

GILL EC MTG 17 Nov 2010

Present: Claire Chang, Tupper Brown, Pam Lester, Ivan Ussach; Ray Puringon, Timmie Smith (left at 4:30); Beth Greenblatt on speaker phone for entire meeting.
Minutes: Ivan Ussach

Item 1 - ESCO handouts

Beth/Ray: extended rebates taken out of analyses, since they are not definite depending on timeline. CC: Base rebates will be extended (not news - in analysis). AG questioning WMECO rate structure.

BG: Siemens will go after additional rebate \$ from WMECO when they are available. Contract allows for Change Orders initiated by town.

TB: What to tell town why no other buildings are included

BG: There were but they were limited --problem: investment costs can't be supported by savings. With spreadsheet provided by Ray you can see how impacts of additional items. There's very low and/or inefficient energy use of buildings --low occupancy, small buildings --yet capital investments may have high costs.

TB: Public Safety Buildings used a lot.

BG: Look at baseline usage, e.g., for Town Hall: \$2,489 for elect; fuel oil \$2,220. Town might make certain of these investments themselves.

TB: What about other towns?

BG: Elementary schools tend to be good prospects. Montague focusing on Town Hall.

TB: Siemens should have provided more precise info on opportunities upfront.

BG: Agreed. Gill would have to project without EBCBG grant.

Moving on

BG: Scope of Elementary School project --significant energy savings, comfort and significantly reduced maintenance. Comprehensive upgrade of boiler. Comprehensive energy management system to control boiler, heating systems, unit ventilators. Includes steam and hot-water systems.

PL: What about solar?

BG: may be possible but likely more costly due to not enough hot water used during summer when production potential is greatest.

TB: Are #s final?

BG: Siemens has provided documentation of all pricing submitted to BG> BG and Siemens #s are very close --off by \$000 on Siemens side. 269279 total project cost without rebates.

TB: Agreed upon form of contract. BG waiting for 3 attachments: revised scope of work, revised cash flow and schedule of Values. BG negotiated Commissioning Plan to run trend reports on energy monitoring system, Can be run by Ray.

TB: What are principal risks to town with respect to guarantee?

BG: Good Q: savings guaranteed, Siemens writes check for shortfall if they don't materialize.

1 - lighting and lighting controls: Siemens will make pre and post installation measurements on 10% of fixtures. If all checks out they will stipulate that data for contract --based on # of operating hrs pre and post, and output of lights pre and post. Impacts (Risks?): Hrs of operation --55 hrs --if that # goes up, use lights more, higher consumption. if use less, savings overstated.

TB: guaranteed saved kw hrs are based on consumption.

BG: If consumption figures are off, Siemens will do analysis.

TB: So there's only one guarantee point in beginning.

2 - Building envelope: weatherstripping, insulation, caulking measures are stipulated. Siemens confirms that its done properly and according to spec. after 1 yr of performance--becomes basis of annual numbers/performance/savings.

CC: How to test building integrity?

BG: Not done in this contract. No blower door tests.

3 - boiler - tested at installation and over 3 yrs. If criteria met that value will be stipulated. If town doesn't maintain equipment we will void guarantee. In contract. There is option to terminate agreement.

TB: After 3 years, no more measurements

BG: should get annual combustion efficiency test.

TB: why continue guarantees after 3 years?

BG: Siemens invested in having performance meet goals --otherwise they pay the town any difference. Siemens will make any changes need to equipment.

TB: Why pay \$2,000/yr for guarantee??

BG: Town can revisit year to year. Negotiations are possible.

(Amount varies by contract year; Town pays Siemens to measure performance and so they guarantee it.)

4 - Energy Mgmt. system: will control building closer to spaces, improve comfort.

Siemens confirms proper functioning, runs trend reports. Occupied temp 70 degrees; unoccupied will be 60 degrees - computer controlled.

TB: How does guarantee work?

BG: Trend reports will show whether they met requirements. They will use baseline of where we are now. Pre - 71/68; post 70/60.

CC: How responsive will they be in first year to concerns/adjustments?

BG: Good Q: 1 yr warranty on parts and labor. How responsive? Siemens builds very good projects. The EMS people they send out are generally thought to do a good job. She doesn't have specific example. Look at Franklin Tech?

TB: Can town find out how much energy its saved each yr?

BG: Siemens will show value of savings achieved.

CC: Other town buildings, never got scope. is it possible to nail down costs for those items so town can address down the line?

RP: Closest we have is Investment grade Audit

CC: not very detailed

BG: They originally looked at lighting controls and building envelopes for all buildings.
CC: Lighting info is fairly detailed. Spreadsheet from Ray can be used for building envelope work.

TB: Town obligated to maintain equipment. Other obligations?

BG: Willingness to provide data to Siemens each year. At commissioning Siemens will provide all info needed for Maintenance--responsibility matrix.

TB: Distinction between equipment warrantee and management guarantees?

BG: Our obligation to fix what breaks.

RP: Example --door sweep. High usage. Will it last more than a few years?

BG: Products have high quality materials --longer warrantees.

BG: Contract currently at 83 pages incl. attachments. Item: "Contract Cost:" 1st category: "Total program install price paid to Siemens." Addition - now blank - "Customer Controlled Contingency." In case of additional town financing, in case something comes out that town wants to deal with.

RP: We could bump up Bond Issuance costs until numbers go negative.

TB: Example, construction loan. Contingency would be one where we have an amount we can borrow up to, but don't have to borrow all of.

RP: Contingency could be used if a contractor has a bright idea for something Siemens missed.

RP: What's next - Have EC present to Selectboard --where we're at. Monday Dec. 6th would give everyone time to review contract. 4:30 pm.

CC; Item: Rest of scope of work for town buildings --for next mtg agenda.

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Approval of Minutes from Sept. 15: Motion by TB, 2nd by PL, approved unanimously.

Approval of Minutes from October 27: Motion by TB, 2nd by PL, approved unanimously.

Ivan asked to post approved Minutes to Linda Hodsdon Mayo, town clerk

Mtg. adjourned 5:10