

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12

**RESOLUTION NO. R-116-18**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLTON AUTHORIZING THE PARTICIPATION IN THE PROFESSIONAL SERVICES AGREEMENT BETWEEN SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY (SCPPA) AND ICE ENERGY TO PURCHASE AND INSTALL “ICE BEAR” ENERGY STORAGE UNITS, AND TO AUTHORIZE THE CITY MANAGER TO EXECUTE A LETTER OF PARTICIPATION WITH SCPPA; TOP AUTHORIZE THE CITY MANAGER TO APPROVE CHANGE ORDERS UP TO 10% FOR UNFORSEEN CHANGES, AND AMENDING THE BUDGET FOR FISCAL YEAR 2018-19 TO APPROPRIATE AN ADDITIONAL \$53,312 OF CAP AND TRADE PROCEEDS FOR AIR CONDITIONING REPLACEMENT**

13           **WHEREAS**, it is widely recognized, that air-conditioning is one of the most significant  
14 contributors to overall energy consumption that contributes to peak demand during the summer  
15 season. Residential and commercial air conditioning together comprise about 30% of electrical  
16 demand on-peak, approximately 16,000 Megawatts in California, and can stress the distribution  
17 grid to a greater extent than any other single load. This extreme, temperature dependent, peak  
18 demand continues to grow as more and more families and businesses rely on air conditioning to  
19 keep their homes and businesses cool and comfortable. This is causing significant concerns for  
20 the state’s electric reliability, poor asset utilization and negative environmental impacts; and,

21           **WHEREAS**, the City of Colton Electric Department (CED) can mitigate some of this  
22 peak demand by installing Ice Bear thermal energy storage on City facilities. In August of 2017  
23 the City Council approved the Electric Department Plan to replace two air conditioning (AC)  
24 units at the Luque Community Center as a pilot demonstration for thermal energy storage. The  
25 AC replacement was a successful pilot program resulting in the utility performing an audit on  
26 all City facilities. As a result of this audit Ice Energy has identified five City Buildings that can  
benefit from 11 additional Ice Bear 20 energy storage cooling units; and,

27           **WHEREAS**, Assembly Bill (AB) 2514 (Skinner, Chapter 469, Statutes of 2010),  
28 amended by Assembly Bill 2227 (Bradford, Chapter 606, Statutes of 2012), was designed to  
encourage California to incorporate energy storage into the electricity grid, as codified at Public

1 Utilities Code § 2835-2839 and § 9506. Energy storage can provide a multitude of benefits to  
2 California, including supporting the integration of greater amounts of renewable energy into the  
3 electric grid, deferring the need for new fossil-fueled power plants and transmission and  
4 distribution infrastructure, and reducing dependence on fossil fuel generation to meet peak loads.  
5 The Ice Bear Unit shifts the energy and demand of cooling from on-peak to off peak times for a  
6 maximum of up to 6 hours daily during the hottest peak day temperature.; and,

7 **WHEREAS**, since the Ice Bear also acts as a thermal energy storage unit, the CED can  
8 use the additional 11 units as a qualifier for energy storage, enabling compliance with the  
9 mandates of AB 2514; and,

10 **WHEREAS**, the Ice Bear operates by shutting off its self-contained compressor as  
11 scheduled and automatically dispatching an equivalent amount of energy storage cooling energy  
12 from the Ice Bear unit. Whenever cooling is required outside the period of time when the cooling  
13 is provided from the stored cooling energy, the Ice Bear Units compressor provides up to 5-tons  
14 of cooling operating like a conventional AC unit; and,

15 **WHEREAS**, staff recommends that participating in the Professional Services  
16 Agreement between SCPPA and Ice Energy will not only provide the City with the air  
17 conditioning units it needs, but also enable compliance with energy storage mandates; and

18 **WHEREAS**, the CED will continue to work with Public Works Building Maintenance Staff to  
19 develop bid specifications to provide for the replacement of the remaining 124 air conditioners in a  
20 priority sequence based on age and size. Whenever feasible, the CED will utilize Cap and Trade funds  
21 for the replacements. The Gonzales Center, City Hall and the Electric Department air conditioners will  
22 go out to bid this fiscal year and the remaining AC's will be budgeted the following fiscal year; and

23 **WHEREAS**, the City Council previously authorized Cap and Trade funds, in the amount  
24 of \$300,000, in Fiscal Year 2018-19, in the Electric Department Capital Improvement Account  
25 Number 520-8000-8001-3890-0107-000. \$20,245 has already been expended for the  
26 replacement two AC units at the Gonzales Center, Room 1 and at the Development Services  
27 Department. Currently there is \$279,755 available in the approved budget.

28 **NOW, THEREFORE, the City Council of the City of Colton does hereby  
resolve the following:**

**Section 1.** The City Council hereby amends the fiscal year 2018-19 budget  
appropriation as follows:

1  
2 Increase the total FY budget in Electric Department Capital Improvement,  
3 Account Number 520-8000-8001-3890-0107-000 by \$53,312, using Cap and  
Trade proceeds.

4 **Section 2.** Authorize the participation in the Professional Service Agreement  
5 between Southern California Public Power Authority and Ice Energy to purchase  
6 and install Ice Bear energy storage units; and

7 **Section 3.** Authorize the City Manager to execute a letter of participation with  
8 SCPPA; and

9 **Section 4** Authorize the City Manager to approve change orders up 10% for  
unforeseen changes.

10 **PASSED, APPROVED AND ADOPTED** this 20th day of November 2018.

11  
12 \_\_\_\_\_  
13 RICHARD A. DELAROSA, Mayor

14 ATTEST:

15  
16 \_\_\_\_\_  
17 CAROLINA R. PADILLA, City Clerk  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28