

AMENDED MINUTES (note: location correction)

THESE MINUTES ARE SUBJECT TO APPROVAL BY BOARD OF SELECTMEN

The Board of Selectmen held a public hearing Monday, August 20, 2012 at the Senior Center, 14 Riverside Road, Sandy Hook, CT. First Selectman Llodra called the hearing to order at 6:05pm.

PRESENT: E. Patricia Llodra, William F.L. Rodgers, James Gaston, Sr.

ALSO PRESENT: Director of Public Works Fred Hurley, Town Attorney David Grogins, Lars Norell of Altus Power Funds and six members of the public.

Mr. Hurley said an RFP was put out seeking firms interested in installing solar power onto the roof of the Middle School. It will be done as part of the state program, which is a joint project with PURA and the utilities. ZREC is a zero renewable energy credit for solar projects. Altus Power was selected and vetted by the state as part of the application process. There are two contracts, the lease the town will sign and the performance contract with CL&P to entitle Altus to receive the subsidy. Securities and a performance bond had to be posted. The town is leasing the roof so Altus can generate power which allows us to purchase power at a reduced price. The lease is for 20 years.

Mr. Norell of Altus Power said that the company uses investor capital to purchase and install solar systems for municipal buildings, schools, hospitals, not for profits and private entities. They sell the power back to the entity at a reduced rate. The entity does not spend any capital, receive solar panels which produce clean energy and they start saving money with a reduced rate. The investors make their money back after about eleven years; they will make a return on their money for the additional nine years of the contract.

Joe Borst, Beechwood Drive is a member of the Sustainable Energy Commission and the Public Building and Site Commission but spoke only as an individual, not a board member. Both committees reviewed the Altus proposal and unanimously agreed it is a good idea for the town. It is anticipated the savings will be \$6,000-\$8,000 per each year of the contract. Mr. Hurley said that as the number increases the savings will increase also.

Mark Sievel says that this seems like a win/win; we don't expend capital and potentially help the environment.

Mr. John Moran, Newfield Lane stated the pay back per year is approximately 50 cents per tax payer. First Selectman Llodra explained there is no pay back because there is no investment; there is a savings over what the cost would have been if we did not have this contact. It is cost avoidance, not pay back.

James Walsh, 3 North Branch Road supports this. He is a member of St. Rose and is chairing the playground upgrade there. GM has offered a sustainable incentive, a solar canopy. It will be used to lower the electric rate at the school.

Selectman Gaston said this shared partnership of private, town and utilities is not unique. The Edmond

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Town Hall and the Meeting House have cellular phone antennas which earn the town revenues. This Altus project is an interesting and good project but is not the only project in which the town has worked with the utilities.

First Selectman Llodra has heard opinions that the town isn't generating a lot of savings. The government has more than a fiscal responsibility; there is a responsibility to other values including the concept of sustainable energy and a responsibility to the future and to reduce our carbon footprint. There is a responsibility on the part of Altus to manage the project in such a way that there is no harm to the community, the facility or the programs. We do get a bit of money at the same time demonstrating that the government has a commitment to the future as well as to the pocketbook.

Selectman Rodgers stated this is not a return on investment; it is simply a savings.

Mr. Hurley said the project is already fully funded, as required by the state. If there are construction difficulties during the project the standard contract written under the state has provisions for reassigning the project to somebody else. At the end of the 20 years the town has the option to renew a contract with Altus, to keep the system at a fair value payout or to end the contact with Altus and have the system removed.

Bob Nielson, 12 Lantern Drive asked if the town has the expertise to run the system if we keep the system at the end of the contact. Mr. Hurley said that we will be running a system at the waste water system with an electrician checking the system once or twice a year. The property could be taxable. By the time the system is up and running we will know; the legislature may pass a bill to exempt all class one renewable, which this is.

ADJOURNMENT: Having no further business the Board of Selectmen adjourned the public hearing at 6:30pm.

Respectfully submitted,

Susan Marcinek, Clerk