

Meeting Minutes *(approved 4-0 on 2/26/14)*
Wayland Energy Initiatives Advisory Committee
Wednesday, January 8, 2014
7:30 p.m.
Small School Conference Room

Members present: Bill Huss, Tom Sciacca, Harvey Michaels, Anne Harris

Members Absent: Ellen Tohn

Ex-officio Member absent: John Moynihan

Minutes from 12/11/13 approved 4-0

Retirement

The Committee discussed the implications to the Energy Committee of the recent announcement by John Moynihan, Public Buildings Director and Committee liaison, to retire as of 3/31/14.

Municipal Solar Projects

John Senchyshyn informed John M. that some members of the Board of Selectmen had questions or concerns about the solar projects and wanted to hear from the Committee before voting to authorize the Acting Town Administrator to sign the Letter of Intent to proceed to the investigative stage of the project with Broadway Electric. Anne will see when we can get on their calendar.

The deadline for submitting warrant articles is January 14, 2014. Ellen crafted the following articles, which the Committee voted to support, 4-0, as follows:

“ The Energy Committee supports submitting the following articles for the April 2014 Town meeting warrant, as listed in document attached (titled “Solar Articles Proposed by Wayland Energy Initiatives Advisory Committee for April Town Meeting”) and described in the text below:

1. Lease the Middle School roof to a developer for the exclusive benefit of producing power from a solar system over 20 years
2. Lease Happy Hollow Wells site to a developer for the exclusive benefit of producing power from a solar system over 20 years
3. Enter into a long term contract to purchase renewable power or net metering credit
4. Authorize the Town Manager to negotiate and enter into a payment in lieu of tax agreement (PILOT) with the lessee/operator of the solar photovoltaic energy generating facility to be developed at the middle school property, and at the Happy Hollow Wells site”

Energy Improvements Project with Ameresco

Anne reviewed meeting with FinCom on 1/6/14. FinCom will include the energy improvements project in the capital budget, along with John M.’s other capital requests for facilities. The Energy Committee will thus not be submitting an article, but will supply information to be included in the warrant on what energy improvement measures will be included, and a paragraph explaining the project. The Committee will work with Bill Steinberg, liaison, and Nancy Funkhauser.

The Energy Committee supported 4-0 the following statement, "To support the Energy and Capital Improvements Project proposed by the energy services company (ESCO) Ameresco, as it was presented to the Finance Committee on 1/6/14".

Streetlights

No new activity to report.

Green Communities Grant--Exterior Lighting project

John M. reported prior to the meeting that Horizon has submitted a reworked project which he and our consultant Beth Greenblatt will be discussing later this week.

Meeting adjourned 8:55 pm.

ARH 1/6/14

Solar Articles Proposed by Wayland Energy Initiatives Advisory Committee
for April Town Meeting

ARTICLE X: AUTHORIZE LEASE OF MIDDLE SCHOOL ROOF FOR SOLAR PHOTOVOLTAIC INSTALLATION (Mark we provide 2 options for this article based on language used in Medway and Needham; we may have a slight preference for Option 1. Also we are not clear if the school committee or Town Manager enters into the lease, we assume you will adjust to fit Wayland's structure)

Options 1 – based on language from Medway

To see if the Town will vote to authorize the Town Manager or the School Committee, as needed under state law, to enter into a lease or other form of contractual relationship for not more than 25 years for the purpose of installing, operating, and maintaining solar power electric generation facilities on the Middle School roof, and to further authorize the Town Manager or School Committee to lease additional space within the buildings or grounds, use of grounds limited to equipment supporting a solar installation on the building roof, as necessary for the installation, operation and maintenance of utility lines, cables, conduits, transformers, wires, meters, monitoring equipment and other necessary equipment and appurtenances for said solar power electric generation facilities, upon such terms and conditions as the Town Manager or the School Committee, as appropriate under state law, deems in the best interests of the Town, provided that such leases and/or contractual relationship shall not interfere with the educational purposes, programs and uses of any of its school programs, and are subject to the review of Town Counsel, or to act in any manner relating thereto.

Option 2: Alternative wording used in Needham

To see if the Town will vote to authorize the Town Manager, in the name and behalf of the Town, to execute a lease of the middle school rooftop and located at (insert address), owned by the Town, to be leased by a commercial solar developer for installation and operation of solar photovoltaic facilities for electric generation, for periods of up to 20 years upon such terms and conditions as determined by the Town Manager including an Energy Services Management Agreement (“EMSA”); or take any other action relative thereto.

Explanation: This article gives the town the authority to sign a lease with a private solar developer to install a solar system on the middle school roof. Approval of a related article will enable the town to enter into an agreement with the developer to enable the town to buy all the generated energy or related net metering credits for a term at a negotiated price that will enable the Town to achieve net savings on its electricity costs. The Town will not pay anything towards the costs of the project. Instead, the developer will pay for the entire cost of the solar PV installation through its own funds and private financing companies able to capture federal tax incentives not available to public entities. This article allows the Town to lease the middle school roof for a long term, typically up to 25 years. The term of the lease will match the term of the purchase agreement; the extended length of both contracts is needed to enable the developer to offer the savings to the Town.

ARTICLE XX: AUTHORIZE LEASE OF HAPPY HOLLOW WELLS FOR SOLAR PHOTOVOLTAIC INSTALLATION

(USE TEXT FROM ARTICLE X – ADJUSTED FOR HAPPY HOLLOW WELLS SITE; MARK LANZA NEEDS TO DECIDE THE FORMAT FOR THE LANGUAGE)

ARTICLE XXX: AMEND GENERAL BY-LAW TYPE AND LENGTH OF CONTRACTS & LEASES/SOLAR FACILITIES

To see if the Town will vote to amend Section 2.1.3 of the General By-laws (Mark: check for appropriate Wayland reference) by inserting at the end of the section the following:

“Lease of Public Lands and/or buildings for the installation of solar photovoltaic facilities for electric generation 20 years

Purchase of power (or net metering credits) from solar photovoltaic facilities installed on land leased or licensed from the Town. . . . 20 years” or take any other action relative thereto.

INSERTED BY: Board of Selectmen

Explanation: In order to implement the proposed Middle School roof solar photovoltaic installation and Happy Hollow Wells large-scale ground-mounted solar photovoltaic installation, long-term lease to a private developer is required. The private developer would be responsible for the design, construction and operation of the solar installations at both locations. The net savings in electricity costs will benefit the Middle School and the Town. The developer requires the longer-term lease and purchase agreements to justify its initial investments in the solar installations.

ARTICLE XXX: AUTHORIZE PILOT AGREEMENTS FOR MIDDLE SCHOOL ROOF AND HAPPY HOLLOW WELLS GROUND-MOUNTED SOLAR PHOTOVOLTAIC INSTALLATIONS

To see if the Town will vote, pursuant to the provisions of G.L. c.59, §38H, to authorize the Town Manager to negotiate and enter into a payment in lieu of tax (PILOT) agreements with the Lessee/operator of the solar photovoltaic energy generating facilities to be developed at the Wayland Middle School located at (add address) and Happy Hollow Wells property located at (add address) upon such terms and conditions as the Town Manager shall deem to be in the best interest of the Town; or take any other action relative thereto.

INSERTED BY: Board of Selectman

Explanation: The developer of the Solar PV Installation at the Wayland Middle School roof and Happy Hollow Wells will be required to pay property taxes for the leased land and assets which are installed on these sites. The Massachusetts Department of Revenue allows Towns to enter into Payment in Lieu of Taxes (PILOT) agreements, which enable

the Town and the solar developer to establish a fixed PILOT that meets the Town Tax Assessor's valuation for the term of the agreement. This PILOT would provide the Town with a known annual taxable income stream and would reduce tax uncertainty for the developer. The warrant article is needed to authorize the Town Manager, in consultation with the Board of Assessors, to negotiate and enter into this agreement.

Recommended Program – Energy Savings Performance Contract

Program Cost to be Financed: \$2,070,260
Annual Program Savings: \$151,279
Cash Contribution: \$500,000

Includes 8 Buildings, 49 measures
and exterior lighting; saves >20% of baseline
Phase I and Phase II – Option A

Phase I
All buildings and measures
except Town Building

Financed Program Cost: \$1,235,821
Annual Program Savings: \$136,703
Cash Contribution: \$500,000

Includes 7 Buildings, 43 measures and
exterior lighting; saves >18% of baseline

Option A:
Town Building
(Third largest energy user)

Phase II
To be determined by Fall 2014

Option B:
School Buildings

Additional Financed Program Cost: \$834,439
Annual Program Savings: \$14,674
6 Additional measures: Interior lighting, comprehensive web-based full digital control system, remove pneumatics, motor upgrade, weatherization, new rooftop unit, new boiler; increases overall savings to >20% of baseline

Additional Financed Program Cost: \$782,939
Annual Program Savings: \$19,329
2 Additional measures: Comprehensive web-based full digital control system at Loker and Claypit, remove pneumatics; increases overall savings to >21% of baseline