



## CITY OF LODI

Carnegie Forum  
305 West Pine Street, Lodi

## AGENDA - SPECIAL MEETING

Date: December 12, 1995

Time: 7:00 p.m.

For information regarding this Agenda please contact:

**Jennifer M. Perrin**

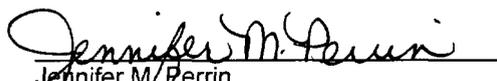
**City Clerk**

**Telephone: (209) 333-6702**

ALL STAFF REPORTS OR OTHER WRITTEN DOCUMENTATION RELATING TO EACH ITEM OF BUSINESS REFERRED TO ON THE AGENDA ARE ON FILE IN THE OFFICE OF THE CITY CLERK AND ARE AVAILABLE FOR PUBLIC INSPECTION

- A. Roll call
- B. Electric Utility Department Five-Year Planning Review
- C. Adjournment

Pursuant to Section 54956.2(a) of the Government Code of the State of California, this Agenda was posted at a place freely accessible to the public 24 hours a day.

  
Jennifer M. Perrin  
City Clerk



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Electric Utility Department Five-Year Planning Review

MEETING DATE: December 12, 1995

SUBMITTED BY: Electric Utility Director

**RECOMMENDED ACTION:** That the City Council hear a presentation regarding competitive changes taking place in the electric utility industry and the policy implications to the City of Lodi, Electric Utility Department (EUD).

**BACKGROUND INFORMATION:** Over the past several months, the EUD has been exploring numerous options and implementing specific organizational changes to better the EUD to face competitive changes taking place in the electric utility industry. The changes implemented to date are beneficial from an organizational standpoint. However, it has become clear that significant additional changes to our business practices will be essential if we are to remain competitive and add value for the benefit of our customers in the future.

The EUD has substantially completed a five-year budget planning process designed to transition current operations from a monopoly-oriented caretaker mode to an aggressive competitive mode. Initial review of the five-year plan by the City Manager and EUD senior management revealed that numerous, and in many cases, significant changes in existing policy would have to be considered in implementing the proposed five-year plan. City management believes that it would be inappropriate to consider approval of a final budget proposal absent a complete review and understanding of the competitive changes taking place in the electric utility industry and the nature of the legislative and regulatory climate compelling us to consider significant shifts in policy.

We are therefore proposing a series of four to six special or shirtsleeve sessions to be held with the intention of not merely adopting a budget, but in addition, to implement organizational and policy changes designed to meet competitive challenges in an aggressive, but well calculated manner. The first of the sessions, scheduled for December 12, 1995, will feature a general overview of the issues to be considered, as well as a scoping session to define the final content and schedule of the remaining sessions.

**FUNDING:** None required.

Alan N. Vallow  
Electric Utility Director

ANV/sh

Prepared by Alan Vallow, Electric Utility Director

APPROVED: \_\_\_\_\_  
H. DIXON FLYNN  
City Manager