

GILL EC MINUTES: OCTOBER 27, 2010

PRESENT: Pam Lester, Claire Chang, Ivan Ussach, Tupper Brown

GUESTS: Ray Purington

Minutes by I. Ussach

Addition to agenda: Green Communities Act

* Sept 15 Minutes: Approval of submitted Minutes was postponed pending possible need for clarification of several items.

Oct. 27:

Item 1: ESCO updates (combines several printed agenda items):

* Unibank Financial Talk:

- present for Unibank: David Eisenthal, Lynn Foster, Susan Kelly.

- present for town: Claire, Tupper, Ronnie, Ann Banash

ESCO contract has been reduced to cover Elementary School only.

A possible 10-Year contract term would have eliminated State House Loans --and so it is not an option because we need to have positive cashflow.

Next option: USDA: funding cycle starts Oct 1.

Orange has received a mix of grants and loans--it was not determined until the time close to disbursement. This reflects uncertainty over influx of new moneys.

* Scope of Work: Ray to receive from Beth tomorrow. Ray: "practically nailed down."

Town did some low hanging fruit on our own--for less than the cost of paying for savings. Examples: Plastic sheets on windows at Riverside, turning back thermostats, going to 4 days at Town Hall. Plus Siemens used utility data from 06-07--because Project sat on burner for 2 years on Gill side (Claire).

Potential list of things we/town can do that are not part of this program.:

- for example: Block off side door

Elem school chimney - \$20k - Siemens will eat the cost.

Other town buildings don't use enough energy to create enough savings for this project. The possible use of Green Communities grants to cover energy-related costs was mentioned.

Volunteers can do some stuff--town of Warwick is an example of this approach..

Later in the town's budget year there is money for town maintenance.

Riverside building needs work --people anxious to avoid costs. The town needs a vision for the building to support costs.

Q: Should EC pursue USDA grant application? Ray: After investment grade audit is complete.

Ray's comment on the town "going slightly negative for 4 yrs" with the current version of ESCO contract was discussed: Is it acceptable?

What about legal requirement/Town Meeting process? Project should not go negative -- but is that only in the end? Not on yearly basis?

The impact of additional items on Cashflow was discussed: All the following items would increase negativity:

1- bond counsel or borrowing related costs

2- enhanced lighting rebates

3- Elem school-- asbestos abatement item: \$3,300

4 - change in interest rate? 4.25% interest rate in Aug. 10 contract version (20-yr.) versus Oct 18 contract version with 1.5%: Latter is not realistic: negatives increase at higher rate, plus financing costs.

* School building envelope payback: 32 years --scale back?

* Investment grade audit received today --covers all buildings

Contract Attachments from Beth to come--of greater interest to Ray

Tupper noted the Audit includes no visible mention of Elementary school: Is that possible given contract's exclusive focus on school? NEEDS FOLLOWUP

Item 2. Town/school energy agreement

There is a need to know how much school is currently spending on O&M: Ray to talk to school staff.

Estimate of \$4-5k for annual maintenance of energy system.

This is a separate cost from ESCO project: who picks it up?

Currently, town picks up additional costs

Tupper: O&M issue needs to be viewed in terms of school district costs.

Item 3. EC monthly mtg times?

Wed Nov 17 4 pm [subsequently changed to 3 pm]

Wed Dec 15 4 pm

Item 4. Green Communities Act

Tupper updated EC on discussion w/Planning Board: they are resistant to zoning change criteria--R&D uses as a matter of right, etc.

- The GCA requires multiple R&D sites totaling at least 50,000 sf of such uses --out of sync w/gill commercial realities.

- Certain Plng Bd members want to be persuaded re benefits of GCA--they think system is out of money.

- Various questions need answering by EC --research needed

- Most existing GCA towns are much bigger --what did they do? in W. Mass?

Other GCA issue for Gill: 5-yr plan to reduce town energy use by 20%.

Meeting adjourned 5:50 : motion by Ivan, 2nd by Tupper, all in favor