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DANBURY PUBLIC SCHOOLS
Administrative Center
63 Beaver Brook Road
Danbury, Connecticut 06810-6211
Email: longoe@danbury.k12.ct.us

Elio Longo, Jr., MBA
Director of Finance & Support Services

(203) 797-4703
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December 1, 2004

To: City of Danbury – Member of the Common Council

Dear Council Members,

The Danbury Board of Education is excited to present an energy cost savings program that will save the district a considerable amount in future year energy expenditures. Connecticut Light & Power (CLP) had issued a RFP to local electrical/lighting companies as part of a municipal lighting retrofit program. All qualifying contractors were chosen as approved vendors and a cost matrix was established by CL&P/Northeast Utilities. I was approached by the business principals of New England Energy Management, Inc. (NEEM), one of the selected vendors and a Danbury-based business. NEEM provided a free analysis of lighting benefits to Danbury Public Schools under the CL&P program.

The lighting retrofit/exchange program encompasses the installation of new, more efficient and better light source conducive to the education environment. Some measure might be as simple as a more efficient bulb exchange while others would require complete exchange/retrofit of light ballasts. NEEM (as the BOE's selected vendor) receives the same cost reimbursement from CL&P as all other CL&P approved vendors. The price matrix established by CL&P is fixed for all vendors. CL&P will subsidize 75% of total school project cost if the school board matches with a 25% cost share. School boards have the option to pay the 25% upfront or receive a 0% interest loan from CL&P. The Danbury BOE has chosen the latter as it affords the district time to replay the loan with actual cost savings received through the program. Again, the loan is 0% interest and repayment is structured along each project's ROI (return-on-investment), or as I prefer to look at it each project's pay-back-period.

For your consideration and approval I've attached the following supplemental material:

Exhibit A: Sections of the November 10, 2004 Board of Education meeting approving a motion to contract with New England Energy Management, Inc.

Exhibit B: Analysis of September 2004 Cost per kWh for various school buildings

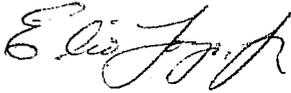
Exhibit C: Letter dated November 15, 2004 from NEEM regarding change orders for rate adjustments.

Exhibit D: Letter dated November 15, 2004 to CL&P informing the utility that the Letter of Agreements (LOA) would require Common Council approval.

Exhibit E: Analysis of Energy Cost Savings for Danbury Public Schools

I respectfully ask that you review the accompanying materials prior to the December 7, 2005 Common Council meeting and add a motion for approval of the light retrofit program. Should you have questions prior to the meeting please contact me at 797-4703.

Sincerely,

A handwritten signature in black ink, appearing to read "Elio Longo, Jr.", written in a cursive style.

Elio Longo, Jr.

DANBURY BOARD OF EDUCATION MEETING

November 10, 2004

7:00 PM

Administrative Center - 63 Beaver Brook Road

Present: E. Alberts, R. Austin, G. Cooper, S. Ferguson, G. O'Loughlin, B. Poole, and Drs. Davis, Glass and Messrs. Longo and Daniels from Administration

Absent: J. Hodge, K. Silva, L. Gutierrez, S. Podhajski, M. Fazio, and Dr. Dylewski from Administration

CALL TO ORDER

The Chairperson, G. O'Loughlin, called the meeting to order at 7:08 pm and those assembled recited the Pledge of Allegiance. The Chairperson called for a moment of silence for our service men and women who have lost their lives in Iraq.

PUBLIC PARTICIPATION

Rosty Slabicky told the Board that he is co-chairperson of the City-wide PTO and stated that he will be sending them a list of the school dates in the schools so they could attend meetings. He then stated that City-wide PTO meets once a month and we offer our assistance to you. He also said the Superintendent and the Assistant Superintendent for their support of everything they do. They are a great asset to us and to our schools.

Mr. Slabicky stated that his children are in Morris Street School and when you are going to focus on NCLB this evening, our choice is for our children to stay there. The teachers and the principal knows every child by name and their home situation. He asked that the Board not be too judgmental of the school based on numbers - there are a lot of good things going on there.

CONSENT CALENDAR

MOTION - E. Alberts moved, seconded by G. Cooper, that the Board of Education approve the items on the Consent Calendar, Exhibit 04-225 through 04-227 as recommended:

MINUTES

Bi-monthly Board Meeting Minutes	10/27/04
Special Meeting Minutes	11/4/04

PERSONNEL

G. Cooper asked if we had to approve this action item tonight since we have 5 Board members absent. Mr. Longo said that there is a deadline and the New England Energy Management reps said they can not extend the deadline.

ACTION ITEMS

New England Energy Management, Inc.

MOTION - E. Alberts moved, seconded by S. Ferguson, that the Board of Education authorize the Superintendent to enter into a Lighting Retro-fit Agreement between Danbury Public Schools as proposed by New England Energy Management, Inc. with the exception of Great Plain Elementary, King Street Intermediate and Roberts Avenue Elementary Schools, Educational Service Building and including Beaver Brook Administration Building..

In favor: E. Alberts R. Austin,
S. Ferguson G. O'Loughlin
B. Poole

Abstained: G. Cooper

Absent: J. Hodge K. Silva
L. Gutierrez S. Podhajski
M. Fazio

Motion carried at 8:45 pm.

INFORMATION

Dr. Davis said below is the timetable for the budget process. One item that is not part of the plan, but from December 6 to January 3 we need to have our workshops. Dr. Davis said as Mr. Longo mentioned we are going to have budget "stressor" analysis sheets. Once those sheets are completed I would like the Finance Committee to meet in December to take you through the analysis. This will assist us when we meet with the Common Council during the budget process.

FY 2005-2006 Budget Plan Process and Timetable

2004

Month of November	Analysis of Programs and Operating Impacts
November 4 th	Individual meeting with Cabinet members • Discuss budget goals and guidelines
November 10 th	Meeting with Elementary & Secondary Principals Meeting with Coordinators
November 29 th	School and program budgets submitted to Business Office and Assoc/Asst Superintendents
Week of Dec 6 th	Superintendent's budget review with Central Administrators

EXHIBIT B

School	September's Bill	kWh	Cost per kWh
Danbury High School	\$ 17,748.07	212,400	\$ 0.083
Broadview Middle School	\$ 7,509.10	77,184	\$ 0.097
Rogers Park Middle School	\$ 8,970.33	91,200	\$ 0.098
Hayestown Elementary	\$ 2,065.39	18,880	\$ 0.109
King Street Intermediate	\$ 1,909.16	8,000	\$ 0.119
King Street Primary	\$ 2,705.96	24,400	\$ 0.111
Mill Ridge Intermediate	\$ 2,783.53	27,648	\$ 0.101
Mill Ridge Primary	\$ 4,018.48	37,200	\$ 0.108
Morris Street School	\$ 5,798.30	49,920	\$ 0.116
Park Avenue School	\$ 1,576.64	15,040	\$ 0.105
Pembroke Elementary	\$ 1,946.01	18,144	\$ 0.107
South Street School	\$ 1,983.68	19,040	\$ 0.104
Shelter Rock	\$ 1,572.59	13,680	\$ 0.115
Stadley Rough	\$ 3,210.01	29,440	\$ 0.109
Board of Ed - Admin	\$ 2,058.98	19,040	\$ 0.108

EXHIBIT C

From: "Cathy Clarke" <cclarke@newenglandenergy.com>
To: <longoe@danbury.k12.ct.us>
Date: 11/15/04 2:04:49 PM
Subject: School kWh cost analysis

Elio,

According to your bills, Danbury High School pays less than .10 per kWh. They are paying .083 cents per kWh. Broadview and Rogers Park are .097 and .098 cents. The remaining schools range from .101 to .119 cents. The three that are under the .10 cents will be adjusted and sent to CL&P in a change order form in order to receive an accurate depiction of savings for these facilities.

I have attached a spreadsheet which shows the actual cost for each location.

I'll be touch.

Best Regards,
Cathy

Cathy Clarke
Energy Consultant
New England energy Management Inc.
2 Lee Mac Ave.
Danbury, CT 06810
(203) 792-1900 Ext. 14
(203) 948-2816 Mobile
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www.NewEnglandenergy.com

CC: <schrom@danbury.k12.ct.us>

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November 15, 2004

George Breitwieser
Account Executive
Connecticut Light & Power
20 Barnabas Road
Newtown, CT 06470

RE: LOA's for Danbury Public Schools

Dear Mr. Breitwieser,

All of the Letters of Agreements for the Danbury Public Schools and Administrative buildings are being signed today in order to meet CL&P's deadline to secure the 75% incentive for energy efficient lighting measures. These LOA's are pending the Common Council approval that will take place at the board meeting in December. At this time, Danbury will move forward with the desired projects. Should you have questions please call me (203) 797-4703.

Sincerely,



Elio Longo, Jr.
Director of Finance and Support Services

NEW ENGLAND ENERGY MANAGEMENT, INC.

Analysis of Energy Cost Savings after Retrofit for Danbury Public Schools

Project Name	Total Project		Customer Net Cost	Percent of Cost/Total Cost	Annual KWh savings	Annual \$ Savings	ROI (Years)
	Cost	CL&P Incentive					
Danbury High School	\$ 39,891.93	\$ 29,918.93	\$ 9,972.98	25%	\$ 82,214.00	\$ 8,221.40	1.21
Broadview Middle School	\$ 27,085.31	\$ 20,313.98	\$ 6,771.33	25%	\$ 51,981.00	\$ 5,198.10	1.30
Rogers Park Middle School	\$ 7,203.03	\$ 5,402.27	\$ 1,800.76	25%	\$ 13,001.00	\$ 1,300.10	1.39
Hayestown Elementary School	\$ 12,913.04	\$ 9,684.78	\$ 3,228.26	25%	\$ 17,606.00	\$ 1,760.60	1.83
King Street Primary School	\$ 33,589.61	\$ 25,192.21	\$ 8,397.40	25%	\$ 37,395.00	\$ 3,739.50	2.25
Park Avenue Elementary School	\$ 8,244.35	\$ 6,183.26	\$ 2,061.09	25%	\$ 38,747.00	\$ 3,874.70	0.53
Pembroke Elementary School	\$ 9,449.36	\$ 7,087.02	\$ 2,362.34	25%	\$ 32,780.00	\$ 3,278.00	0.72
Shelter Rock Elementary School	\$ 9,641.35	\$ 7,231.01	\$ 2,410.34	25%	\$ 17,563.00	\$ 1,756.30	1.37
South Street Elementary School	\$ 8,829.71	\$ 6,622.28	\$ 2,207.43	25%	\$ 18,269.00	\$ 1,826.90	1.21
Stadley Rough Elementary School	\$ 16,499.88	\$ 12,374.91	\$ 4,124.97	25%	\$ 27,707.00	\$ 2,770.70	1.49
Mill Ridge Intermediate School	\$ 11,118.54	\$ 8,338.91	\$ 2,779.64	25%	\$ 24,754.00	\$ 2,475.40	1.12
Mill Ridge Primary School	\$ 44,190.47	\$ 33,142.85	\$ 11,047.62	25%	\$ 60,280.00	\$ 6,028.00	1.83
Morris Street Elementary School	\$ 10,080.00	\$ 7,560.00	\$ 2,520.00	25%	\$ 22,673.00	\$ 2,267.30	1.11
	\$ 238,736.58	\$ 179,052.42	\$ 59,684.14		\$ 444,970.00	\$ 44,497.00	1.34