

**EXECUTIVE SUMMARY  
FOR THE ERIN SCHOOL DISTRICT BUSINESS SERVICES  
COMMITTEE**

**Topic:** RESOLUTION AUTHORIZING THE BORROWING OF NOT TO EXCEED \$600,000; AND PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION PROMISSORY NOTES

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**Prepared by:** Business Office

**Date:** November 13, 2017

**Agenda Reference #** 8b

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**Recommended Action:**

<u>  X  </u>	<b>Discussion/Action</b>
<u>      </u>	<b>Presentation/Discussion</b>
<u>      </u>	<b>Information Only</b>
<u>      </u>	<b>Presentation/Action Next Meeting</b>

**Recommendation(s):**

It is the recommendation of the administration to approve a Resolution Authorizing a Borrowing for Energy Efficiency Building Projects related to Act 32 in an Amount **not to exceed** \$600,000.

**Background:**

The purpose of this resolution is to receive authorization to borrow an amount not to exceed \$600,000 in order to complete energy efficiency projects under Act 32.

**Purpose:**

The school district has been working with an Energy Savings Company (ESCO) to develop a scope and sequence for energy efficiency projects. These include variable speed drives for motors, mechanical device controls, LED lighting, boilers, roofing, and steam trap repair/replacement. The ESCO completes the evaluation of savings related to operational cost of energy and supplies.

The list of items is determined from discussions with the Facility and Operations team and with the Director of Finance and Operations. From here, a list of items for review is generated. Our goal in this process was to develop a list of items that would provide a positive pay back to the school and allow us to complete other high priority items (i.e. boiler and uni-vent replacement) under Act 32.

Act 32 allows for all projects to be completed outside of the revenue limit, even though they affect operational cost. As with any non-referendum borrowing, this resolution will start the 30 day petition period. It is important to note that this resolution is not the actual borrowing. That borrowing would be approved through a different vote at the board. This vote allows us to move forward in the project and most importantly, starts the process of the 30 day period.

This vote will be preceded by a presentation from McKinstry, our ESCO partner.

**Attachments:**

ESCO Presentation