

**SPECIAL
PHYSICAL SERVICES COMMITTEE MEETING
HELD IN ROOM 318
PUTNAM COUNTY OFFICE BUILDING
CARMEL, NEW YORK 10512
(Chairman Albano, Legislators Gouldman & Nacerino)**

Monday

November 25, 2019

(Immediately Followed the 5:30PM Audit & Administration Comm. Mtg.)

The meeting was called to order at 6:55p.m. by Chairman Albano who requested that Legislator Nacerino lead in the Pledge of Allegiance. Upon roll call, Legislator Nacerino and Chairman Albano were present. Legislator Gouldman was absent.

Item #3 – Presentation/ Ameresco’s Project Scope and Cost Resulting From Their Investment Grade Audit (IGA) of County Facilities/ Director of Purchasing Alex Mazzotta (copy of Presentation attached with the minutes of the meeting)

Chairman Albano made a motion to waive the rules and accept the additional; Seconded by Legislator Nacerino. All in favor.

Chairman Albano stated that Director of Purchasing Mazzotta had backup to hand out and there was a message which Legislator Nancy Montgomery requested that he as Chairman of this Committee please read into the record:

“Unfortunately I must miss tonight’s meeting. It’s very challenging when meetings of this magnitude are scheduled on short notice and particularly during a big holiday week when so many other activities are scheduled long in advance.

Is it possible for the Physical Services Committee to invite Ameresco back in the near future? There was limited notice given to the public and everyone would benefit from a full review of this important project.

Also Climate Smart Task Force Coordinator, Laurie Taylor, was only notified a few hours ago about this meeting. I request that she be given more notice to attend the future meeting.”

Chairman Albano stated that he spoke to Task Force Coordinator Laurie Taylor, who was aware of this meeting. He stated that Commissioner Pena has a letter that was written by Task Force Coordinator Laurie Taylor, that he would like to read into the record.

“As the Climate Smart Communities Coordinator for Putnam County, I have been reviewing program materials and learning what the County has completed to date and the status of the ongoing efforts. I am going through the Certification Action Checklist identifying which County efforts qualify for the program. I am also attending Article 9 (Energy Performance) meetings to become familiar with the energy projects and how we plan to meet and improve our energy efficiency. The County Executive has designated the Capital Projects Committee as the Task

Force for the Climate Smart Communities Initiative and I plan to attend their meetings and work closely with them. Once I am able to identify our current status. We will be able to put together a plan for greater greenhouse gas reduction countywide. This will save the taxpayer dollars, protect our environment, and improve our economic vitality which will improve the quality of life for everyone. Please let me know if you have any questions or would like further information.”

Chairman Albano welcomed the representative from the ECG Group, Aldo J. Mazzaferro, Director of Technical Services, Ameresco, Matthew Furdyna, Account Executive and Ameresco, Christopher W. Tuttle, LEED AP, Project Development Engineer

Aldo J. Mazzaferro, ECG Group Director of Technical Services explained the role of ECG is to work as a member of the County’s staff to assist to manage the project. He stated ECG has been working with the Putnam County for just about a year and a half. He stated they developed a mode called the Energy Performance Engineering Services. He stated that translates to ECG going step by step throughout the process, to the point where we are tonight. He stated tonight we are at the point where Putnam County is ready to sign a contract and move forward to the implementation phase and they continue to work with the County all the way to the performance period, where the County will see the guaranteed savings. He stated ECG has worked on over 100 projects, mostly in the New York School Districts. He stated they have also worked on projects in Connecticut, Philadelphia, etc. He stated basically they are very well acquainted with this area. He stated that an Energy Performance Contract (EPC) is a contract between a government agency and energy services company (ESCO), such as Ameresco. He stated the role of the ESCO is to identify energy savings opportunities existing in the buildings, they calculate what the savings opportunities are in terms of dollars. He stated their approach requires no out of pocket cost. He provided an overview of the process that was followed that brought ECG to select and authorize Ameresco to proceed with the Comprehensive Energy Audit (CEA) of the Putnam County Facilities. He stated the goal of this presentation is to present the general overview of the costs and the savings specific to all of the energy conservation measures and upgrade that would be part of this project.

Matthew Furdyna, Ameresco Account Executive stated they are an energy services company. He stated they compete with some large companies such as Honeywell, Johnson Controls and Siemens. He stated the biggest difference between Ameresco and the larger companies is that Ameresco is completely independent. He stated Ameresco only recommends products that will maximize energy savings or maximize production of renewable energy. He stated that is the core of the Ameresco business it is all about customer success. He provided a brief overview of the Ameresco Company. He stated Ameresco has gone through every square inch of the Putnam County facilities. He stated they have compiled a list of 26 Energy Conservation Measures (ECMs). He stated the slide entitled “Proposed Scope of Work” (page 8 of presentation) shows each of the County facilities and the recommended upgrade for that site. He stated it took a lot of work to compile this list. He stated he wanted to recognize the members of the Putnam County team that worked with Ameresco, Purchasing Department Assistant Supervisor of Planning and Design Alexis Hawley, Highways & Facilities Deputy Commissioner John Tully, Highways & Facilities Commissioner Fred Pena and Highways & Facilities Asset Manager John Nuculovic. He stated the driver is of course energy savings and the reduction of greenhouse gases. He

explained the “Renewable Energy & Efficiency Measures” such as lighting, converting fuel oil to natural gas etc. (list on page 9 of presentation) they have a relatively short payback but they also help to pay for longer payback items that fall under the “Comfort Measures” such as infiltration reductions, window replacements, etc. He stated that the total project cost is \$7,908,435. He stated that there are estimated NY-Sun Rebates in the amount of \$166,140, NYSEDA & Utility Rebates in the amount of \$1,23,742. He stated after year one (1) and moving forward there will be supplemental cash flow available to the County. He stated after the debt service payment there will be the energy savings. He stated this project over its term will generate over \$2 million in a supplemental cash flow for the County. He stated that part of the presentation regarding the installation of some of the individual measures will be presented by Christopher W. Tuttle, Ameresco, LEED AP, Project Development Engineer.

Christopher W. Tuttle, Ameresco, LEED AP, Project Development Engineer stated the most physical measure will be the lighting improvements. He stated Ameresco is proposing where there are fluorescent lights, retrofit them with new LED lamps and ballasts.

Legislator Sullivan stated per the list on page 8 of the presentation, it appears just about every County location will have the lights replaced.

Christopher W. Tuttle, Ameresco, LEED AP, Project Development Engineer stated that is correct.

Legislator Addonizio questioned for clarification, the evaluation and work that you are presenting tonight had begun prior to Putnam County’s pledge to be a Climate Smart Community.

Matthew Furdyna, Ameresco, Account Executive confirmed that is correct.

Chairman Albano stated the County has been ahead of the curve on this. He stated the Legislature and Administration have been discussing this topic for the past few years.

Christopher W. Tuttle, Ameresco, LEED AP, Project Development Engineer stated Account Executive Furdyna mentioned how some measures such as lighting and control offer a shorter payback but can help fund some of the other capital project improvement measures such as window replacement and restoration. He stated that the Putnam Golf Course Clubhouse needs new siding and restoration of water damaged areas behind existing siding. He stated there is also failed exterior brick work that needs to be fixed.

Matthew Furdyna, Ameresco, Account Executive stated the Putnam County Golf Course Clubhouse is a facility that needs work in a lot of areas.

Christopher W. Tuttle, Ameresco, LEED AP, Project Development Engineer stated the computer controls of four (4) of the County facilities need to be updated so that they will work more efficiently. He stated current thermostats would be replaced with thermostats that are web-enabled programmable thermostats. He stated County approved personnel will have the ability to alter and change the setpoints and schedules and it can be done remotely. He stated Ameresco

will convert the following County Buildings from fuel oil to natural gas: David D. Bruen County Office Building, 1812 Courthouse, Donald B. Smith Government Campus Building 3 and Highway Building 1. He stated they are proposing to remove the oil tank at 1812 Courthouse and run new gas lines from each building. He stated the roof mounted solar photovoltaic system is being proposed for five (5) of the County sites.

Legislator Castellano questioned where the largest area is that the solar system could be implemented.

Christopher W. Tuttle, Ameresco, LEED AP, Project Development Engineer stated Building 3 of the Donald B. Smith Government Campus.

Legislator Sullivan stated the buildings that would have solar are County Office Building, Building 1, 2 & 3 at the Donald B. Smith Government Campus, the Kern Building, which houses the Health Department and Department of Motor Vehicles. He stated the solar will be implemented on the buildings with the largest roof space.

Christopher W. Tuttle, Ameresco, LEED AP, Project Development Engineer stated that is correct.

Legislator Jonke stated he believes this is a great idea. He stated just having converted from oil heat to natural gas heat at a building he owns, the projection is the savings will pay for the equipment in 2 ½ years. He stated it is the way of the future.

Legislator Albano stated again the County has been researching the topic of energy savings for years. He stated in that time, so many of the options back then have been greatly improved upon. He stated the lighting has come so far in terms of product improvement. He stated these proposed changes will also result in reduced manpower dedicated to the maintenance of the lights and the gas furnaces throughout the County. He stated there will be many benefits, and it is in line with the County's energy smart- climate smart focus.

Matthew Furdyna, Ameresco, Account Executive stated one of the pieces that was evaluated was the amount of time that the Highway employees spend going back and forth to Home Depot for some of the repairs related to these proposals. He stated these changes and upgrades will have a positive impact on that.

Legislator Sullivan he stated in the backup provided it shows a savings of approximately \$350,000 and that will increase each year. He stated that is substantial.

Matthew Furdyna, Ameresco, Account Executive stated a savings is guaranteed. He stated if for some reason that is not materializing, there would be an evaluation conducted to identify the reason. He stated if it is determined that Ameresco was wrong, then a check would be given to the County.

Chairman Albano questioned how many years this project will be financed over.

Matthew Furdyna, Ameresco, Account Executive stated they are in the middle of discussions currently with Commissioner Carlin. He stated there are different options.

Director of Purchasing Alex Mazzotta stated Commissioner Carlin and he have discussed this with Bond Counsel. He stated Bond Counsel plans to present some type of hybrid option to help with the funding.

Chairman Albano questioned how the contractors are selected to do the work.

Matthew Furdyna, Ameresco, Account Executive stated Ameresco has a group of contractors who they work with who they trust, and there are times when they go out to bid to assure they are getting the best price.

Legislator Addonizio questioned what other counties has Ameresco worked with.

Matthew Furdyna, Ameresco, Account Executive stated Putnam will be the first County. He stated they have mainly been doing the work for school districts.

Aldo J. Mazzaferro, ECG Group Director of Technical Services stated ECG stated he has been in discussions with Orange County about getting this process started. He stated they are working with the Town of Hempstead in Long Island and the City of Waterbury and a few different municipal agencies, not just school districts.

Chairman Albano questioned if it is safe to say that it would be about 20 years before there is a payback.

Matthew Furdyna, Ameresco, Account Executive stated 20 – 22 years he believes is an appropriate projection.

Legislator Sullivan questioned what the timetable is from here on.

Matthew Furdyna, Ameresco, Account Executive stated once Legislative approval and a contract is agreed upon and finalized. He stated once all of that has been done the first area that will be addressed is the Putnam County Golf Course. He stated their efforts will be focused on the immediate work that can get done by Spring in time for the start of the golf season.

Legislator Sullivan questioned Purchasing Director Mazzotta if there is a time frame when Commissioner Carlin will be presenting the second piece of the financing to the Legislature.

Purchasing Director Mazzotta stated that Commissioner Carlin is looking at several different ways to finance this project it will not be all bonding.

Legislator Sullivan stated he would think there would be something coming to the Legislature in the next couple of weeks.

Legislator Nacerino stated she is not clear if the County is looking at 20 years, how does the County keep up with technology, efficiency changes and energy improvements, while we are still paying for this project.

Matthew Furdyna, Ameresco, Account Executive stated currently we are at a very good place with technology. He stated it is important to look at if the County were not to make these changes now. He stated it is important to look at how much money would be spent if the County were to continue to operate in this current state.

Highways & Facilities Asset Manager John Nuculovic stated the County is in need of this upgrade. He provided some information on the age of some of the equipment and concurred with the comment made about the frequent unplanned trips to Home Depot. He stated he along with many others believes this will be a great reset button for the County's facilities.

Legislator Sayegh questioned how does the County maintain this going forward.

Matthew Furdyna, Ameresco, Account Executive stated when the work is done correctly there is not a lot to do afterwards.

Aldo J. Mazzaferro, ECG Group Director of Technical Services stated ECG stated that is a good question. He stated every project has a huge training component at the end, which is videotaped and recorded for future reference, which is part of the contractual agreement.

Commissioner Pena stated that he was skeptical at first. He stated however the closer he looked at it, he believes it is in line with the mission statement of the County. He stated there are so many areas throughout the County that need replacement. He stated the County inhouse had begun evaluating some of the higher energy waste systems throughout the County. He stated through this process a comprehensive review from the energy perspective throughout the entire County facilities has been completed. He stated all the items that were identified are the same ones the County had identified. He stated for the County to attempt to manage the upgrades and replacements inhouse would take maybe 8, 9 or 10 years. He stated all the control systems will be uniformed and able to speak the same language. He stated that he agrees this will be an effective reset.

Item #4 - Adjournment

There being no further business at 7:35PM Chairman Albano made a motion to adjourn;
Seconded by Legislator Nacerino. All in favor.

Respectfully submitted by Deputy Clerk Diane Trabulsy.