



Minutes

Lakewood City Council

Adjourned Regular Meeting held
February 26, 2008

MEETING WAS CALLED TO ORDER at 6:30 p.m. by Mayor DuBois in the Executive Board Room at the Civic Center, 5000 Clark Avenue, Lakewood, California.

ROLL CALL: PRESENT: Mayor Diane DuBois
Vice Mayor Steve Croft
Council Member Joseph Esquivel
Council Member Todd Rogers
Council Member Larry Van Nostran

PROPOSED SOLAR GENERATION PROJECT AT PLANT #4

Water Resources Director Jim Glancy displayed slides and made a presentation based on the memo in the agenda. He stated the City Council had previously approved in concept the use of solar panels to generate power for Plant #4. Under the proposed system, the solar panels would generate enough power to move water from the tanks into the distribution system during the daylight hours, and power would be drawn from the electrical grid to run the pumps overnight, when power consumption was much less expensive.

Bill Simmons, City Light & Power, displayed slides and reviewed the company's completed projects and experience. He provided an update on the work completed to date for the solar project at Plant #4. He noted that the preferred provider for the solar panels was a California company that had been in business for more than 20 years.

Responding to a question from Council Member Van Nostran, Mr. Glancy stated that although they would need to remove part of the gravel from the roof of the water tank in order to provide a stable and level surface for the panels, the roof would still be water tight.

Mr. Simmons responded to a question from City Manager Howard Chambers by stating that the interlocking panels were not only strong enough to walk on, but could withstand the impact from a baseball at up to 100 mph.

Mayor DuBois inquired about storage of excess generated power when and if financially feasible. Mr. Simmons stated that the City would have the option to install a battery system to store power.

Responding to a question from Council Member Rogers, Mr. Simmons stated that the system was sized to meet consumption needs, as at this time, there was no credit system available for excess power generated.

Mr. Glancy stated that it currently cost approximately \$66,000 to run the system during the daylight hours, and that would increase with the output from the new well.

PROPOSED SOLAR GENERATION PROJECT AT PLANT #4 - Continued

Council Member Van Nostran determined from Mr. Simmons that the panels would be cleaned on a monthly basis as part of the contract.

Vice Mayor Croft stated that the solar generated power would provide a cleaner and more reliable energy source, since the plant would not be dependent on Edison power or subject to power outages during peak summer months.

Administrative Services Director Diane Perkin reviewed the rate structure necessary to fund the solar project, noting that the proposed rate change would be spread over a three-year period. She stated that working closely with the Water Resources Committee, the rate structure had been designed so that those with the least to spend, would be impacted the least. She pointed out that the basic residential charge and the amount of water included would remain unchanged.

Vice Mayor Croft thanked the staff at City Light & Power (CLP) and the City staff for working with the Committee on this issue. He stated that this project provided an opportunity to do something good for the City's future and its residents. He also noted that with the increasing focus on global warming, there was the possibility for future credits for such a project.

Council Member Van Nostran stated that he had initially been hesitant about the project due to the impacts on Lakewood residents living on fixed incomes. But, he noted, with the matrix prepared by the Director of Administrative Services for the proposed rate structure, he felt he could fully endorse the project.

Mr. Simmons stated that the next step would be the issuance of a purchase order for the solar collector panels. He advised that the solar initiative credit from the State had been guaranteed until June 11th.

Responding to questions from City Attorney Steve Skolnik, Mr. Sam Balisy, Bond Counsel for CLP, stated that the five percent financing rate was really an estimate which could go down prior to finalizing the funding.

The City Attorney clarified that the execution of the whole package of documents for the project was dependent on the five percent rate and that should the rate rise, this matter would have to come back to the City Council.

The City Attorney suggested the Committee recommendation be modified to state, "Approve an agreement and necessary ancillary documents with City Light & Power, Inc. for the financing, installation and maintenance of a solar generation facility for Plant #4, with financing over a fifteen-year term and, upon approval by the City Attorney as to form, authorize its execution by the Mayor on behalf of the City."

PROPOSED SOLAR GENERATION PROJECT AT PLANT #4 - Continued

Mayor DuBois stated it was the City Council's duty to be cautious about committing public funds. She noted that since the cost of being green, or doing something good for the environment, was not always fully recoverable, it was important to weigh the ultimate value of the project with its costs to accomplish.

Mr. Simmons noted that with the electricity cost savings, the project would eventually completely pay for itself, even though it could take years.

VICE MAYOR CROFT MOVED AND COUNCIL MEMBER ESQUIVEL SECONDED TO APPROVE THE RECOMMENDATION OF THE WATER RESOURCES COMMITTEE AS AMENDED. UPON ROLL CALL VOTE, THE MOTION WAS APPROVED:

AYES: COUNCIL MEMBERS: Van Nostran, Esquivel, Croft, Rogers and DuBois

NAYS: COUNCIL MEMBERS: None

ADJOURNMENT

There being no further business to be brought before the City Council, Mayor DuBois adjourned the meeting at 7:23 p.m.

Respectfully submitted,

Denise R. Hayward, CMC
City Clerk