



## **New York Mills Union Free School District's Energy Upgrades FAQ**

### ***What is an Energy Performance Contract?***

An Energy Performance Contract is an agreement to upgrade the district's energy systems which provides the district guaranteed cost savings. The cost savings are guaranteed by the Energy Services Company (ESCO) and monitored by New York State.

### ***What are the benefits of an Energy Performance Contract?***

There are several benefits. First and foremost, the energy upgrades will improve the overall operation of our facilities, providing the district with much more efficient and cost-efficient buildings. This is central to our commitment to our students and our community, and will help to reduce our district's energy costs. As important, the Energy Performance Contract allows the district to perform these needed upgrades without a direct impact to the taxpayer through guaranteed savings and additional New York State aid.

### ***What upgrades will be included?***

The Energy Performance Contract will include a number of important upgrades, such as: expanding the use of LED lighting to all of our buildings, completing much-needed modern building control upgrades at Beekman Gym, replacing obsolete and expensive cooling systems and equipment with modern technology, and upgrading antiquated building systems with modern digital controls, among other improvements.

### ***What is the cost of the upgrades? What will the savings be?***

The total cost of the upgrades is approximately \$1.3 million. The annual rate of savings is targeted at slightly more than \$73,000 per year, guaranteeing that upgrades will pay for themselves through cost savings and New York State aid.

### ***Do we, the taxpayers, need to approve this project? Will this affect our taxes?***

A referendum vote is not required for the district to move forward with the upgrades. Because of the substantial cost savings that will be realized by the district, the EPC will pay for itself over the life of the upgrades. There is no direct impact to taxpayers. However, we do plan to have a community vote on these upgrades later this year. If approved, the district will then be able to realize additional New York State aid to further support these important upgrades.

### ***What if the cost savings are lower than expected?***

Under the terms of the Energy Performance Contract, the cost savings are guaranteed. If the level of savings is not met, the ESCO for the project must compensate the district for the shortfall. The

district is working the John W. Danforth Company, one of the leading and most experienced mechanical contractors in the northeast, to complete our upgrades. Their team has completed more than \$750 million worth of Energy Performance Contracts, predominantly for K-12 school districts like ours. We anticipate a very successful project. With the tangible benefits of creating an efficient infrastructure for the operation of our buildings without a direct impact to taxpayers, along with acting as responsible stewards for the environment, this project provides a tremendous opportunity for the district and our school community to ultimately create the best possible environment for our students.

***Where can I learn more?***

Keeping our community informed is very important to us. We have scheduled a public hearing to discuss the upgrades with members of our community on November 17, 2020 at 6:00 p.m. We will also share information on the project through our District website.