

**CORCORAN UNIFIED SCHOOL DISTRICT  
SPECIAL BOARD MEETING  
November 8, 2011  
5:01 P.M.**

**CALL TO ORDER**

Mary Wadsworth, President of the Board, called the special meeting of the Corcoran Unified School District Board of Trustees to order at 5:01 p.m. in the Board Room.

**TRUSTEES PRESENT/ABSENT**

Trustees present were Mary Wadsworth, Steve White, Karen Frey, Mary Gonzales-Gomez and Robert Alcorn.

**OTHERS PRESENT**

Others present were Rich Merlo, Steve Brown, Marie Cates, Rick Brown, Josh Vogelgesang, Shellie Escobedo, Kristina Seaman, Jack Schreuder, Rebecca Boulcather, Clark Severson and Donnetta Murray.

**PLEDGE OF ALLEGIANCE**

President Mary Wadsworth welcomed those present and led in the flag salute.

**APPROVAL OF AGENDA**

The Board voted to approve the agenda for the Special Board Meeting of November 8, 2011.

*Motion: Steve White Second: Karen Frey Vote: 5-0*

**SOLAR WORKSHOP**

Dr. Rick Brown, President of TerraVerde Renewable Partners, gave a PowerPoint Presentation regarding a solar system for the District. TerraVerde would help the District to reduce overall electricity costs through the development of comprehensive energy management programs, including education and demand management, energy efficiency upgrades, and renewable energy generation. They would help the District meet clean energy regulatory requirements and reduce greenhouse emissions as well as implement environmental education programs and local government initiatives. They would also help provide investments that promote the development of green jobs. Dr. Brown advised the Board that policies and programs implemented over the past year have stabilized incentives for solar. The California Department of Education has also put special focus on improving energy costs. Two other policies are putting pressure on Power Purchase Agreement (PPA) providers to secure their projects before the end of the year: legislation is requiring use of prevailing wage on energy projects starting January 2012, and the Federal incentive cash grant option is scheduled to end by January 2012. He pointed out that according to recent ballots and surveys, American support for solar is strong. Solar panel costs and material supplies have been dropping recently. On the other hand, the cost of electricity continues to rise. Dr. Brown reviewed some of CUSD's expenditures for electricity over the past 10 years. Last year's District expenditure for PG&E was \$452,808.83.

Based on current conditions, TerraVerde projected a scope and PPA (with another entity) pricing with savings of \$104,299 (-25%) for the first year to \$7,617,245 in cumulative savings for 25 years (-38%). With a PPA, the customer pays only for electricity that is generated. There is a fixed pricing with inflation escalator over the term of the PPA. The third party owner of the PPA owns the assets and retains the title to the equipment. Typically, the agreement will range from 20 to 25 years. The benefits are that there are no upfront costs, no capital outlay required by the customer, no performance risks or long term operations and no maintenance costs and responsibilities. There is also the opportunity to structure an early buy-out option. The disadvantages is that there is a commitment to a long-term contract and there are no benefits of ownership, for example Renewable Energy Credits (RECs).

Additionally, the District would have the option of purchasing the project from the PPA Provider as of the sixth year, resulting in even greater long-term savings. The cumulative savings for 25 years after a buy-out would be \$17,000,306 (-86%). The buyout could be financed through a G.O. Bond. The District could also pursue a special curricular initiative, such as a technology academy, in combination with a solar project to receive low cost financing through a Qualified Zone Academy Bond (QZAB). Projected savings with a QZAB would be from \$123,418 for the first year to a cumulative \$10,749,849 (-54%) for 25 years. If TerraVerde were to initiate the process, they would evaluate bids and bring recommendations to the staff and Board. TerraVerde would oversee the project to ensure it is being built to specifications and make sure CUSD would get what was promised in a contract.

The Board of Trustees and Superintendent Rich Merlo discussed the varied options with Dr. Brown for implementing a solar system in the District. Dr. Brown advised the Board that the District would set the amount they felt should be saved in the first year of implementation. Those bidding on the project would base their bids around that amount and whether they thought they could produce that amount of savings. The Board agreed on \$100,000 as the target savings for the first year and directed Mr. Merlo to have TerraVerde bid the project with a possible buy-out. They would also like Mr. Merlo to look into QZAB.

### **BOND WORKSHOP**

The Board discussed the possibility of a G.O. Bond with Mr. Merlo. Trustee Robert Alcorn noted the District needs to make a decision on what amount of money is needed and how the money will be spent. President Wadsworth felt a full district bond would be a tough sell, but if the District worked hard they could possibly sell an SFID (an area that would include the city limits plus some of the outlying area). She also believes that the District would have to dedicate other money for maintenance projects. Mr. Merlo said that if the District had money immediately, the top priorities would be to replaster all classrooms, fix the insides of the classrooms and replace the oldest portable classrooms with new ones. Mr. Alcorn added that an \$8-9 million bond would be worth attempting as the repairs at the sites are only going to increase with years. The Board directed Mr. Merlo to have Jon Isom execute a community survey on a bond; draw up an area plan for an SFID that would garner the District \$9 million; have a plan to show the public that the District is committing to a solar project that will generate savings; put a part of the solar savings away for maintenance; inform the public of recent projects and what has been invested for the community; and whittle down the priority sheet to show what the District is trying to do with the \$8-9 million project.

### **ADJOURNMENT was at 7:00 p.m.**

*Motion: Robert Alcorn*

*Second: Steve White*

*Vote: 5-0*