

STAFF REPORT

City of Lancaster

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MVB

Date: September 14, 2010

To: Mayor Parris and City Council Members

From: Robert W. Greene, Director, Parks, Recreation and Arts Department

Subject: **Energy Services Upgrades with Johnson Controls, Inc.**

Recommendation:

Adopt **Resolution No. 10-67**, authorizing and approving the application for a loan with the California Energy Commission relating to energy savings upgrades. Authorize the City Manager, or his designee, to negotiate and execute all necessary documents for the completion of the aforementioned project.

Fiscal Impact:

It is estimated that over the fifteen (15) year term of the contract the City will save an estimated \$536,575 dollars in energy costs. In addition, the City will receive \$4.6 million in new infrastructure improvements as identified in the agreement.

These upgrades will be funded by available grant sources, rebates, Department of Energy ARRA funding and the low interest loan through CEC. Johnson Controls, Inc. will facilitate the implementation and completion of these projects. The City will then compensate JCI and repay CEC loans through the City's projected energy costs savings.

Background:

On December 8, 2009, the City Council approved an initial resolution to apply for funding through the CEC in the amount of \$872,749 dollars. After a prolonged review process, the City has been approved for a larger sum of \$1,469,146 dollars based upon the nature and scope of our project(s).

The aspects of the project include:

- Replacement of twenty-two (22) HVAC units on the roof at Lancaster City Hall.
- Lighting Upgrades (energy efficient lamps and/or ballast conversions) – City Hall, Pierre W. Bain Park, Jane Reynolds Park, Lancaster Performing Arts Center, City Maintenance Yard, Mariposa Park, Tierra Bonita Park, Western Hotel, Eastside and Webber Pools.
- Replacement of sports field lighting, lamps and fixtures, at Clear Channel Stadium.
- Water Conservation (low flow plumbing devices and fixtures) – City Hall, Lancaster Performing Arts Center, City Maintenance Yard, Clear Channel Stadium, Lancaster City Park, Lancaster National Soccer Center, Homeless Shelter and Eastside Pool.
- Weather Station Installations (irrigation water conservation) – Lancaster City Park, Lancaster National Soccer Center and Pierre W. Bain Park.

- Solar Water Heating - domestic water – Lancaster City Hall, Clear Channel Stadium, Eastside & Webber Pools; non-domestic – Eastside Pool.

The CEC requires simply that the amount of the loan be updated on the resolution and that the City's application for the loan be updated to reflect the new total amount of \$1,469,146 to complete the approval requirements. Upon receipt of this documentation, the City's loan will be scheduled for approval by the CEC at their October 6, 2010 meeting.

Attachment:

Resolution No. 10-67