9, 2019, 3:00 p.m., PCH, Room 12 Central-

IX. Adjournment – The meeting was adjourned at 4:56 p.m.

Respectfully Submitted,

Joseph Gibbs, Environmental Quality Specialist