



City of Glendale Council Sustainability Committee Minutes

December 15, 2009
10:30 a.m. to 11:30 a.m.
Council Chambers Conference Room B-2

Minutes

Meeting Attendees

Council Sustainability Committee Members

Present were Councilmember/Chairperson David Goulet (Ocotillo District), and Councilmember Yvonne Knaack (Barrel District).

City Staff Members

Ken Reedy, Deborah Mazoyer, Pam Wertz, Roger Bailey, Rebecca Benna, Larry Broyles, Jon Froke, Stuart Kent, Doug Kukino, Jo Miller, Bob Manginell, and Marilyn Clark.

I. Approval of Minutes

Chairperson Goulet Called for Approval of the November 17, 2009 minutes. Councilmember Knaack Made a Motion to Approve the minutes as written, and the minutes were unanimously approved.

II. Comprehensive Energy Conservation Planning Process

Stuart Kent presented this agenda item to the Committee. Mr. Kent started the presentation explaining the concept behind the various components involved in a comprehensive energy strategy. The first component to be undertaken would consist of having an assessment of where the organization stands in terms of services and demands for energy. The next step would include the expectations of the organization through a commitment or policy statement. Then, more specific goals would be developed to achieve the policy statement, and the creation and implementation of an action plan. Mr. Kent pointed out that the implementation of the action plan would likely involve improvements that have short and long term paybacks based on the cost of the improvements.

A flow chart was used as a matrix to illustrate the various stages of development in creating this process. The first course of action is to make a commitment, assess the performance, and set goals. Once those have been established, an action plan would be created for putting the ideas

into practice. After the action plan is implemented, progress would be monitored for evaluation and achievements recognized. The next phase would be to re-assess and examine the process to see how well these projects are working and what can or should be done differently.

Mr. Kent reminded the Committee that in prior discussions, it was stated that any type of comprehensive energy strategy would address energy consumption, the use of alternative energy sources, and opportunities to improve efficiency in current and future operations.

As an example, he said that on December 4, 2009, the City issued a request for qualifications for a firm to enter into an Energy Services Contract with the City. While Statements of Qualifications are not due to the City until mid January, this methodology was one way in which school districts, local and state governments, and private companies are working to better manage their energy costs.

Should the City enter into an agreement, many of the features in the flow chart would be addressed, including the assessment and an action plan.

Mr. Kent also noted that this process would involve a highly skilled firm to conduct an evaluation of many City facilities to determine opportunities to reduce energy costs, and costs related to water/sewer services, through improvements to facilities. Conceptually, an energy services company (ESCO) would also agree to make facility improvements to reduce energy costs and guarantee the energy savings. If savings were not realized, then the ESCO would pay the City the difference. The improvements completed by the ESCO are typically paid for by the City through the energy savings realized. Some projects may have a payback of less than three years, meaning, any savings beyond that time would belong to the City. Other projects may have a payback of 5-10 years, or even longer, but energy savings realized once the improvements have been paid for, would also be retained by the City. Once the Statements of Qualification are received in mid-January, staff would evaluate the qualifications and work towards developing an energy services contract.

With respect to Current Energy Consumption, Mr. Kent stated that the City of Glendale is budgeted to spend just under \$12 million this current fiscal year to purchase energy; \$7.74 million in electricity and \$4.24 in fuel, to allow City operations to meet the service demands of the community. In terms of electricity, almost \$3.4 million is budgeted for the Utilities Department for the operation of water and sewer treatment plants; \$1.245 million in Transportation for signal and street light operations; and, the remaining \$3.1 million would be spent on operating the remaining 100 plus buildings and systems that currently exist. While this number is significant, it represents less than 2.5% of the total City operating budget that is in excess of \$341 million.

Mr. Kent went on to say that another significant form of energy that the City purchases is fuel. Fuel prices have risen and fallen wildly, based on a myriad of factors including domestic and foreign production capabilities, investor speculation, and political volatility. The Committee viewed a chart comparing the relative changes in the costs of energy that Glendale has experienced over the last six years.

The chart revealed that energy costs have risen steadily over a six-year period. During this six-year period, in addition to rate increases, cost increases also included the addition of new facilities at the Public Safety Training Facility, the Foothills Aquatics Center, the Downtown Parking Garage, the Youth Sports Fields, the Oasis Water Treatment Plant, and a variety of lighting and facility improvements.

Mr. Kent indicated that fuel costs have risen over the six-year period as well, but for very different reasons. He said that while consumption itself has not risen as dramatically over this timeframe, the average cost of a gallon of gasoline has been as low as \$1.84/gallon in FY04-05, and as high as \$2.99/gallon in FY 07-08, which is a 62% increase in cost. The City has taken a number of steps to reduce overall consumption, including the establishment of a motor pool vehicle fleet, and the purchase of more fuel-efficient vehicles.

In conclusion, Mr. Kent stated that City staff would continue to evaluate opportunities for reducing energy consumption and provide opportunities and information for residents on how they can reduce energy consumption in their homes and businesses.

III. Follow-Up Items from November 17, 2009 Meeting

The follow up items and questions asked by Chairperson Goulet at the November 17, 2009 meeting were researched by Staff and presented to the Committee in the form of a memorandum prior to the meeting.

A brief summary regarding the Straw-Bale House in Tempe was given by Pam Wertz, as well as ways homeowners could make energy improvement modifications to new or existing homes. Jon Froke provided information on replacement windows for historic property, and Jo Miller mentioned some of the Community Gardens located in Arizona that were listed in her memorandum to the Committee.

By way of an email, Chairperson Goulet also requested information regarding the RecycleBank Rewards Pilot Program and asked that Staff present their findings to the Committee at the next meeting. Stuart Kent gave a brief synopsis on this item to the Committee.

Mr. Kent stated that the RecycleBank is a rewards company that focuses on recycling rewards. It does this by measuring the amount of material each home recycles, and then issues RecycleBank Points to the homeowner. Points are based on the amount of materials recycled.

These points can be used at participating local and national rewards partners for money saving offers. RecycleBank Points can be redeemed for rewards, gift cards, groceries and products. Some of the partners include Safeway, Lowes, and Home Depot.

ADJOURNMENT

Meeting Adjourned at approximately 11:30 a.m.

NEXT MEETING: January 19, 2010
 10:30 a.m. to 11:30 a.m.
 Council Chambers Conference Room B-2

TOPICS: Comprehensive Water Conservation Planning Process
 Urban Irrigation Water Service Study

Respectfully Submitted,

A handwritten signature in cursive script that reads "Marilyn Clark". The signature is written in black ink and is positioned above the printed name.

Marilyn Clark, Recording Secretary