

WORK SESSION OF THE BOARD OF TRUSTEES
Tuesday, February 23, 2021

Meeting was held thru ZOOM

ROLL CALL FOR WORK SESSIONNG: Present: Deputy Mayor Little
Trustees: Richard Shapiro, and Thomas Catillaz.
Absentee: Mayor Clyde Rabideau and Trustee Zelda Newman.
Staff also present: Village Manager, John Sweeney, Deputy Village Clerk/ Treasurer
Lidia O'Kelly, and Community Development Director, Jamie Konkoski

The board discussed LED Light in the community.
Attached and made part of these minutes is the handout the board worked with to
discuss these items.

MOTION TO ADJOURN

Deputy Mayor Little called for a motion to adjourn.

Motion: Shapiro Second: Catillaz

Roll Call: Catillaz: yes, Deputy Mayor Little: yes, Shapiro: yes

Respectfully submitted in absentia, Kareen Tyler, Village Clerk



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Clean Energy Communities Program

Funding Available: \$50,000
Proposal Deadline: March 20, 2018
Potential Project: LED Streetlight Conversion

Municipal Buyback Option:

The Village of Saranac Lake has the opportunity to purchase existing streetlights from National Grid and convert them to LED lights. SmartWatt has prepared a Preliminary Feasibility Assessment based on current utility bills. The Assessment outlines the expected cost and savings for the capital project. As presented by SmartWatt, the improvements would be financed by the annual energy and maintenance savings, which would be guaranteed by SmartWatt. This would be a turnkey approach where SmartWatt would conduct an investment grade audit, design the project, and build.

Table 1: Recommended Facility Improvement Measures (FIMs)

FIM #	Measure	Annual Energy Savings (\$/yr)	Annual O&M Savings (\$/yr)	Estimated "Buyback" Cost ¹	FIM Implementation Cost	Total Project Costs Including Buyback
1	Village of Saranac Lake – Utility Owned Street Lighting	\$19,672	\$63,014	\$455,000	\$306,233	\$761,233

Utility-Owned Conversion:

The Village of Saranac Lake can request that all streetlights be converted to LED as the expense of the Village. National Grid would install the new lights at the expense of the Village. National Grid converts a percentage of streetlights each year on a first come first serve basis.

Next Step:

The Village needs to request the buyback cost from National Grid. The request should be made between April and June after the current rate case is resolved. Buyback costs can only be requested once per year and the rate case could influence the buyback amount.

Saranac Lake Street Light Cost Analysis - Updated 2/2/21 by Nancy Bernstein, ANCA Energy Circuit Rider

		Existing Street Lights	National Grid Conversion	Municipal Ownership Asset Management Nodes	Municipal Ownership Photocell	Notes
Annual Costs	National Grid Electricity Delivery & Supply	\$ 27,431	\$ 11,733	\$ 8,373	\$ 8,373	Switch from SC 2 delivery rate (\$0.08646/kWh) to SC 3 (0.05935/kWh) with ownership
	National Grid Facilities	\$ 80,304	\$ 89,424	\$ -	\$ -	Includes all street lighting inventory
	National Grid Pole Leasing	\$ -	\$ -	\$ 2,642	\$ 2,642	Assumed to be \$0.60/wooden pole per month
	Post Conversion Maintenance	\$ -	\$ -	\$ 9,100	\$ 9,100	Assumed to be \$20/fixture for all routine maintenance. Village encouraged to set aside \$ for emergency repairs
	Energy & Facilities Cost	\$ 107,735	\$ 101,157	\$ 20,115	\$ 20,115	
	Reduction in Annual Utility Costs		6%	81%	81%	
	Decrease in National Grid Infrastructure Tax	\$ -	\$ -	\$ 4,476	\$ 4,476	National Grid Infrastructure Tax Bill: \$41,143 existing; \$36,667 projected
	Increase in Village Insurance Premium	\$ -	\$ -	\$ 500	\$ 500	Approximate increase in village insurance premium to include street light infrastructure
	Unexpected Maintenance Set Aside	\$ -	\$ -	\$ 19,940	\$ 19,940	Recommended funds to set aside annually for non-routine and emergency maintenance - rolled over if not spent
TOTAL Annual Cost	\$ 111,667	\$ 105,351	\$ 45,032	\$ 45,032		
Annual Savings	Energy & Facilities Annual Savings	\$ -	\$ 6,316	\$ 85,264	\$ 85,264	From NYPA - Estimated Annual Maintenance & Facilities Savings
	TOTAL Annual Savings	\$ -	\$ 6,316	\$ 40,232	\$ 40,232	Includes decrease in tax revenue, increase in insurance, and spending 100% of annual maintenance set aside
Rebate	Estimated National Grid Rebate	\$ -	\$ 22,160	\$ 22,160	\$ 22,160	Rebate available first-come first served once conversion is complete
Grant	Clean Energy Communities Grant		\$ 50,000	\$ 50,000	\$ 50,000	Surplus CEC grant must be used for another clean energy project
Project Costs	National Grid LED Conversion Cost	\$ -	\$ 36,325	\$ -	\$ -	Updated NBV provided 12/1/20 - Utility conversion now includes ALL lights, not just Roadway (Not necessary to convert all lights, see 6/2/20 National Grid letter for cost breakdown) NYPA costs generated 7/17/20
	Purchase of Fixtures from National Grid	\$ -	\$ -	\$ 365,966	\$ 365,966	
	NYPA Material Cost - asset mngmt nodes	\$ -	\$ -	\$ 180,715	\$ 128,390	
	NYPA Labor Estimate	\$ -	\$ -	\$ 75,855	\$ 75,855	
	NYPA 10% Contingency	\$ -	\$ -	\$ 25,657	\$ 20,425	
	NYPA Hazardous Waste Disposal	\$ -	\$ -	\$ 1,820	\$ 1,820	
	NYPA Design & Construction Management	\$ -	\$ -	\$ 42,334	\$ 33,701	
	NYPA Project Mgt & Administrative	\$ -	\$ -	\$ 40,798	\$ 32,524	12.5% of Construction Costs, Asbestos Abatement, Design & Construction Fee and associated contingencies
	Project Subtotal	\$ -	\$ 36,325	\$ 733,145	\$ 658,681	
	Disconnect Device Security	\$ -	\$ -	\$ 183,800	\$ 183,800	NYPA fronts this cost
Interest During Construction	\$ -	\$ -	\$ 18,990	\$ 17,501	IDC estimated based on 4% interest	
TOTAL Project Cost	\$ -	\$ 36,325	\$ 752,135	\$ 676,182		
TOTAL Project Cost minus rebate/CEC grant	\$ -	\$ -	\$ 679,975	\$ 604,022	With utility conversion, portion of CEC grant could be repurposed	
Payback	Simple Payback (years) - NYPA			8	7.1	NYPA's calculation based on annual savings of \$85,264 (include utility rebate + CEC grant)
	Simple Payback (years) - worst case scenario			16.9	15.0	Calculation based on annual savings of \$40,232 (includes decrease in tax revenue, increase in insurance, and worst case scenario of spending 100% of annual maintenance set aside)

Strategies to decrease cost	Savings
Independent maintenance contract	unknown, but likely less than NYPA worst scenario
Install photocells instead of asset mgt nodes	\$75,954
Secure USDA Communities Facilities grant	\$30-40,000