

# TOWN OF WEST BOYLSTON

## SPECIAL TOWN MEETING Town Clerk Meeting Minutes

**JULY 14, 2014**

Article 1 Section 3 of the Town of West Boylston's General Bylaws states that "One Hundred (100) legal voters, including the presiding officer and the clerk, shall constitute a quorum, provided that a number less than a quorum may vote an adjournment; and that not more than Seventy-five (75) shall be required to maintain a quorum once the meeting has been called to order by the Moderator and that a quorum of Seventy-five (75) be required to reconvene any adjourned session of any such meeting."

Kim D. Hopewell, Town Clerk informed town meeting floor that 159 registered voters were in attendance and that the quorum requirement as set out in the General Bylaws has been met. At 7:07 p.m. the meeting was called to order.

The following people were appointed as tellers by the Town Clerk;

William Chase  
Jody Howard  
Steven Howard  
Mark Brodeur

Michael Mulryan  
Barbara Deschenes  
Aaron Goodale III  
Barbara Mard

M.G.L. Ch. 39 § 15 was accepted at the Oct. 20, 2008 Semi-Annual Town Meeting and placed in the General Bylaws Article I § 7. This bylaw section states: "If a two-thirds vote of Town Meeting is required by statute, the Moderator may, at his or her discretion, decline to verify a voice vote by polling the voters or by dividing the meeting, and may record the vote as a two-thirds vote without taking such a count."

### **Article 1** – Authorization to Appropriate Funds

***Motion-** Kevin McCormick*

***Second-** John Hadley*

***Recommendation-** Board of Selectmen, Finance Committee/Capital Investment Board, School Committee, Library Trustees*

**Discussion:**

**Leon Gaumont**, Town Administrator

The Town received 2 responses for the Performance Contracting project and the RFQ Review Committee interviewed those firms. After a great process, the RFQ Interview Committee recommended ABM, Inc. as our Energy Services Company. They are a firm which does projects such as this and does roughly \$4 billion annual sales.

The Town has been looking at this program for upwards of 8 months.

We viewed this proposal as a way to make current building improvements and efficiency improvements with no programmatic cuts in order to implement the improvements, no additional tax increases to pay for the improvements, with guaranteed savings which are annually reconciled per statute, with a single source of accountability as opposed to numerous firms and service providers, and that we can get these projects done within the next year to take immediate advance of energy savings.

As I mentioned, ABM prepared an Investment Grade Audit of the Town's infrastructure and have identified nearly \$3 million in building improvements that if completed will generate more than enough in savings to pay for the improvements. The project will call for the following items to be improved:

1. Lighting upgrades at the Middle/High School, Major Edwards Elementary School, DPW Building, Public Safety Building, and Beaman Library
2. Building envelope improvements at the Middle/High School, Major Edwards Elementary School, DPW Building, and the Public Safety Building
3. Control upgrades at the Middle/High School, Major Edwards Elementary School, and the Public Safety Building

I would like to thank you for attending tonight's town meeting. We are here to discuss an energy savings program that the Town is seeking to implement which would create a partnership with Woburn-based ABM Industries for a performance contracting program. The Town is considering this project to have building improvements to our public buildings in order to make them more energy efficient. The building upgrades will be made utilizing a lease/purchase arrangement in which the guaranteed energy savings will be used to pay for the building upgrades.

Massachusetts Chapter 25a legislation promotes the use of annual guaranteed operational savings that an Energy Services Company (ESCO) can produce as a means to fund critical infrastructure projects. The ESCO generates the savings as a result of installing equipment that consumes less energy while also reducing/eliminating reactive demand repairs and excessive maintenance. Therefore savings are typically realized in the form of a reduction in energy consumption, energy rate savings, or maintenance savings. Under this statute, ABM was required to provide the Town with an Investment Grade Audit of the Town's physical plant and energy consumption and must provide a written guarantee of the operational and financial performance of the energy savings investments installed.

I would like to tell you a little bit on how we ended up here today. The Board of Selectmen voted on December of 2013 to authorize the Town Administrator to prepare a Request for Qualifications for these services which was posted on the State Register and Town's Website in the Spring. I then appointed an RFQ Review Committee to review the submissions and to make a recommendation to the Board of Selectmen.

4. Retro-commissioning of existing systems at the Middle/High School, Major Edwards Elementary School, DPW Building, Public Safety Building, and the Beaman Library
5. Boiler replacement & fuel switch for the Middle/High School and Major Edwards Elementary School
6. Walk-in cooler and hot water upgrades at the Middle/High School and Major Edwards Elementary School
7. PC Power Management at the Middle/High School
8. Steam trap repairs and Steam Pipe insulation at Major Edwards Elementary School
9. Replacing 2 condensing units at the Public Safety Building

These repairs are ones that the Town should be making in order to make our buildings efficient but in some cases will need to be done no matter what. If the Town needed to, or wanted to, make these improvements outside of this process, the Town would need to fund it as an overrides, or by cutting municipal budgets (i.e. services), or taking it from our over-extended Capital Investment Fund. The members of the Board of Selectmen, School Committee, Finance Committee, Capital Investment Board, and Library Trustees have heard from officials from ABM, Inc. and feel this is a good opportunity to get the improvements done immediately and at no adverse impact to the operating or capital budgets of the Town.

Timing is also important for this project. Many of the important upgrades are hoped to be completed this summer before school starts, such as the lighting and controls upgrades. We hope that other projects will be done before the Winter season, such as boiler replacements and fuel switches. A big component of the project will be to convert the heating systems at the schools from oil to natural gas.

The vote today will authorize the Board of Selectmen to negotiate a contract with ABM, Inc. to partner with the Town to make these improvements. There have already been draft agreements passed between the two parties and we hope to have it ironed out shortly. In addition, the Selectmen will need to find a financing entity to make this project work. We have received some proposals that are being reviewed to find the most competitive offer for the Town. He then asked the Moderator to turn the floor over to Raymond Bricault.

Raymond Bricault, Chair of the Finance Committee/Capital Investment Board, thanked everyone for coming to the meeting on short notice. He commented that this type of performance contracting would provide critical energy savings, infrastructure upgrades on essential equipment in various town buildings and that the town will save between \$200 to \$300,000 per yr. By

approving this article it would clear out many items on the list for Capital Investment Board on future projects which may not come to fruition otherwise. This borrowing is at no added tax burden to the taxpayers, and the energy savings are guaranteed contractually by ABM energy savings as set out by M.G.L. c. 25A.

David Sweetman queried about the past history of ABM. Mr. Gaumond responded that ABM is locally based in Woburn, Mass and throughout the USA and that their home facility is in Texas. ABM does energy management services for a living and has been in existence for over 100 years.

Mark Turner, ABM Regional Director, stated that the company was started in 1909. We began as a small window washing company in San Francisco with one employee. Through organic growth and strategic acquisitions, ABM today serves thousands of clients in multiple industries with a vast labor force of nearly 100,000 employees. Generating more than \$4 billion in annual revenues while operating throughout the U.S. and several international markets. ABM builds value for our clients by reducing operating costs while keeping their properties safe, clean, comfortable and energy efficient, through individual or integrated solutions.

Ellen Dunlap asked what other towns in Massachusetts, that are relatively the same size as West Boylston have used this company, and what process did they go through? How do you independently monitor the company to make sure they are doing what they should be? Leon stated that this is a provision regulated under M.G.L. c. 25A which requires that ABM to provide a written guarantee of the operational and financial performance of the energy savings investments installed.

Monica April asked about the cost savings in the conversion from oil to gas in the school buildings. Leon stated that it would be approximately \$68,294 for the Middle High School, and \$46,600 for Major Edwards.

Jean Costello questioned the cost and guaranteed savings of the contract, and what would happen if there was a shortfall in the estimates of yearly savings. Leon replied that M.G.L. c. 25A requires that the Energy Services Company provide the Town with a written guarantee of the savings and if it is not met they will be required to write a check to the Town for the difference.

Michael Mulryan wanted to have a breakdown of the money. Mr. Gaumond read the following;

- \$1.26 million for Major Edwards and the Middle/High School
- \$34,000 for the DPW
- \$88,000 for the Police Station, and
- \$81,000 for the Beaman Memorial Public Library

Michael then questioned if there was a review committee that approved the scope of the work and if the Municipal Lighting Plant had reviewed the RFQ for ABM. He also questioned if some of the projects at hand could be done by local contractors. Kevin McCormick, Chairman of the Board of Selectmen, stated that if we used local contractors that the price of the project would be much higher. This is a packaged program and it gets done. This is not going to hurt us.

Michael Mulryan questioned the section under Mass. General Law regarding payment by the vendor for failure to meet energy savings, and if the outfit provides a bonded agreement. Mr. Gaumond stated that the town needs to negotiate a contract. ABM has contracts with other surrounding towns, and their officials came to us and highly recommended ABM.

Michael appreciated all the work the committee and sub-committees have done. Past projects were not so great. The Town Administrator and the Board of Selectmen have one and only one chance to regulate the contract and to make sure you write it well because you will be married to them. Kevin McCormick stated that the town has 15 years to pay for the conversions, and that the town is not paying ABM. ABM Regional Director, Mark Turner, stated that there will be a performance bond to make. Usually the bonds are 15 years on average, which is standard through Massachusetts. Installation should be within a 9 month time frame.

Siobhan Bohanson reminded the floor that the Board of Selectmen in the past were accused of not taking care of town properties and buildings. This is dotting the I's and crossing the T's. This is a town project, not just one building.

Moderator Jonathan Meindersma stopped discussion and asked for a vote.

It was voted by simple majority, with two votes in the negative, to install in various school and town buildings energy conservation measures and equipment pursuant to an energy management services contract authorized by M.G.L. c. 25A, and a lease-purchase agreement, to be executed by the Board of Selectmen with a principal amount of not more than \$3,000,000, with payment for such measures and equipment to be made under the lease-purchase agreement and funded through energy cost savings derived from the installation and use of such measures and equipment; and further, that the Town vote to raise and appropriate \$10,000 to implement, monitor or otherwise support the energy conservation program described herein.

Motion to dismiss meeting by Michael Kittredge, Jr., second by Siobhan Bohanson, meeting dismissed at 7:45 p.m.

Attest

Kim D. Hopewell  
Town Clerk