

**REPRESENTATIVE TOWN MEETING
TOWN OF DARIEN, CONNECTICUT
FINANCE & BUDGET COMMITTEE
“DRAFT”
Minutes of Meeting Held on March 10, 2009**

On March 10, 2009, a meeting of the RTM Finance & Budget Committee was held in room 119 at the Darien Town Hall with ten of fifteen members present.

Present were:

Jack Davis
Terry Duffy (present for partial meeting-not present for voting)
Ted Hawkins
Bruce Orr
John Price
Anita Rycenga
Bill Smith
Marc Thorne (present for partial meeting-not present for voting)
Reilly Tierney
Virgil Wenger

Absent were: Harry Artinian, Barry Baldwin, Charles Brode, Andrew Millar and Michael Rudnick

The Chairman, Bruce Orr, called the meeting to order at 7:40 p.m. Guests present were Paul Engemann, Director of Facilities and Construction, Dick Huot, District Finance Director, and Clara Sartori, Secretary, Darien Board of Education

Bruce Orr requested that Mr. Huot give the committee an overview of the Energy Conservation Project for the retrofitting of the school lighting.

Mr. Huot began by stating that the project is a partnership between the school district, CL&P and Powerpoint Energy. The incentives originally offered have been reduced by \$35,393 due to State cut backs, and a revised calculation of the savings was reviewed. The appx. payback time for the outlay of \$447,958 is anticipated to be five years and it is expected that there will be a resulting 10% reduction in overall electric consumption.

Q&A period began and some issues raised included:

- A question about the financial stability of Powerpoint Energy, the company doing the retrofitting, and while it is unknown, Mr. Huot stated that no monies will be paid to them until the project is completed and audited by CL&P for final approval. He also said that he has worked with the company in the past and that they did an exemplary job.
- Was this technology available when DHS and Tokeneke were built? The answer was “no”.
- The matter of payment options was discussed and the BOF deemed it beneficial to pay for the project outright vs. financing it through a leasing program. The savings would be the financing costs and paying cash realizes a 2% discount on the total project cost.
- How will energy savings be tracked? There will be a CL&P monitoring system in place which is accessible on-line. Town may have to restructure contract with Constellation, the company providing electricity in partnership with CL&P, in the event usage drops below a certain point stipulated in the current contract, as otherwise there could be financial penalties due.
- The life expectancy of the bulbs is longer than those being used now so this represents further savings.

Next Mr. Engemann gave the committee an overview of the Royle School boiler replacement project. The discussion, Q&A included the following:

- Existing boilers are 60 years old, burners 20 years old and we continue to pay money toward remedial work to have them pass annual inspections. It is thought they will not pass this upcoming year.
- Long lead time required for the equipment which is why the request for funding is being made now so work can be achieved during a favorable season.
- Existing burners cannot be retrofitted to new boilers.
- Proposed work includes new domestic hot water boiler, as now the heat boilers also heat water which is a waste of energy during the fringe seasons.

- Asbestos abatement will be conducted in boiler room
- There are no energy savings rebates we could qualify for however the units are energy efficient. 10-15% more than current system.
- Phasing in boiler replacement doesn't make sense due to plumbing retrofitting and asbestos removal, etc. Many cost saving options were explored this being one of them.
- Warranty period is a year on labor and appx. five years on parts. Existing mechanics on staff are familiar with working on this type of system so no special service contracts will be required. Equipment is Weil-Maclain.
- Burners will be dual fuel in the event gas lines are ever run down Mansfield Ave.

Ted Hawkins moved to approve the emergency funding of the boiler replacement and it was seconded by Virgil Wenger. It was unanimously approved by the eight remaining committee members in attendance. (See notation above in attendance recap section).

John Price moved to approve the Energy Conservation Project, seconded by Jack Davis. It was unanimously approved by the eight remaining committee members in attendance.

Bruce Orr thanked our guests prior to them leaving and the committee continued doing business by reviewing upcoming BOE and BOF meetings. Jack Davis is to prepare a recap of some further savings identified in the BOE budget which will be reviewed in a special meeting of the RTM Finance & Budget Committee. Date and time of meeting will be determined and circulated by Bruce Orr. The letter is intended to be a consensus of the committee and to be presented to the BOF prior to their 4/14/09 meeting.

The importance of the revenue side of the BOS budget was discussed as it offsets expenses and a drop off in conveyance fees and many other areas is expected given the state of the economy. It is felt that the BOS should be encouraged to focus on this not only the BOF.

The BOS will be presenting a schedule of fees for approval by the RTM along with their budget.

The question of the status of pension funding was raised, and Bruce Orr will invite Kate Buch, Finance Director and Karl Kilduff, Town Administrator to our 4/27/09 meeting for an overview.

The meeting was adjourned at 9:15 p.m.

Dated: March 11, 2009
Respectfully submitted,
Anita M. Rycenga, Clerk
RTM Finance & Budget Committee