



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Adopt two resolutions authorizing the City Manager to allocate Public Benefit Program rebates to the following commercial/industrial customers for demand-side management projects: Design Select (\$6,621.19) and Lustre-Cal (\$25,000) (EUD)

**MEETING DATE:** September 7, 2005

**PREPARED BY:** Electric Utility Director

**RECOMMENDED ACTION:** Adopt two resolutions authorizing the City Manager to allocate Public Benefit Program rebates to the following commercial/industrial customers for demand-side management projects: Design Select (\$6,621.19) and Lustre-Cal (\$25,000.00).

**BACKGROUND INFORMATION:** Two commercial and/or industrial customers in Lodi have installed a series of energy efficiency or energy conservation measures at their respective businesses. Below is a brief summary of the projects. Each rebate is 15 percent of the purchased cost of the energy conservation measures installed at each customer site, unless otherwise noted.

Design Select: rebate amount \$6,621.19; this is a new industrial customer to Lodi, located at 1101 E. Lodi Avenue. Design Select manufactures custom residential granite counter tops, and other precision stone works. Inside their recently refurbished, 24,000 square foot facility, Design Select representatives have purchased and installed one (1) high efficiency, Sullair rotary screw air-cooled air compressor, with a variable speed drive function. This unit is utilized in the manufacturing of the custom-made granite counter tops, and is built with energy efficiency, speed, and ease-of-maintenance in mind. The unit consumes approximately 30 percent *less* electricity than comparable air compressors, that are not equipped with the variable speed drive capability. This capability allows an operator to “quick-start” the machine, without the slow warm-up process (which conserves energy), and also allows the unit to ramp up and down, creating more operator flexibility. In addition, Design Select representatives purchased and installed forty-seven (47), electronic ballast - high-bay fixtures, with 188 T-5 high output fluorescent lamps; also installed were sixty (60) T-8 fluorescent lamps, and twelve (12) wrap-around fluorescent lamps (NOTE- the 47 electronic ballast & the 188 T-5 lamps were installed in the manufacturing plant; the 60 T-8 lamps and 12 wrap-around fluorescent lamps were installed in the office/restroom space).

Lustre-Cal: rebate amount \$25,000.00; this manufacturer of high quality name-plates, overlays, labels, and membrane switches recently constructed a new 50,000 square foot facility at 715 S. Guild Avenue. Lustre-Cal officials have installed a number of energy efficient products and materials, which will reduce energy consumption by approximately 20 percent (this figure is calculated by comparing the efficiency rating of the approved energy conservation products, versus standard equipment). Installed at the new facility are:

APPROVED:   
Blair King, City Manager

- one (1) four-ton, TRANE high efficiency air conditioner, with an economizer;
- one (1) 105-ton, TRANE high efficiency air conditioner, with variable air volume and temperature controls (this unit is also equipped with the latest computer diagnostic technology, that allows for various operating modes, thus enhancing energy efficiency);
- related heating/air conditioning equipment, such as an air handler and eleven (11) exhaust fans with frequency drives;
- one (1) 32-space Lightmaster lighting control panel, which allows Lustre-Cal personnel to operate the facilities lighting system from a computer screen, both on-site, and remotely off-site;
- 2,452 T-8 fluorescent lamps; 42 light-emitting diode (LED) exit signs, 60 13- to 26-watt compact fluorescent lamps, and 1,104 electronic ballast- all of which qualify as high efficiency lighting applications; and,
- thirteen (13) skylights (also referred to as free- or day-lighting options).

The total energy efficiency improvements expended on this new facility by Lustre-Cal officials total in excess of \$168,000. The Public Benefits Program rebate of \$25,000 is the maximum rebate amount currently provided to large commercial and industrial projects. The various energy efficiency measures and improvements incorporated into the new Lustre-Cal structure, will provide a minimum 20 percent energy savings annually.

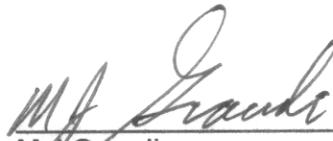
It should also be noted that both customers are agreeable to allowing their facilities to be utilized as future energy conservation/efficiency demonstration sites, to showcase high efficiency technologies to other industrial customers here in Lodi.

Electric Utility staff respectfully recommends approval of these two demand-side management rebates as qualifying components of the City of Lodi Public Benefits Program.

**FISCAL IMPACT:** The rebate dollars provided to these customers is budgeted in the Public Benefits Program, 2005-2006 fiscal year budget. The total savings achieved by these customers, as a result of these efficiency improvements, will be reviewed in one year.

**FUNDING AVAILABLE:** 164605 – Public Benefits Program (Category: Demand-side Management)

  
James R. Krueger, Finance Director

  
Mr. Grandi  
Electric Utility Director - Interim

Prepared By: Rob Lechner, Manager, Customer Service and Programs

MG/RL/1st

c: City Attorney

RESOLUTION NO. 2005-189

A RESOLUTION OF THE LODI CITY COUNCIL  
AUTHORIZING THE CITY MANAGER TO  
ALLOCATE PUBLIC BENEFIT PROGRAM REBATE TO  
COMMERCIAL/INDUSTRIAL CUSTOMER, DESIGN  
SELECT, FOR DEMAND-SIDE MANAGEMENT  
PROJECT

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WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: commercial/industrial, residential, community/non-profit, and municipal; and

WHEREAS, Design Select, a commercial/industrial customer in Lodi, has installed a series of energy efficiency or energy conservation measures at its business. The rebate is 15 percent of the purchased cost of the energy conservation measures installed at the customer site, unless otherwise noted. Below is a brief summary of the project:

Design Select (rebate amount \$6,621.19): This is a new industrial customer to Lodi, located at 1101 E. Lodi Avenue. Design Select manufactures custom residential granite counter tops and other precision stone works. Inside its recently refurbished, 24,000 square foot facility, Design Select representatives have purchased and installed one high-efficiency Sullair rotary screw air-cooled air compressor with a variable speed drive function. This unit is utilized in the manufacturing of the custom-made granite counter tops and is built with energy efficiency, speed, and ease-of-maintenance in mind. The unit consumes approximately 30 percent *less* electricity than comparable air compressors that are not equipped with the variable speed drive capability. This capability allows an operator to "quick-start" the machine, without the slow warm-up process (which conserves energy), and also allows the unit to ramp up and down, creating more operator flexibility. In addition, Design Select representatives purchased and installed 47 electronic ballasts, high-bay fixtures with 188 T-5 high-output fluorescent lamps. Also installed were 60 T-8 fluorescent lamps and 12 wrap-around fluorescent lamps. (NOTE: The 47 electronic ballasts and the 188 T-5 lamps were installed in the manufacturing plant; the 60 T-8 lamps and 12 wrap-around fluorescent lamps were installed in the office/restroom space.)

WHEREAS, Electric Utility staff respectfully recommends approval of this demand-side management rebate as a qualifying component of the City of Lodi Public Benefits Program.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to allocate a Public Benefit Program Rebate to commercial/industrial customer, Design Select, in the amount of \$6,621.19 for a demand-side management project.

Dated: September 7, 2005

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I hereby certify that Resolution No. 2005-189 was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 7, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce,  
and Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

A handwritten signature in black ink, appearing to read "Susan J. Blackston". The signature is fluid and cursive, with a large initial "S" and a long horizontal stroke at the end.

SUSAN J. BLACKSTON  
City Clerk

RESOLUTION NO. 2005-190

A RESOLUTION OF THE LODI CITY COUNCIL  
AUTHORIZING THE CITY MANAGER TO  
ALLOCATE PUBLIC BENEFIT PROGRAM REBATE TO  
COMMERCIAL/INDUSTRIAL CUSTOMER, LUSTRE-CAL,  
FOR DEMAND-SIDE MANAGEMENT PROJECT

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WHEREAS, the City of Lodi's Public Benefits Program is comprised of four segments or customer groups: commercial/industrial, residential, community/non-profit, and municipal; and

WHEREAS, Lustre-Cal, a commercial/industrial customer in Lodi, has installed a series of energy efficiency or energy conservation measures at its business. The rebate is 15 percent of the purchased cost of the energy conservation measures installed at the customer site, unless otherwise noted. Below is a brief summary of the project:

Lustre-Cal (rebate amount \$25,000.00): This manufacturer of high-quality name plates, overlays, labels, and membrane switches recently constructed a new 50,000 square foot facility at 715 S. Guild Avenue. Lustre-Cal officials have installed a number of energy efficient products and materials, which will reduce energy consumption by approximately 20 percent (this figure is calculated by comparing the efficiency rating of the approved energy conservation products, versus standard equipment). Installed at the new facility are:

- one 4-ton TRANE high-efficiency air conditioner, with an economizer;
- one 105-ton TRANE high-efficiency air conditioner, with variable air volume and temperature controls (this unit is also equipped with the latest computer diagnostic technology that allows for various operating modes, thus enhancing energy efficiency);
- related heating/air conditioning equipment, such as an air handler and 11 exhaust fans with frequency drives;
- one 32-space Lightmaster lighting control panel, which allows Lustre-Cal personnel to operate the facility's lighting system from a computer screen, both on-site and remotely off-site;
- 2,452 T-8 fluorescent lamps, 42 light-emitting diode exit signs, 60 13- to 26-watt compact fluorescent lamps, and 1,104 electronic ballasts, all of which qualify as high-efficiency lighting applications; and
- 13 skylights (also referred to as free- or day-lighting options).

WHEREAS, the total energy efficiency improvements expended on this new facility by Lustre-Cal officials total in excess of \$168,000. The Public Benefits Program rebate of \$25,000 is the maximum rebate amount currently provided to large commercial and industrial projects. The various energy efficiency measures and improvements incorporated into the new Lustre-Cal structure will provide a minimum 20 percent energy savings annually; and

WHEREAS, Electric Utility staff respectfully recommends approval of this demand-side management rebate as a qualifying component of the City of Lodi Public Benefits Program.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to allocate a Public Benefit Program Rebate to commercial/industrial customer, Lustre-Cal, in the amount of \$25,000 for demand-side management project.

Dated: September 7, 2005

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I hereby certify that Resolution No. 2005-190 was passed and adopted by the City Council of the City of Lodi in a regular meeting held September 7, 2005, by the following vote:

- AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman
- NOES: COUNCIL MEMBERS – None
- ABSENT: COUNCIL MEMBERS – None
- ABSTAIN: COUNCIL MEMBERS – None



SUSAN J. BLACKSTON  
City Clerk