

The Sound & Town Report

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Proposed contract could save energy, money

The Mamaroneck School District may be going a little greener—and getting some much-needed capital work completed in the process.

The district is exploring the option of entering into an energy performance contract—a program that allows school districts to improve their energy efficiency with building and mechanical improvements and pay for those improvements through the savings associated with reduced energy costs.

ECG Engineering has been working with the district in the preliminary stages, helping to issue the request for project proposals and formally recommending Honeywell as the company with whom to work after the bids were returned and read.

Kendra McQuilton of ECG praised the school district's efforts to remain energy efficient and explained that Mamaroneck was the most energy-efficient district she had seen going into the energy performance contract process.

The three bids returned proposed energy cost reductions ranging from 13 to 19 percent, well below the 30—and sometimes 40—percent reductions common among the other 50 school districts her firm has worked with.

Terence Guiry of Honeywell presented his company's winning proposal, which estimates a total project cost of \$4.6 million and an energy cost savings of more than \$338,000 per year for the district.

Proposed energy conservation measures to be considered in the project include replacement of the ceiling and retrofitting lighting on the Palmer side of the high school, installing burner controls on the existing boilers, computer power management software and LCD monitors for district personal computers, replacement of parts of the high school roof, and the installation of a pool cover and a solar panel system at Hommocks.

The way that energy performance contracts work is that the provider—in this case Honeywell—guarantees that the district will see a certain amount of savings each year on energy costs after the capital improvements have been made to district facilities. Using those savings, the district will make payments on a municipal loan it takes out to pay for the initial project.

Factoring in a 5 percent interest rate on the loan and a 3 percent increase in energy prices, Honeywell guarantees that the entire \$4.6 million will be paid free and clear solely through the reduction in energy costs. If the district falls short of Honeywell's estimated yearly savings, they are obligated to make up the difference. The entire project will thus pay for itself, and the district will not have to allot any resources to the project or the cost of the loan other than those it would have already set aside to pay utilities.

While the cost savings are certainly important to the district, an even bigger bonus is the impact the project will have on the environment. Practically, that \$338,000 yearly reduction equates to the removing 336 cars from the road, planting 458 acres of trees or saving enough energy to power 148 homes.

The Board of Education is expected to formally vote on the proposal at next Tuesday's regular meeting. If approved, Honeywell can begin a more thorough, three- to four-month energy audit. If everything goes as planned, the construction for the projects could be substantially complete and the district begin realizing savings by the end of 2012.