

**SPECIAL MEETING**

**CRANSTON SCHOOL COMMITTEE**

**TUESDAY, SEPTEMBER 14, 2004**

**WILLIAM A. BRIGGS BUILDING (REED CONFERENCE ROOM)**

**845 PARK AVENUE**

**EXECUTIVE SESSION: 5:30 P.M.**

**PUBLIC MEETING: IMMEDIATELY FOLLOWING EXECUTIVE  
SESSION**

**PUBLIC WORK SESSION: IMMEDIATELY FOLLOWING PUBLIC  
MEETING**

**MINUTES**

**A special meeting of the Cranston School Committee was held on the evening of the above date at the William A. Briggs Building in the Reed Conference Room with the following members present: Mr. Cardarelli, Mr. Drager, Mr. Eramian, Mr. Lupino, Mr. Palumbo, and Mr. Stycos. Mrs. White was absent due to family illness. Also present were Mrs. Ciarlo, Mr. Scherza, Mr. Balducci, and Mr. Votto.**

**Mr. Cardarelli called the meeting to order at 5:45 p.m. It was moved, seconded and unanimously carried that the members adjourn to Executive Session to discuss personnel under RI State Law 42-46-5(a)(1) and contract and litigation pursuant to RI State Law 42-46-5(2).**

**The meeting reconvened at 6:05 .m.**

**The roll was called.**

**Moved by Mr. Drager, seconded by Mr. Lupino and unanimously carried that the September 14, 2004 Executive Session minutes remain confidential.**

## **I. COMMUNICATIONS**

**Mr. Cardarelli noted that Chairperson White was absent due to her husband coming home from the hospital after undergoing bypass surgery. The committee hoped that her husband would be feeling well soon.**

**Mr. Cardarelli reported out that there was a consensored opinion of the School Committee during the September 1, 2004 Executive Session to send a cease and desist letter to Mayor Laffey regarding the Performance Audit of the school department.**

**Mr. Cardarelli reported out that there was a consensored opinion of the School Committee during the September 1, 2004 Executive Session to retain Mr. Moss Sidell of Tarlow, Breed, Hart, Murphy and Rodgers.**

Mr. Eramian stated that he would be unable to attend the September 20, 2004 School Committee meeting because of a work commitment.

Mr. Cardarelli stated that he would be unable to attend the September 20th meeting; he will be in Washington, DC.

Mr. Lupino reported that he received his fourth communication from a parent at Western Hills Middle School regarding middle school sports. This is the fourth call he has received since April of this year. The parent indicated that her child runs track and asked if the child could compete as an individual. The parent was not concerned that middle school sports were cut. Mr. Lupino told the parent that she should contact Mr. Traficante to get her in touch with the proper person at the Rhode Island Interscholastic League to determine what athletes could compete on an individual basis. He cautioned his colleagues that some of the students who want to compete interscholastically as individuals still must be supervised. The district would have to provide a coach or teacher or someone of responsibility in order to do this. In this case, this lady's husband is a coach at another school. He was unsure if the Interscholastic League would allow this to happen. Mr. Drager told Mr. Lupino that he wanted to be sure that the advice he was giving people was the

proper advice. The district now has intramural sports, and anything the students want to do outside of that is up to them, and they are solely responsible. Mr. Lupino responded that if a student is told that he or she can compete as an individual, they have a right to ask that they be supervised. A parent has a right to demand a coach or a responsible person to watch his son or daughter if the student decides to compete individually. Mrs. Ciarlo said that she has had no requests for individual competition to date. Mr. Drager felt that the committee should not have the right to spend more for an individual coach. If a student wishes to compete interscholastically as an individual, the school department should not be involved. The district does have sports for middle school through the intramural program.

Mr. Scherza clarified that the Interscholastic League has black and white rules for students coming from school systems that do not have individual sports such as tennis, track, and swimming that does allow for students from those schools that do not have interscholastic sports to participate. However, it is very clear that permission must be gained from the district that does not have the sport. In addition, the committee would have to appoint a person to supervise this student. Mr. Lupino felt that the committee would see more of this when the wrestling season starts. It was a very successful program at Western Hills Middle School. They won the state championship, and there are some students returning; and they may approach some of the committee members to compete

**individually.**

**Mr. Eramian stated that a number of people in Ward 5 have awakened to find out that the district didn't have money for books last year. So far, the comments have been from parents of children who attend private schools who have always had the Cranston books on the first day of school and now don't have them even though the district is buying books that they can't afford to buy for their own Cranston Public Schools'**

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**students. He has told the private school parents that they are a victim of the victory for the taxpayer. Mrs. Ciarlo explained that some of the students were on a waiting list to get into a private school and were accepted late to the school. Mr. Scherza explained that there were seventy-five students at Hendricken School looking for another social studies book because, according to the school, they ordered the wrong book. The school wants Cranston to replace the wrong book with the correct book. He wants to make sure that the State sees to it that Hendricken High School subsidizes at least one of the sets of books. Mr. Eramian said that he is hearing from elementary school parents where historically whatever books the school department provided were here, and now they are not. Mrs. Ciarlo indicated that most of the parents come in for book requests during the second week of July. People return books and sign up for the**

following year's textbooks. Other school districts are also ordering books, and it becomes a slow process. There is no delay on the part of Cranston Public Schools. It is unfortunate that other schools are using more modern texts than Cranston is.

Mr. Stycos asked how far along the intramural program is with regard to the design of the program and the students signing up. He heard at Park View that students know nothing about the program. Mr. Scherza responded that he could not answer as to whether or not the students know anything about the program. The program is still in its infancy, and the plan was to start the program approximately three weeks into the opening of school. He indicated to Mr. Stycos that he could find out what has happened thus far with the program. Mr. Scherza indicated that the plan is to have soccer, cross country, and some will be tied into the physical education classes.

Mr. Eramian asked that the Intramural Sports Program report be given to the committee members in case there are questions from parents. Mr. Scherza indicated that he would have the information available for next week's update.

Mr. Stycos stated that the committee had indicated in conversations that the students would compete against other Cranston middle schools, and Mrs. Ciarlo responded that this is part of the plan. Mr. Cardarelli commented that he would like to see the entire plan for the program. When the committee came to the compromise to change

**middle school sports, there were three options, and they were a one-dimensional cost opinion. It was not a multi-dimensional program. He doesn't feel that the district needs an Interscholastic League Program at the middle school level. He agreed wholeheartedly with Mr. Traficante that they should do the high school level right first, and then when the district can afford a quality program at the high school level and do it right, then there might be the possibility of moving down to the middle school level. He would also like to see the proposed program for the Intramural Program with the multi-dimensional projection.**

**Mr. Cardarelli noted additionally that parents have not contacted him about intramural sports, but they have spoke with him regarding textbooks. They are public school**

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**parents who have contacted him. Mr. Scherza added that the shortage of books was discussed at the Elementary Principals' meeting held today. With regard to foreign language textbooks, Mrs. Ciarlo said that the books are so old that she can't get them from a second-hand book company to purchase them. New textbooks have not been purchased since 1987. She is looking at a program that would combine language arts, English, and spelling for textbook purchases. Mr. Eramian said that it is after the fact that people have woken up and realize what has happened with the school budget.**

**Mr. Lupino stated that he assumed that the committee had received his communication regarding the Cranston East project. The School Buildings' Committee accepted the proposal to revise.**

## **II. SPEAKERS – Agenda Items**

**There were no speakers on Agenda items.**

## **III. MINUTES OF MEETINGS – August 3, 2004; August 16, 2004; August 23, 2004**

**Moved by Mr. Palumbo and seconded by Mr. Lupino that the minutes be accepted.**

**Mr. Eramian referred to the August 3, 2004 minutes. He stated that his recollection did not match up with the tape of that meeting because he clearly came away with a different opinion when he asked Mr. Abrahams about the Rhode Island Association of School Committee data. He further commented that he spoke to Mrs. Moretta this morning regarding this. At that meeting, Mr. Eramian had asked him if he verified the date, and Mr. Abrahams had said no that they had accepted the data the way it was. Mr. Eramian then asked him if he was going to footnote it so that if there was a table with both**

pieces of information, the Rhode Island Department of Education and the Rhode Island Association of School Committees, so he would know which was which. Mr. Eramian thought that Mr. Abrahams had said no. It was his understanding that he would footnote it but that it would be in the back of the report with a list of sources, and one would not be able to see a table with all of the information. There might be mixed information. Mrs. Moretta played the tape for the committee, and the minutes stood as noted.

The minutes were unanimously approved.

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#### **IV. RESOLUTIONS**

##### **ADMINISTRATION**

##### **PERSONNEL**

**NO. 04-9-18 – RESOLVED, that at the recommendation of the Superintendent, the resignation of the following certified personnel be accepted:**

**Marissa Lombardo, Mathematics Teacher**

**Western Hills Middle School**

**Effective Date: September 1, 2004**

**Moved by Mr. Lupino, seconded by Mr. Drager and unanimously carried that this Resolution be adopted.**

**NO. 04-9-19 – RESOLVED, that at the recommendation of the Superintendent, the following individual be appointed as an athletic coach:**

**Heather Johnson, Assistant Girls' Volleyball, Cranston High School East**

**Step – 1**

**Class – D**

**Playing Competition – Cranston High School East**

**Experience – Varsity Player**

**Certification – Rhode Island Coaches Certification; CPR/First Aid Certified**

**Moved by Mr. Lupino and seconded by Mr. Eramian that this Resolution be adopted.**

**Mr. Lupino asked if Heather Johnson was a recent graduate of Cranston High School East, and Mr. Votto responded that she graduated last year. She is currently a student at Rhode Island College, and this position will not conflict with her course schedule.**

**This Resolution was adopted unanimously.**

**NO. 04-9-20 – RESOLVED, that at the recommendation of the Superintendent, the resignation of the following coach be accepted.**

**Peter Gallo, Assistant Boys' Soccer  
Cranston High School East  
Effective Date: September 7, 2004**

**Moved by Mr. Eramian, seconded by Mr. Lupino and unanimously carried that this Resolution be adopted.**

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**NO. 04-9-21 – RESOLVED, that at the recommendation of the Superintendent, the following non-certified employees be appointed:**

**Nicole Lake, Bus Aide  
Effective Date of Employment – September 1, 2004  
Fiscal Note: 14347542 519500**

**Maria G. Matos, Bus Monitor  
Effective Date of Employment – September 8, 2004  
Fiscal Note: 14347518 518600**

**Keoaroun Phrathep, Outreach Worker**

**Assignment – Gladstone School (21st Century Learning Grant)**

**Effective Date of Employment – September 15, 2004**

**Fiscal Note: 51719150 515000**

**Jennifer Feeley, Outreach Worker**

**Assignment – Bain Middle School**

**Effective Date of Employment – September 15, 2004**

**Fiscal Note: 53115150 515000**

**Moved by Mr. Lupino and seconded by Mr. Drager that this Resolution be adopted.**

**Moved by Mr. Eramian and seconded by Mr. Lupino to amend this Resolution. The name of Jennifer Feeley should be removed.**

**This Amendment was adopted unanimously.**

**Mr. Stycos asked if these were new or replacement positions. Mr. Votto responded that there is always a need for bus monitors. The bus aide position is one that was left over and helps with a Bradley student on that run. The Gladstone outreach worker is new, and the Bain outreach worker is a replacement. They are both grant funded.**

**This Resolution as amended was adopted unanimously.**

**The Resolution now reads:**

**NO. 04-9-21 – RESOLVED, that at the recommendation of the Superintendent, the following non-certified employees be appointed:**

**Nicole Lake, Bus Aide**

**Effective Date of Employment – September 1, 2004**

**Fiscal Note: 14347542 519500**

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**Maria G. Matos, Bus Monitor**

**Effective Date of Employment – September 8, 2004**

**Fiscal Note: 14347518 518600**

**Keoaroun Phrathep, Outreach Worker**

**Assignment – Gladstone School (21st Century Learning Grant)**

**Effective Date of Employment – September 15, 2004**

**Fiscal Note: 51719150 515000**

## **BUSINESS**

**NO. 04-9-22 – RESOLVED, that the Cranston School Committee retains Tarlow, Breed, Hart, Murphy & Rodgers, P.C., Counsellors at Law, to represent the Cranston School Committee in certain legal matters.**

**Moved by Mr. Eramian and seconded by Mr. Drager that this Resolution be adopted.**

**Mr. Drager noted that the committee received correspondence regarding this attorney. He asked that the information be made a part of the record. Mr. Eramian noted that the contract is the same as the prior agreement.**

**This Resolution was adopted with Mr. Stycos opposed.**

**NO. 04-9-23 – RESOLVED, that the following purchases be approved:**

**Digital Duplicator pricing of \$2,078 pr machine for the purpose of filling annual order requests at various schools.**

**Number of bids issued 13**

**Number of bids received 7**

**Lumber in the amount of \$14,987.26.**

**Number of bids issued 9**

**Number of bids received 4**

**Furniture for Cranston East in the amount of \$\$4,026**

**Number of bids issued 24**

**Number of bids received 9**

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**8 Used Buses: 5 – 1999 22 capacity at \$15,000 each (DATTCO)  
3 – 1995 65 capacity at \$6,500 each (First Student)**

**Number of bids issued 5**

**Number of bids received 5**

**Moved by Mr. Lupino and seconded by Mr. Eramian that this Resolution be adopted.**

**Mr. Eramian asked what a digital duplicator was, and Mr. Balducci responded that it is a Risograph machine.**

**Mr. Cardarelli noted the cost for the Cranston East furniture and the cost of the used buses. It is so noted.**

**Mr. Lupino noted that the approved amount for used buses was \$75,000, and these buses total \$94,500. Mr. Balducci explained that Mr. Zisseron had \$25,000 in the bus maintenance account, and Mr. Balducci will do a budget revision for this amount.**

**Mr. Eramian asked if the school department was purchasing one**

**digital duplicator, and Mr. Balducci responded that the district was not purchasing one. As an insurance, he likes to have a bid ready in case a school is in need of one. This purchase will cover the district for the year.**

**Mr. Palumbo asked why the lumber was being purchased, and Mr. Balducci indicated that it is used in the vocational classes for carpentry.**

**With regard to the buses, Mr. Stycos asked how it is decided which bid to accept. Mr. Balducci responded that there are some buses as new as 2000 and some as old as 1990. They look at the price the companies are offering and also at the mileage for the bus. Mr. Reali, supervisor for transportation, went on site to look at the physical condition of the buses. He then made a recommendation to Mr. Zisseron. When purchasing buses, the budget is also considered. First Student and Laidlaw are the two primary vendors in the state. Mr. Lupino noted that Mr. Reali has a long history with school buses. His family used to buy used buses and also repaired buses.**

**With regard to the furniture, Mr. Drager asked what type of furniture was being purchased, and Mr. Balducci indicated that there are twenty-four student desks and cafeteria chairs.**

**This Resolution was adopted unanimously.**

## **TABLED RESOLUTIONS**

**NO. 04-9-5 – RESOLVED, that at the recommendation of the Superintendent, the appointment of Assistant Principal, High School, be approved.**

**NO. 04-9-6 – RESOLVED, that at the recommendation of the Superintendent, the appointment of Assistant Principal, Middle School, be approved.**

**NO. 04-9-16 – RESOLVED, that at the recommendation of the Superintendent, the termination of Employee A be accepted.**

**Moved by Mr. Lupino, seconded by Mr. Drager and unanimously carried that the above three tabled resolutions, No. 04-9-5, No. 04-9-6, an No. 04-9-16, be removed from the table.**

**Moved by Mr. Lupino, seconded by Mr. Drager and unanimously carried that the above three resolutions, No. 04-9-5, No. 04-9-6, an No. 04-9-16, be withdrawn.**

**Mr. Cardarelli stated that he had to leave the meeting temporarily.**

**Moved by Mr. Palumbo, seconded by Mr. Eramian and adopted that Mr. Lupino be temporary Chair until Mr. Cardarelli returned to the meeting. Mr. Drager was opposed.**

**Mr. Cardarelli turned the Chair over to Mr. Lupino at 6:47 p.m.**

**Moved by Mr. Eramian, seconded by Mr. Palumbo and unanimously carried that the meeting be adjourned to the Work Session.**

**There being no further business to come before the public meeting, it was adjourned to the Work Session at 6:48 p.m.**

**Mr. Cardarelli left the meeting.**

## **V. ADJOURN TO WORK SESSION**

### **1. Presentation by Energy Education, Inc.**

**Mrs. Carlo indicated to the committee that she had the opportunity to hear the presentation from Energy Education, Inc. She thought it was important for Energy Education to make the presentation to the School Committee so that the school department could learn how to save money with regard to energy costs.**

**Mr. Palumbo, in Mr. Lupino's absence, introduced Mr. Charles D. Fasnacht III, President of the Northeast Division of Energy Education, Inc.**

**Mr. Fasnacht indicated to the committee that a package of material was sent to each committee member. He also distributed additional information regarding what they have been able to do in other school districts in New England. A copy is attached for the record. He stated that Warwick Public Schools has been a client for over five years. They have received national, regional, and statewide level recognition for their energy program. South Kingstown and North Kingstown are also clients, and more recently Newport, Westerly, and Pawtucket have been clients.**

**The Energy Education program has been in business for over eighteen years working exclusively with school districts to save energy dollars, and their mission from day one is to save energy dollars without requiring the purchase of any equipment so that there is not a large capital investment required. In fact, there is no capital outlay required for this program. It is a program that uses some of a district's utility money, money that if this firm isn't hired will be spent on utilities. This company carves a small percentage out, invest it in this program and guarantees that the savings will be in excess of any investments made in this program. In that way, there is no need for**

any new budgeted funds; there is no need to budget additional monies in order to make this work. They use the existing utility budget, and the decision to hire this company is a savings decision and not a spending decision. The guarantee is very simple. If they don't save the district more than the costs or the investments that are made in this program, the company writes a check for the difference. In eighteen years of business, Energy Education has written a check a couple of times. In fact, Mr. Fasnacht has been with this company for over five years in the Northeastern United States, and to his knowledge the company has written a check two times in five years. If the company does fall short, they write a check for the difference so there is no risk to the school district. The upside is considerable savings where over the next seven years, net savings could be over \$3.5 million for the Cranston Public Schools. This makes the company a no-risk, win-win situation. It is not a program whereby people have to wear sweaters and turn out the lights. This program looks for non-value added energy consumption, and they are able to achieve a 15% to 30% savings without adversely affecting the classroom and the comfort of the students by focusing on that non-value added energy consumption.

Mr. Fasnacht cited the example of food service workers and how they start their day. He asked if they have a process in place or routine or if they make a decision based upon what they need that day and when they need it to be up and running. If the food service workers need the steam table to be at temperature at 10:30 a.m., he asked

what time they would turn it on. If it takes forty-two minutes to get the table to temperature, he asked what time they would turn it on. Every additional minute beyond that forty-two minutes is wasted energy. This company looks for those small incremental changes.

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He used this example not because food service workers are any different than anyone else but because everyone becomes an energy saver. Every single dollar spent on energy is accounted for.

Mr. Fasnacht went on to explain that the company has a four-year contract. At the end of four years, the program is paid off. The company continues to provide support for no additional fees. South Kingstown just went beyond their four-year point, and this company is still providing support. North Kingstown has been out of contract for approximately one or two years, and Warwick has been out of contract for a couple of years, and in those instances they continue to supply support at no additional fee. This is their part of a fair trade. They ask the school districts to be a reference because they don't spend any time on advertising. They work solely on references.

The company asks in return that the districts continue to be a reference for them.

Mr. Fasnacht opened the work session to questions from the School Committee. He further explained that the company has twenty-three

consultants. Each consultant has a different background and sub-specialty. Each consultant brings that sub-specialty, and all the training of the district's point person, the energy manager, is done on site in the buildings with the key staff and personnel on a one-on-one basis. It will not interfere with the district's existing routine.

Mrs. Ciarlo asked Mr. Fasnacht how large a pool of candidates there are for energy managers. In response, Mr. Fasnacht stated that all of the consultants meet with this one point person, and the title of that person is energy manager or energy educator/manager. The role is as much of an educator as it is a manager. The person should be good at working with people. Energy Education usually looks for someone with a teaching background or someone who comes from the educational industry. When the net is cast, they want to cast a wide net in order to get the best applicants possible. There is a significant salary involved in the neighborhood of \$75,000 including salary and benefits. He believes the district can attract a pretty capable person. His preference would be that the person have an education background and have an ability to understand technical things so that the consultants can train the person very quickly in the physical part of what the person needs to do. It is hard to train a person in how to deal with people, so they want the person to be a strong people person.

Mrs. Ciarlo asked Mr. Fasnacht what his experience has been in attracting educators. Mr. Fasnacht indicated that this company has

people who are new to the education industry who came from a military background and started a new career. They felt it was an opportunity to do something more closely aligned with what they have done before. They have administrators, principals, assistant principals, and teachers. In South Kingstown, he believed it was a science teacher who fills the role. In Pawtucket, someone has an engineering background. In Warwick, the person has a geology background but worked for the town prior to being hired for this position. If there are

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people in the process or recently had a correction in the number of people employed, it has been an opportunity for those who may have recently left employment to come back again with a guarantee to the school district's budget that there is no additional cost for the person. In one case, there was an administrator who was misplaced by a decision to combine two different school districts, and it was an opportunity for this person to fit into this role. Energy Education, Inc. participates in the interview process. The contract reads that this company actually selects the person based upon the best candidates available. Because they have been in over 628 school districts in the selection process, they know exactly what they are looking for as far as the quality. Mr. Lupino asked if this person doesn't work out would the company make a recommendation to the school district to relieve this person, and Mr. Fasnacht replied that they would make a

recommendation. This company is more at financial risk than the school district because they guarantee the savings will exceed the investment being made. It does happen; both were in the New England area on the Cape. One was a situation where the person was so aggressive and Type A personality, and he couldn't stop working. This person burned out after six months. The company saw it happening and attempted to counsel this person, but he was pushing too hard. The other situation was someone who thought he wanted to do it, but there was a lot more on the ground time. The time when the energy manager is doing this work is before school, 5:00 a.m. to 7:00 a.m., and after 3:00 p.m. to 5:00 p.m. These are the times when the savings are generated and the opportunities are found. In the evening, 10:00 p.m. to Midnight, wee hours of the mornings, weekends and holidays, are very aggressive times.

Mr. Drager asked what the average was for capital equipment investment in Rhode Island, and Mr. Fasnacht indicated that it was zero. Mr. Fasnacht added that this is an important part of the program. There are people everywhere who will sell equipment, but this company believes and has proven that a school district can save 15% to 30% with no change in equipment. If a district happens to change a piece of equipment, that is something completely separate from what they do, and it is measured separately.

Mr. Eramian asked how this company measures something of this nature especially when the district is looking at going into a winter

with oil fired, gas fired, and a variety of energy sources as a part of the heating portion of the utility bill. He asked if it was electricity, gas, and oil utilities. Mr. Fasnacht indicated they deal with heat, natural gas, heating oil, water and sewer. Mr. Eramian asked how he measures these when some of the costs will vary throughout a heating season, and Mr. Fasnacht explained that the software that is used for the measuring stick or the scorecard for determining what the savings are is owned by the school district. The district purchases it and it will be on their computer. The energy manager is the person who keeps score of the savings. The energy software information can be obtained on the web at [www.goodsteward.com](http://www.goodsteward.com), and it is a software that will allow a district to compare the base year, and every subsequent period will be measured back and compared to the base period. Every utility in every base period will be broken down to units of

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consumption; for example, gallons of fuel oil, therms of natural gas, kilowatt hours, etc. It will be broken down to units of consumption, and then the subsequent measurement periods will also be broken down to units of consumption. This will zero out the price effect. The difference in consumption then is applied to whatever the current price is.

If this company doesn't reduce consumption, then there are no savings. If this company reduces consumption by 1,000 kilowatt

hours, they apply it to the current price.

Mr. Eramian expressed his concern that the committee hires an energy manager, and the district has increased its cost by \$75,000 or \$80,000 across the system, and there are savings that are not real budget savings; they are savings against what would have been spent. There may have been a \$75,000 or \$80,000 problem, perhaps, but the district reduces the kilowatt hours, reduces the gallons of oil used, but the price of those commodities has enough that the district comes out revenue neutral. The district would have managed to hold the line, but they are out the \$75,000 or \$80,000. In this market, Mr. Eramian didn't think this scenario was that far fetched and was very possible to happen. Mr. Fasnacht explained that the savings this company generates is based on consumption and then applied to the current price. If consumption is reduced by 20%, and there is a 25% increase in price, the school district will spend more money. However, the district will spend 20% less had they not had this program in place. Mr. Eramian asked where this would fall into place with regard to Energy Education's fee in year one of \$202,000. Mr. Fasnacht responded that this pays for the proprietary program and implementation on site for twenty-three consultants. It is paid on a monthly basis. The district will be cash flow positive by the second or third month, and from that point on, the district will be in the black. The energy manager's salaries and benefits of \$75,000 per year is pay as you go. That also is cash flow positive; it is money currently

being spent on utilities. With regard to the seminar travel expenses, three times a year Energy Education brings representatives from all 628 client districts together and does training that is across the board. It is an opportunity to get a lot of information out in a very short period of time. This company does require the energy managers' attendance at these seminars. The cost to go there, the hotel, air fare, meals, etc. is guaranteed. The Energy account software is owned by the school district and it is on the district's computer. The energy manager keeps the score. The cost to obtain it is \$10,000, and then the annual maintenance fee is \$1,000 after that. That is also part of the guarantee. The total investment for the first year is \$290,800. This company guarantees the savings will exceed that amount, but most of the time, the company exceeds the projected savings, which in the case of Cranston Public Schools is \$532,000, the top line, which gives the district a projected net of \$241,200. The answer to Mr. Eramian's question as to whether or not it is real money or is it mathematical, the committee will find that it is real money, but that if there is a 25% increase in price and a 20% decrease in consumption, the district will be spending 5% more; but it is 20% less than what the district would have spent. Mr. Eramian commented that this is something that the committee needs to realize going into this.

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Mr. Fasnacht added that his company does not recommend that the

**district change its budget unless it is something that has to be done. The district should have one year under its belt before changing its budget.**

**Mr. Fasnacht went on to say that he was in Farmington, Connecticut earlier today. There is several hundred thousand dollars left over at the end of the year after absorbing the entire cost of the new middle school. They are coming up at the end of the fourth year with this program. The same thing happened in Londonderry, New Hampshire.**

**They added 33% in square footage during the period of the contract. They are spending less money today than they did when they started the program. As far as banking on it up front is a tough thing. If there is a price increase, which Energy Education or the school department can't control, or if there is weather that is 50% increase in degree days, no one can control it. The variables are temperature, which is a straight line relationship, square footage whether it is added or taken away, and price.**

**Mr. Stycos commented that the School Committee would enter into a multi-year contract, and asked what would happen after that contract is over to make sure that everyone doesn't fall back into their old habits. Mr. Fasnacht responded that from the company's perspective the program has paid off. The company does recommend that the district continue the energy manager, and the energy manager continues to keep in contact with Energy Education to let them know how things are going. For example, in North Kingstown, they finished**

the new high school and couldn't get it balanced. They had the consultants come in to help get it balanced. It doesn't cost anything, and it is an advantage to keep the program going. The district will continue to reap the benefits. There is no fee for service. Mr. Stycos said that there would be just the trade of the reference, and Mr. Fasnacht said that he was correct. He further commented that after the fourth year there is no fee.

Mr. Stycos remarked that he had spoken with Mr. Zisseron concerning using software with the EPA. Mr. Scherza indicated that he had spoken with Mr. Zisseron and he has started some of the training sessions with Energy Star to implement some of the initiatives. Mr. Stycos asked what Energy Education based the potential savings on, and Mr. Fasnacht responded that they base it on a benchmarking of the school district comparing it with other school districts similar to Cranston's climate and what they have been able to do in those school districts. Mr. Stycos asked if it was based on a percentage, and Mr. Fasnacht responded that he couldn't answer that question. He didn't know how it was determined exactly. The rule of thumb he looks at is the cost per student. It is a comparison of cost per student across school districts. Cranston's puts it right in close to the median of the clients this company brings in.

Mr. Stycos referred to the person in Warwick who is the energy manager. He asked if he came to the district as part of Energy Education's energy conservation program, and Mr. Fasnacht said that

he did. He commented further that he was hired as the energy

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manager. Similar to this meeting, Mr. Fasnacht had a meeting there and talked about it. Warwick decided it was a good idea, and Energy Education was hired. They started the posting process, and he was one of the respondent's to the posting. The energy manager in Warwick is continuing there after the four-year contract has expired. Mr. Lupino added that Energy Education recommended his hiring; the Warwick School Department hired him. The school department posted the position. The School Committee doesn't have the expertise in this area to know what Energy Education is looking for. Mr. Fasnacht indicated that Mr. Lupino's comments were correct.

Mr. Stycos asked Mr. Fasnacht if Energy Education did anything with vehicle fleets, and Mr. Fasnacht said that they don't especially with what is going on presently with gas prices. Mr. Stycos remarked that the energy manager in Warwick has done some things on his own with bio-diesel fuel. Mr. Fasnacht said that this is something that Energy Education didn't train him in. As this program develops, the district gets to a point where it will be able to branch out and capitalize on some of the other opportunities. The energy manager in Warwick has been recognized for his work in this area. The company's focus is on developing a strategy where the district will be in control as best as possible to control the consumption and the

demand.

Mr. Stycos asked if Energy Education is involved in monitoring air quality with regard to opening and closing windows. Mr. Fasnacht responded that his employees are all trained in indoor quality and some are certified indoor air quality professionals, but everyone is trained to look for potential hazards; and this company is in no way interested in doing something that will adversely affect the health and safety of the students. There is no price on this. Mr. Stycos asked if Energy Education has had any problems in this respect, and Mr. Fasnacht said that they have seen in the northeast, particularly last summer, it was the wettest and the warmest and the most mold inducing weather in 100 years.

Mr. Drager asked Mr. Fasnacht if he had any numbers on what Warwick Public Schools had saved on energy during the four-year period, and Mr. Fasnacht said that the company does not keep score that way. They do get a report from time to time, and the last report he received on Warwick was approximately one year ago. At that point, they were approximately \$1.4 million in total savings over a four to five-year period. At that time, the company delivered an award to them. Mr. Drager asked if any of their twenty-three consultants ever apply for the energy manager positions, and Mr. Fasnacht said that they do not. Their consultants travel all over the country training energy managers. Mr. Drager asked if the energy manager would be hiring anyone else, and Mr. Fasnacht said that he

would not. Mr. Drager asked if this person would work every day, and Mr. Fasnacht said that it is a salaried position, an exempt position, and this person is expected to work well over forty hours per week. There are guidelines provided as to what to expect from an energy manger. Energy Education will be meeting at least three times a week with this person so they know exactly what this person is doing. Mr.

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Drager referred to the \$1.4 million saved by Warwick and asked how it compared to their projection. In response, Mr. Fasnacht said that Warwick was right at projection. They are not one that is listed above projection. Mr. Drager noted that they were not listed in the back of Energy Education's booklet. Mr. Fasnacht added that although Warwick has done very well and has received a lot of recognition, they are not one of the best, and he did not mean it disrespectfully. Mr. Drager noted that Warwick is very similar in size to Cranston. South Kingstown and North Kingstown are very small in comparison to Cranston. Mr. Fasnacht noted that Energy Education has client districts that have 140,000 students. In the northeast, Cranston is a very large school district, but there are much larger school districts nationwide. Mr. Drager said that he was concerned with the northeast because it is the most energy consuming area of the country. He would like to see comparisons with schools the size of Cranston. He would like to see not necessarily numbers of children but he is looking at facilities. Mr. Lupino added that it is still based on a

percentage. Even though it might be a smaller district, if they have similar structured buildings, then Attleboro, Massachusetts may have some pre World War II buildings as Cranston does. They have some new buildings as Cranston does as well. The savings will still be projected out as percentage. Mrs. Ciarlo added that the savings would come from the person who is caring for the buildings. The custodians would know that they shouldn't leave lights on in all of the rooms when they are cleaning. A lot of it will deal with people cooperation. The district tried to move to retrofitting some of the schools, and they took the higher consumption schools, but the goal was if the district had the money to expand to all of them. The year Western Hills was retrofitted was the year that the prices went up. It didn't show any savings because the price went up.

Mr. Fasnacht distributed graphs indicating savings for large school communities in other states. Mr. Eramian asked if the software would present to the Superintendent so that she in turn can give to the School Committee a report that states last month the district used a certain amount of kilowatts of electricity and so much in oil and gas, there were so many degree days, so many school days, and that the costs have changed such that when a savings is reported there is a management tool that says the district didn't do better but they didn't do better because price went up. It would say that January of this year versus January of last year doesn't show the savings the district would have expected, but there were so many more 100 degree days in January of this year versus January of last year. He asked if it

formats management reports in a timely fashion that gives the Superintendent the information and in turn gives the School Committee the information to know where they are going. He asked Mr. Fasnacht to explain what happens if it doesn't work. Mr. Fasnacht responded that it is as quick as pushing a button and asking for the report. As that information is loaded into the software, it is available instantly to analyze based on increased degree days, increase in price, etc. It can break out whatever the end result difference is. It can define exactly what parts of it were caused by icing, degree days, square footage changes, etc. It reports it by meter. Every meter is probably every facility. Mrs. Ciarlo asked if the software is upgraded

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every so often, and Mr. Fasnacht said that it is upgraded on an annual basis or as necessary. There is no additional charge for upgrading. If the program doesn't work, the district will still get a check the second year. It is cumulative. In year one, if the district doesn't hit it, the district can recover in year two. They have never gone past year two.

Mr. Fasnacht referred to an earlier question regarding the comparison of buildings. He indicated that both Tenafly, New Jersey and East Brunswick, New Jersey were similar in size to Cranston. He distributed information regarding the northeastern region. He further indicated that when he started with this company he thought that if a

district went to newer buildings the savings would not be as great. He thought in the older buildings the savings would be greater or different based on the type of buildings. Over the five years he has been with this company, he found that it doesn't matter if there are old buildings or the latest technology with all the bells and whistles. When Energy Education comes in, if a district has a base line already, this company will save 15% to 30% above that. It is not because of the equipment or because of the people, it is because of the way Energy Education implements this proprietary program. It is effective in Haverhill, Massachusetts where they had one building that was part of the Underground Railroad, and it is still being used as a school building. To the other extreme, in Corpus Christi, Texas, they were hit by a tornado in the 1980's and replaced their buildings with state of the art buildings, and they are saving 28%. This company does not discourage a school district from buying equipment. Mr. Lupino asked if this company recommends that a portion of the savings be dedicated to improvements in certain areas. Mr. Fasnacht responded that it is always good to make a visible recognition of the people who are doing the work that caused these savings because they are working hard to make it happen. It is always nice to reward them in some way. This company doesn't recommend that a district make a percentage amount and indicate that this is what is going to be done. They do recommend that the district consider making some kind of reinvestment back into the district. It should be done in a way that doesn't cost the district anything. Once this program is in place and once there is a measurement system in place that they are able to

determine the actual results that are being put in place, the district will be opened up to other opportunities similar to what happened in Warwick with grant opportunities. The monies are only available if there is a system in place to measure the savings and measure the change.

Mr. Lupino asked how long this process would take. The School Committee would have a further discussion as to whether or not they would be interested in hiring this firm and going into an agreement, and he asked how long the process would take and the transition period before someone would be in place to be the energy manager. Mr. Fasnacht said that once the contract is signed, it would take four to eight weeks to have an energy manager on board and in place. Mr. Lupino added that if the committee were to enter into a legal contract, they would seek legal advice first. He asked what the company outs were in the contract as far as a situation where the district is not

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performing and part ways and there is still money to be exchanged. Mr. Fasnacht responded that there is a provision for an opportunity to depart. The guarantee does not cover the termination fee. The termination fee is an opportunity for Energy Education to recover the investment that they put up front. They front load their resources and invest heavily into the Cranston Public School system to get the savings level up high and continue to have it high. If there is an early

termination, they would want to recover some of those expenses, and there is a provision in the contract to do that. Mrs. Ciarlo asked Mr. Fasnacht if he had a generic contract, and he indicated that he brought some with him. He has heard other attorneys say that there are ways of Energy Education getting out of a contract, but he does not know of the company doing it in eighteen years. The key is that it is a leadership issue, and there has to be a policy decision that this is the right thing to do for the students, the taxpayers, and the environment. This company is not interested in coming in and arguing with people to twist arms. If it is something that everyone agrees to do, this company can do something very significant and save quite a bit of money for the district. One of the consultants would sit in on the interview process to hire the energy manager. The posting takes two weeks, and then interviews are scheduled. The School Committee would then approve the appointment. This process would take approximately four to eight weeks. Mrs. Ciarlo explained the screening interview process. Mr. Fasnacht explained that the company screens the candidates with fifteen minute interviews. Mrs. Ciarlo asked who from the district would be included on the interview committee, and Mr. Fasnacht responded that it could be whomever the Superintendent deems good. It is not a bad idea to have a head custodian on the interview committee along with the maintenance director, facilities director, and the business manager. This person will be interacting with those departments very closely. The district will want someone who is acceptable to each of these departments.

**Mr. Stycos stated that the person is hired and becomes an employee of the school department. Energy Education then serves as the consultant to this person. This person is trained to be a follower of Energy Education's philosophy. He asked if the committee makes the decision where this person is placed within the organization of the school department. Mr. Fasnacht replied that this company has a recommendation where it should be. This person will be working very closely with the director of facilities and the business officials. Mrs. Ciarlo commented that this person could be a member of the CAMS unit, Cranston Administrative Management Staff. They are non-certified personnel. Mr. Stycos asked if Energy Education would come forward with other major technological improvements that could be made, and Mr. Fasnacht stated that it would not be a part of this program. However, because Energy Education is in 628 school districts throughout the country, they may see something that is an obvious glaring opportunity that would be an equipment issue. If that were to happen, they would make the energy manager aware of it and make the director of facilities aware of it. The company would explain the benefit on return of investment. That has nothing to do with Energy Education's program and it is not required that a change be done. It is an**

**opportunity for the district to take advantage of something. It is not**

counted as part of the savings, and there is no additional charge for it.

Mr. Eramian asked Mr. Balducci if he had checked the references on this program yet, and Mr. Balducci responded that he had. He has check with Warwick, South Kingstown and North Kingstown, and there was success in all three communities. The programs have been successful because of the energy managers. Mr. Eramian noted that it appeared that this program is geared around the energy manager changing existing usage and not technology. Mr. Balducci added that he and Mr. Anderson did an on-site visit to Warwick, and Mr. Cerrio, the energy manager, shared some reports which were very comprehensive.

Mr. Eramian commented that he saw this program as a good step to making it a management tool for the administration and the School Committee in the future to be able to monitor the energy costs.

Mr. Lupino thanked Mr. Fasnacht for his presentation to the School Committee. He further commented that this is something that the committee has had on the back burner since Mr. Fasnacht's original letter to Mr. Cofone in March of 2004. He further commented that he has been very interested in implementing this. Mrs. Ciarlo added that the administration and the committee would have one more discussion before making a decision. Mr. Balducci commented that he would like to see a copy of the contract. Mr. Fasnacht added that

he would attend an additional meeting if it were necessary to answer any further questions.

Mr. Lupino asked if there was one particular utility that Mr. Fasnacht would pinpoint toward that has been the most energy savings portion of this or if it was regionalized. Mr. Fasnacht responded that it is an across the board savings. The district can expect 15% to 30% for electric and the same for natural gas and heating oil. The same would hold true for water and sewer. In Cranston's case, their expenditures are very even between electric and natural gas. They are the district's two biggest expenditures, and they can expect that the savings would be consistent. Mr. Lupino commented that the district just entered into a contract for diesel fuels that is a floating price with a certain percentage over rack price. He asked if this was something that Mr. Fasnacht would typically recommend to school districts or do they prefer that the district goes out and gets a lowest set bid and build off of it. Mr. Fasnacht responded that this was a tough question. Approximately 2-1/2 years ago, there were companies that responded to bids and locked in at lower prices and weren't able to meet those prices. Those companies went bankrupt. The school district who happened to lock in those low bids wound up on the open market paying the highest price possible. He has seen it from both ends where it may make more sense to be on a floating price and on the other hand it may make more sense to lock the price in. If a district locks in on the price, they need to be sure that the company they are locking in with will be in business if the price goes

up on

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their end. He would not make a recommendation either way because it is too hard to call. Mrs. Ciarlo added that Cranston was getting better prices than anyone else around. She asked what would happen if the district hires an energy manager and that person becomes ill. She asked what kind of a backup the district would have. Mr. Fasnacht indicated that this company would look to find a replacement if necessary under whatever guidelines or laws the school department has. There was a situation where an energy manager had a prolonged illness. Energy Education actually suspended the program because of the situation. He was sure it was a complicated decision making process to decide what was the best thing to do. Every day of delay is money that is out the door for the district. The company would rather find someone else to fill the role during that period of time, but Energy Education would be open to discussing whatever could be done. Mrs. Ciarlo commented that if an employee is out on long-term sick leave, he or she is getting paid, and someone else would fill in. She asked if Energy Education would have a pool to see the district through this period of time until the person returned from sick leave. Mr. Fasnacht responded that if that situation came up, they would look at whatever options were available. The situation he cited earlier was one that he remembered happening three or four years ago. Because it happened in another

part of the country, he didn't know all the details. Energy Education would work together with Cranston Public Schools to find a solution. Mrs. Ciarlo stated that she wouldn't want to suspend the program; she would like to keep it going.

Mr. Lupino noted that this company has twenty-three energy consultants, and he asked how many would visit this district. Mr. Fasnacht responded that most of them would visit Cranston. The company has recently divided the country in half, and approximately eight work the west coast and eight work the east coast. The remaining seven or eight work both sides. He would approximate that the district would see fourteen to sixteen people. Mr. Lupino asked if they were all bonded, insured, background checked and drug tested. Mr. Fasnacht said that he did not know the answer to this, but he did know that they are of the highest caliber integrity. Mr. Lupino asked if the School Committee could make this a provision of the contract, and Mr. Fasnacht said that he didn't know the answer to this. Mr. Lupino added that these consultants would be visiting schools. Mr. Votto stated that state law does require BCI checks. They have to have random drug testing. Mr. Fasnacht said that Energy Education is insured. He was sure that the details are similar to the other Rhode Island districts who have employed Energy Education.

Mrs. Ciarlo stated that she would set up an additional meeting for the School Committee members.

**Moved by Mr. Palumbo, seconded by Mr. Drager and unanimously carried that the Work Session be adjourned.**

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**There being no further business to come before the Work Session, it was adjourned at 8:15 p.m.**

**Respectfully Submitted,**

**Anthony J. Lupino  
Temporary Chairman**