

Selectmen's ENERGY Advisory Committee Meeting Minutes

Bourne Veteran's Memorial Community Center 239 Main Street, Buzzards Bay, MA 02532, Bourne, MA

November 2, 2021

CALL TO ORDER - The Chair called the meeting to order at 2:07 pm on November 2, 2021.

Attendees: Three members constitute a quorum.

- Members: Carl Georgeson, Chair; Robert Schofield, Vice Chair; Janice Marks, Clerk; Cheryl Keown, Member; Glenn Cannon, Ex-Officio Member (non-voting);

October 12, 2021 MEETING REPORT

- Minutes from the October 12, 2021 Energy Advisory Committee Meeting were adopted with no changes with a vote of 4/0/0. Approved Minutes will be posted to the Committee's Town website.

UNFINISHED BUSINESS

- **Energy Reduction Plan:** Presentation and discussion of contracting with ESCO (Energy Services Company) to achieve goals outlined in Bourne's Energy Reduction Plan project. Bourne is mandated to reduce carbon dioxide emissions. Changing to all electric heat pumps with ducted air will help address that requirement.

[Source: <https://www.mass.gov/doc/faq-for-emspdf/download>]

- "Energy Management Services (EMS), defined in section three of M.G.L. 25A, is a type of Energy Savings Performance Contracting (ESPC) that provides a performance guarantee from the company that installs the equipment. EMS is an alternative public procurement method used to purchase energy conservation measures, energy efficiency measures, and water conservation measures.
- The maximum term for an EMS contract is 20 years.
- An Energy Service Company (known as an ESCO) is a firm that coordinates all of the activities of an EMS project, including: technical audits, design, engineering, equipment installation, construction management, staff training, equipment maintenance, and project monitoring. ESCOs must be DCAMM certified.
- EMS contracting reduces your energy bills and obtains new capital equipment with little or no up-front capital investment. Most public agencies consider EMS contracting when they have identified energy and water conservation potential in their buildings but do not have sufficient funding to make the improvements. In addition, EMS contracting offers significant benefits that are not usually associated with standard construction projects, such as a performance guarantee or staff training for preventative maintenance. Over the contract term, an ESCO may train facility staff to optimize the performance of installed equipment. EMS contracting also allows the contracting entity to minimize risks related to the recouping of costs associated with new efficiency equipment. When an ESCO guarantees a specified amount of energy savings attributable to the installation and operation of the

RECEIVED

2022 FEB 10 PM 3:20

TOWN CLERK BOURNE

energy conservation measures, the ESCO pays the difference (shortfall) if those guaranteed savings do not materialize.”

- Employing a performance contractor results in having all procurement managed at a guaranteed contracted cost and the savings in management costs will offset the cost of the contractor. The initial phase of the project is an audit to determine project scope and costs. The cost of the audit is a fixed price of \$71,500. If the Town chooses not to go forward with the project after the audit, Bourne is nonetheless obligated to pay for the audit.
- The Town could issue bonds or sign a lease purchase agreement whichever is more advantageous to the Town for expensive capital improvements in the Energy Reduction Plan (school boiler replacement, for example. Some boilers require short term replacement.) Bourne has a high AA+ bond rating and can arrange financing at a low rate. The percentage of the capital improvement costs that would be financed is dependent on the Town's goals.
- ESCO proposals are being evaluated by a Town committee. Participation by Energy Advisory Committee members in evaluating the proposals is encouraged; however, there is a very short turnaround period which must be met so adding new evaluators may not be effective at this time. Standard scoresheets are used to evaluate proposals.
- While the length of the contract may be up to 20 years maximum, the actual period is determined by the Town, for example 15 years instead of 20 years. Implementation is from 12-18 months, within a 2 year window. There is a standard cancellation clause with a description of what constitutes a default/lack of performance on the part of the contractor.
- **Stretch Energy Code** – Review of presentation to Finance Committee and Bourne School Committee

NEW BUSINESS

- **Energy Advisory Committee Membership:** An additional member will be sought through a public announcement
- **Energy Services Company Proposal Review** – see above in Old Business.

EXCUSED ABSENCES – None.

FUTURE AGENDA ITEMS – None.

NEXT MEETING – To be called by Chair.

Submitted by Janice Marks, Clerk

Draft: February 7, 2022 Approved by EAC: February 10, 2022