

CITY OF HUNTINGTON WOODS  
**ENVIRONMENTAL SUSTAINABILITY COMMITTEE**  
MINUTES  
**August 18, 2022**  
7:00 p.m.  
City Hall

- 1. Call to Order:** Ben Falik (Chair) called the Meeting to order at 7:08 pm
- 2. Present:** Ben Falik, (Chair), Daniel Brooks, Mari Masalin-Cooper (Secretary), Rachel Pollack, Chris Wilson (City Manager)
- 3. Absent:** Sarah Jo Sautter, David (Michael) Egan, Commissioner: Michelle Elder, Betsy Zobi-Tar, Kate Zenlea
- 4. Approval of Agenda:**  
Daniel Brooks moved to accept the August 18, 2022. No amendment. Ben Falik 2<sup>nd</sup>, Mari Masalin-Cooper Vote: Unanimous. The Motion Carried.
- 5. Approval of Minutes:**  
Daniel Brooks moved to accept the May 19, 2022 minutes without change. Motion Daniel Brooks, Seconded by Ben Falik. Vote: Unanimous. The Motion Carried
- 6. Public Participation on Items Not on the Agenda:**  
None.
- 7. PRESENTATION FROM VEREGY ON ENERGY PERFORMANCE CONTRACT**  
Dick Williams, Ed Saplela, Tyler Grant. Provided a review of Huntington Woods proposal to study energy use and create ECM (Energy Conservation Measurable). Review of the 2018 Energy Plan and have created a manageable list of 9 of the 13 goals from the 2018 Energy plan. Discussion about managing the city street lighting where there is energy savings, as well as, lighting. Identify doable energy sustainability goals that are using government grants and loans. Loans are proposed to be self-funding and will not impact the city's bond rating.  
*Attached:* VEREGY, Feasibility Study Power Point Presentation. Digital presentation will be posted on line with approved 8/19/2022 minutes.
- 8. Presentation from DG Energy on Energy Reduction Coalition (ERC) Program for LED Lighting Upgrades:**  
Presentation DG/Energy - H. Michael Jones and Energy Reduction Coalition, Jim Lamerato – Chief Financial and Operation Officer. ERC (Troy-based) organization

provided a Proposal/information on converting the city lighting over to energy saving lighting. ERC does not require the city to make an investment in the lights. ERC shares in the benefits/savings to DTE. Review the usage currently, replace the lighting and then share in the savings. Also provide the maintenance and disposal the cost. Post conversion, city pays what ERC the difference between actual energy and proposed savings. City pays ERC the savings. *Attached:* ERC-LED proposal Power Point Presentation. Digital presentation will be posted on line with approved 8/19/2022 minutes.

**9. ESC Student Representatives** – Tabled to September, 2022

**10. Scotia Park Rain Garden Maintenance** Chris Wilson asked members to provide some volunteers or create an organization to help maintain the Scotia Park Rain Garden. Mari C. Suggested that the Parks and Recreation Board be responsible to setting up an organization as it has traditionally been something they have done for the city. She also reminding the members that Amy Sullivan had reported that the organization putting in the rain gardens were supposed to train HW staff on maintenance of the gardens, as well as train city staff how to create other gardens where needed in the city. It is unclear if this training ever occurred.

**11. Public Participation**-None

**12. Committee Member Remarks**- None

**13. Adjournment:** 9:30PM



## MANAGER'S MEMO

To: ESAC Committee; Honorable Bob Paul, Mayor; Michelle Elder, Mayor Pro Tem; Ethan Haan, Finance Director; Rocco Fortura, Public Services Director; Hank Berry, Planning and Zoning Administrator

From: Chris D. Wilson, City Manager

Date: August 29, 2022

Subject: Various Energy Efficiency Proposals/Lighting Upgrades

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The City is in receipt of various proposals for both lighting upgrades and one proposal for overall upgrades to the City's physical infrastructure for purposes of greater energy efficiency. I have been involved to varying degrees with all three firms that currently have proposals before the City.

**Veregy** – Veregy was selected by the City of Huntington Woods to do a comprehensive analysis of all city facilities and identify energy related upgrades and improvements that would save the city money and reduce overall energy consumption. Veregy has analyzed all City of Huntington Woods Buildings and energy use patterns. They made a preliminary presentation before the Environmental Sustainability Advisory Committee on their findings to date. They are finishing up some work on the City's financials and are approximately 80% with all work. Their final report will provide recommendations on significant investment in solar arrays for multiple City buildings and investment in lighting and HVAC systems and building upgrades designed to save the City money and reduce our overall energy consumption.

Veregy's proposal would take the form of a performance contract between the City and Veregy. With a performance contract, the vendor would be paid upon reaching various goals and targets that are set forth in the contract. Veregy would act as an agent for the city and would oversee the upgrades and enhancements to our infrastructure. Fees paid to Veregy by the city would be offset by savings the City realizes from the upgrades and improvements.

The Veregy proposal does have the benefit of being the most thorough and holistic approach to energy conversation and facility upgrades to the City. As such, it will also be the most expensive and time consuming. It will also require investment into buildings, like City Hall and the Public Safety Building that are old and perhaps better replaced than rehabilitated. The scale of the upgrades under consideration would financially commit the City to these buildings in these locations for the immediate future.

**DG Energy** – DG Energy has submitted a proposal to the City by which all of the City's street lights and internal and external building lights would be upgraded to LED lights. This work would be done through an Energy Reduction Coalition, or ERC. With an ERC, there would be no upfront costs to the City for our lighting upgrades. DG Energy would supervise and manage the upgrades. DG Energy would own the actual light bulbs and would replace them at their cost or reimburse the City for replacing them. The cost savings realized through the lighting upgrades would be split between the City and DG Energy, with the City's portion increasing over time.

As proposed, the estimated 1<sup>st</sup> year savings would be \$5,482 growing to an amount of \$16,447 by the end of the program (Year 30). The total estimated cost savings over the life of the program would be \$302,262. If at any point we decided to buy ourselves out of the agreement we would be able to do so and retain all the cost savings for ourselves. The initial buyout cost in the first year would be \$201,122 and would decrease every year from there. We would also have the option of ending our participation in the program at any time and DG Energy would take back their lights. During the program, if there are available upgrades to existing lights at the end of their lifespan the upgraded lights will be provided to the City at no additional cost.

The ERC program would have the benefit of being no cost to the City upfront and would be low maintenance to the City for the duration of the program. We would be forgoing some of the cost savings to DG Energy for their administration of the program. The proposal, however, is not as thorough as the Veregy program. And the cost savings to be had in the lighting program are significant enough to perhaps make the broader plan proposed by Veregy economically untenable if the lighting upgrades were pursued as a stand alone project.

**DTE Energy** – DTE has done an analysis of all existing streetlights in the City and has proposed a program that will transition all streetlights to LED lights, saving the City a considerable amount of money and reducing overall energy consumption. DTE estimates that it would cost around \$65,000 to upgrade all the City's streetlights to LED. This would result in savings of around \$11,500 annually. There has been a lot of discussion about the exact types of streetlights that DTE would use in their replacement and some concern about the appropriateness of the lights DTE proposed using in our residential

neighborhoods. After significant consideration I am convinced that DTE would allow an alternative streetlight appropriate for our community if we require it. Doing so will require the City to maintain stock of these bulbs and a bit more administrative time and cost to administer our street lighting program than would be the case if we accepted the standard DTE stock lamps. However, it seems paying for an upgrade to the stock lamps could be unacceptable to a significant portion of the City.

The DTE Proposal requires an expenditure from the City upfront but returns much more in savings to the City faster than the DG Energy program does. It is limited, however, to street lighting and does not encompass internal and external building lighting as the ERC program. But like the ERC program, I believe that pursuing the DTE program separately would make the Veregy program unviable.

**Conclusion** – This memo is intended as just a summary of the three programs and does not entail all of the potential details. I will send along a full summary of the proposals as were presented to the ESAC at their August meeting. The intent here is to put forward the general concepts of all three options as it appears that there are aspects of each proposal that makes the others untenable. The City is quickly reaching to point to where we need to decide if we wish to pursue one of these now, likely at the exclusion of the other two. I will be happy to answer any other questions relative to this matter.

| Current Invoiced Rate |      |          |    |                    |             | Future Invoiced Rate   |                |          |      |          |    | Cost to Convert        |             |                        |               |                     |                     |       |                        |          |           |
|-----------------------|------|----------|----|--------------------|-------------|------------------------|----------------|----------|------|----------|----|------------------------|-------------|------------------------|---------------|---------------------|---------------------|-------|------------------------|----------|-----------|
| Current Watt          | Type | Quantity | OH | Annual Rate OH lum | Quantity US | Annual Rate UG per lum | Invoice Totals | New Watt | Type | Quantity | OH | Annual Rate OH per lum | Quantity US | Annual Rate UG per lum | Invoice Total | Cost of LED per lum | Long Life Photocell | Labor | Total Cost Per Fixture | New Watt | EO Rebate |
| 100                   | MV   |          |    | \$242.76           |             | \$336.50               | \$0.00         | 58       | LED  |          |    | \$170.88               |             | \$265.92               | \$0.00        | \$157               | \$10                | \$65  | \$232                  | 58       | \$15.00   |
| 175                   | MV   |          |    | \$309.24           |             | \$390.96               | \$0.00         | 58       | LED  |          |    | \$170.88               |             | \$265.92               | \$0.00        | \$157               | \$10                | \$65  | \$232                  | 58       | \$32.00   |
| 250                   | MV   |          |    | \$377.04           |             | \$464.76               | \$0.00         | 136      | LED  |          |    | \$268.92               |             | \$330.48               | \$0.00        | \$291               | \$10                | \$65  | \$366                  | 136      | \$93.00   |
| 400                   | MV   |          |    | \$505.92           |             | \$591.12               | \$0.00         | 136      | LED  |          |    | \$268.92               |             | \$330.48               | \$0.00        | \$291               | \$10                | \$65  | \$366                  | 136      | \$69.00   |
| 1000                  | MV   |          |    | \$1,029.48         |             | \$1,132.32             | \$0.00         | 238      | LED  |          |    | \$207.83               |             | \$405.24               | \$0.00        | \$369               | \$10                | \$65  | \$444                  | 238      | \$161.00  |
| 70                    | HPS  |          |    | \$181.44           |             | \$283.92               | \$0.00         | 58       | LED  |          |    | \$170.88               |             | \$265.92               | \$0.00        | \$157               | \$10                | \$65  | \$232                  | 58       | \$8.00    |
| 100                   | HPS  |          |    | \$210.96           |             | \$309.84               | \$0.00         | 58       | LED  |          |    | \$170.88               |             | \$265.92               | \$42,367.68   | \$157               | \$10                | \$65  | \$232                  | 58       | \$17.00   |
| 150                   | HPS  |          |    | \$258.96           |             | \$349.80               | \$0.00         | 136      | LED  |          |    | \$268.92               |             | \$330.48               | \$0.00        | \$291               | \$10                | \$65  | \$366                  | 136      | \$11.00   |
| 250                   | HPS  |          |    | \$343.08           |             | \$416.76               | \$0.00         | 136      | LED  |          |    | \$268.92               |             | \$330.48               | \$8,077.32    | \$291               | \$10                | \$65  | \$366                  | 136      | \$34.00   |
| 400                   | HPS  |          |    | \$468.48           |             | \$572.00               | \$0.00         | 238      | LED  |          |    | \$347.04               |             | \$405.24               | \$0.00        | \$369               | \$10                | \$65  | \$444                  | 238      | \$49.00   |
| 1000                  | HPS  |          |    | \$959.40           |             | \$985.44               | \$0.00         | 238      | LED  |          |    | \$347.04               |             | \$405.24               | \$0.00        | \$369               | \$10                | \$65  | \$444                  | 238      | \$186.00  |
| 400                   | MV   |          |    | \$505.92           |             | \$591.12               | \$0.00         | 238      | LED  |          |    | \$347.04               |             | \$405.24               | \$0.00        | \$369               | \$10                | \$65  | \$444                  | 238      | \$47.00   |
| 400                   | HPS  |          |    | \$468.48           |             | \$522.00               | \$0.00         | 136      | LED  |          |    | \$268.92               |             | \$330.48               | \$0.00        | \$291               | \$10                | \$65  | \$366                  | 136      | \$71.00   |
| 150                   | HPS  |          |    | \$258.96           |             | \$349.80               | \$0.00         | 58       | LED  |          |    | \$170.88               |             | \$265.92               | \$0.00        | \$157               | \$10                | \$65  | \$232                  | 58       | \$28.00   |
| 100                   | HPS  |          |    | \$210.96           |             | \$309.84               | \$0.00         | 80       | LED  |          |    | \$206.04               |             | \$290.52               | \$206.04      | \$562               | \$10                | \$65  | \$637                  | 80       | \$0.00    |
| 175                   | MV   |          |    | \$309.24           |             | \$390.96               | \$0.00         | 80       | LED  |          |    | \$206.04               |             | \$290.52               | \$0.00        | \$562               | \$10                | \$65  | \$637                  | 80       | \$0.00    |
| 100                   | HPS  |          |    | \$210.96           |             | \$309.84               | \$0.00         | 72       | LED  |          |    | \$193.92               |             | \$282.36               | \$0.00        | \$450               | \$10                | \$65  | \$525                  | 72       | \$0.00    |
| 250                   | HPS  |          |    | \$343.08           |             | \$416.76               | \$3,750.84     | 140      | LED  |          |    | \$170.88               |             | \$337.56               | \$3,038.04    | \$637               | \$10                | \$65  | \$712                  | 58       | \$0.00    |
| 400                   | HPS  |          |    | \$510.96           |             | \$572.00               | \$0.00         | 140      | LED  |          |    | \$146.44               |             | \$337.56               | \$397.56      | \$637               | \$15                | \$65  | \$717                  | 39       | \$21.00   |
| 250                   | HPS  |          |    | \$343.08           |             | \$416.76               | \$0.00         | 81       | LED  |          |    | \$206.04               |             | \$290.52               | \$0.00        | \$562               | \$15                | \$65  | \$400                  | 81       | \$44.94   |

| Currently                        |             | Proposed Conversion   |             |
|----------------------------------|-------------|---|-------------|
| Total Current Lumens             | 241         | Total Future Lumens   | 241         |
| Total Invoice with Current Rates | \$66,120.24 | Total Future Invoice with Current Rates                             | \$54,357.12 |
|                                  |             | Annual Savings  | \$11,763.12 |
|                                  |             | Cost to Convert (CTC)   | \$64,606.00 |
|                                  |             | DTE labor contribution  | \$62.00     |
|                                  |             | EO Rebate (EO)  | \$4,408.00  |
|                                  |             | CTC less EO less DTE Contribution                                   | \$60,136.00 |
|                                  |             | Payback is CTC Amount less EO rebate (yrs) divide by Annual Savings | 5.11        |

Note: EO Rebate will be issued directly to customer. DTE will assist the customer with the EO application process.

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|------------------------|-------------|
| CIAC Amount due to DTE | \$64,544.00 |
|------------------------|-------------|

| Additional cost (CTC) for span lights or SOM. | \$0.00 |
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|---|--------|

- 175w MV Span Light to 80w LED Span Light
- 100w HPS Cobra to 72w LED Colonial
- 100w HPS Grenville to 39w LED Grenville (Complete Fixture)
- 250w HPS Washington Resistor to 81w LED Resistor
- 100w HPS Span Light to 80w LED Span Light
- 250w HPS Cobrahead to 65w LED Autobahn