

**OFFICE OF THE SUPERINTENDENT OF SCHOOLS
106 Hancock Rd.
Peterborough, New Hampshire**

CONTOOCOOK VALLEY SCHOOL DISTRICT

BUDGET & PROPERTY

Tuesday, April 24, 2018

SAU Office

5:30 PM

Agenda

Committee Members:

- Dick Dunning, Chair
- Rich Cahoon
- Jim Fredrickson
- Niki McGettigan
- Stephan Morrissey
- Jerome Wilson

1. **Call to Order**
2. **Approval of Minutes – March 27, 2018**
3. **Revised 2018-19 budget (inclusion of new contract and HS renovation)**
4. **Initial planning for 2019-20**
5. **CVHS Science project (summary of April 10 Building Committee Meeting)**
6. **Food Service Contract Review**
7. **B&P Committee requests/information requirements going forward**
8. **Other**

**OFFICE OF THE SUPERINTENDENT OF SCHOOLS
106 Hancock Rd.
Peterborough, New Hampshire**

CONTOOCOOK VALLEY SCHOOL DISTRICT

BUDGET & PROPERTY

Tuesday, March 27, 2018

**SAU Office
5:30 PM**

Minutes

Committee Members:

- Dick Dunning, Chair
- Rich Cahoon
- Jim Fredrickson
- Niki McGettigan
- Stephan Morrissey
- Jerome Wilson

Committee Members Present: Dick Dunning, Rich Cahoon, Jim Fredrickson, Niki McGettigan, Stephan Morrissey, Jerome Wilson

Others Present: Kimberly Saunders, Mindy Ryan, Tim Grossi, Dan Weeks (Revision Energy), John Jordan

1. Call to Order

Dick Dunning called the meeting to order at 5:30 p.m.

2. Approval of Minutes – February 20, 2018

Stephan Morrissey moved to approve the minutes of February 20, 2018. Jim Fredrickson second. Niki McGettigan and Stephan Morrissey abstained. All else in favor. Motion carried.

3. Solar Presentation – Dan Weeks

Dick Dunning reported that prior solar presentations have been shared at Budget & Property Committee meetings. Dick Dunning introduced Dan Weeks, Revision Energy, ConVal alum, who shared his excitement to present tonight. Revision is an employee owned company. Their mission is to accelerate a clean, solar energy powered economy. Revision has completed over 7,000 projects. Reducing the need for electricity through solar efficiency is encouraged. The best opportunities to get the most value for the money by looking at roofs is a first step.

Twelve months of electric bills for both CVHS and SMS have been reviewed. The current kWh rate is \$0.106. The rate in 40 years is estimated at .176/kWh. The 40 year cost equates to \$11.4 million. Electric Load and Solar Potential for both SMS and CVHS was shared.

The CVHS rooftop could hold 1,770 panels and 666,100 kWh/year.

The SMS rooftop could hold 1,937 panels and 748,700 kWh/year.

Financially, nonprofits face the challenge of not having the ability of taking advantage of the tax credit or accelerated depreciation. There would be a substantial capital outlay for this project. The host non-profit would partner with an investor who would provide the capital and own the array. They could take advantage of the tax credit and pass savings along until the array is later purchased.

The school district is not required to have capital outlay. Staying with the status quo is estimated at a cost of \$8.8 million at a 40-year cost. Going with the Solar PPA is estimated at \$2.3 million at a savings of \$6.5 million.

Turnkey purchase is \$2.55 million fully installed; \$6.2 million savings by year 40. PPA option, buyout in year 6 is \$1.53 million purchase with \$6.5 million savings by year 40. No buyout results in \$2.6 million cumulative electricity savings by year 40.

This model represents a .5% degradation in output. A plateau effect sets in.

Snow load requirements were discussed. An independent, third party, structural review will assess the roof structures for snow. The cost is factored into the cost by Revision Energy.

Who insures this? The third party owner, the financing party, would insure the system. Upon ownership, the district would insure the system.

What are typical repair and maintenance expenses? Dan Weeks reported doing exceedingly little maintenance. Occasionally, there may be a faulty connection. Nominal maintenance of the system is anticipated. Should roof repair be necessary, a cost for panel removal and reinstallation would be necessary. Mr. Weeks reminded that the roofs on these schools are relatively new. Tim Grossi confirmed that roof replacements are quite a way out on these roofs. Seam maintenance is in the capital plan.

Dan Weeks said that Revision Energy is happy to revise the cash flows in multiple ways.

Kimberly Saunders said that if this is something that the board wants to pursue, a list of questions should be developed and a PPA should be sought. We would have to go to bid as a result of the dollar value of the project.

What assumptions were made about risk and the district's tolerance for it? The potential for risk must be low otherwise educational program will suffer. We cannot lose money.

Dick Dunning said that the purpose was to bring more information to Budget & Property to see if this is a direction the district would want to move in. These panels are moveable and do not penetrate the roof. Projecting inflation out 40 years might be difficult.

What type of contract would a PPA look like? The PPA would state the rate of electricity with future costs outlined.

Dan Weeks said that he would be happy to run scenarios for the district.

Dick Dunning said that guidance from Budget & Property on where we want to go with this is sought. If an RFP goes out, what that looks like and who would do that should be discussed.

Stephan Morrissey said that an internal discussion should take place first.

Dick Dunning asked if more information on this topic is desirable. Confirmed.

Where can we bring cost savings to the district is one question that needs answers?

Rich Cahoon said that reducing costs is the upside. He is concerned about the downside.

This topic will be placed on the next Budget & Property Committee meeting.

What is the governance of the board? Budget & Property would bring it to the full board and the board would make the decision. Construction would go to the ballot.

Does the board have to get public support if the cost is lower than what is currently being spent? The thought was no. An attorney would review.

We have had other companies present a model where those companies, for various reasons, resulted in this project not being ideal for them. This project seems more appropriate for this company.

3. Review of High School Science Labs Project

When will the building committee be put together? A committee will be formed soon. Who approves the committee? The board chair was the response.

Rich Cahoon cautioned that when pursuing solar, that we not get in too deep too early.

4. Discussion of Options for CopSync

If we are going to look at doing something like this, we should send out an RFP. Having a way to get a message out quickly from a school is a valuable tool.

The grant requires all nine towns coming together.

The board nor Budget & Property should write the RFP.

5. Other

Dick Dunning said that each committee has the responsibility to elect a chair. Dick Dunning nominated Jim Fredrickson as Budget & Property Committee Chairman.

Stephan Morrissey second. Unanimous.

Jim Fredrickson motioned to adjourn at 6:45 p.m. Stephan Morrissey second. Unanimous.

Respectfully submitted,

Brenda Marschok