



**Sustainability, Energy
& Resiliency Committee**
City of Salem, MA

**July 26th, 2023 6:30 P.M.
Hybrid Participation**

Board Members Present (all in person)

John Hayes, Chair
Chris Cantone, Vice Chair
Erin Casey
Rick Nye

City Staff Present (all in person)

Mayor Dominick Pangallo
Stacy Kilb, Sustainability Engagement Coordinator (recorder)
Neal Duffy, Director, Sustainability & Resiliency Dept.

Absent

Jack Nessen
Doug Bowker
Elvis Alvarez
Andy Varela, City Council Liaison

Public:

SATV (recording)

Introductions

City Updates - Sustainability & Resiliency Department (Neal Duffy & Stacy Kilb)

General updates

Neal Duffy, Director

- Solar update: Locations, size, generation, incentives, ownership, usage covered at some locations.
- Chris Cantone offers guidance as the City moves forward with solar projects, whether under the ESCO project or otherwise.
 - He notes that solar could be net metered across all buildings.
 - Energy savings calculated as \$ value should happen. Incentives stack quickly.
 - Rick Nye comments that the income generated is then available to be spent.
 - Neal Duffy would like the info to be regularly available in our newsletter. May also want to update City Council periodically.
- We want to continue sharing data about our energy use and emissions in municipal operations. Must be accurate before it is made public. This should be a regular update not only to the public, but also to Department heads. We don't have interactive dashboards, but he will try to make it digestible.
 - Chris Cantone agrees; however, he does NOT recommend an interactive dashboard as this costs money and may not be worth it unless people use it and truly get value out of it.
- John Hayes: Is there a desire to grow solar generation in the City of Salem? What are the future plans? There are no specific projects right now, but we will do so where feasible. The Ameresco project will give us a clearer idea of the possibilities, even if solar specifically is not included.
- When will Ameresco give us guidance, especially about solar? Salem is an Energy Community (meaning we had a Coal power plant that closed after 2009. We are listed on the IRS page for this, and as a low-to-moderate income community, also receive additional bonus tax incentives.
<https://energycommunities.gov/energy-community-tax-credit-bonus/>)
 - They have identified possible sites, but we are not sure how much farther they will go. We may get better information from Power Options re the feasibility of solar. Chris says we should consider escalating conversations with Ameresco on the topic. Up to 50% direct pay but must be within a certain time frame. Auction process, so bid as many times as you can until you get it. Ameresco should accelerate solar options to see if now is a good time to go that route.

- There is a 3rd bonus track, but it is too early to consider that. We could get close to 80% of projects covered if we hit all bonus tracks, but this is rare. Having a big chunk paid for makes it desirable to do projects through small bonds.

Waste Reduction and Responsibility Reminders:

- Rain barrels (\$85) and backyard composters (\$25) are available from the DPW at 5 Jefferson Ave.
- Curbside composting is available through Black Earth
- Textiles are not trash! All clean cloth, in any condition, usable, sale-able, or not, can be placed in textile recycling bins, found at each school
- Mattresses must be picked up by Tough Stuff Recycling; fee is \$20 and plastic bags for mattresses can be obtained at the Engineering Dept., City Hall Annex, 98 Washington St., 2nd Floor

Events

- Sustainability Speaker Series – July 27th, Aug. 24th, and Sept. 28th at Forest River Park; 5:30-6:30 PM in the Community Room
 - August 27th: *The Good, The Bad, and The... Others*, Native, Invasive, and non-native but not invasive plants
 - Sept. 28th: *How Can We Be “Resilient Together?”* Overview of Salem’s Climate Action Plan
- Resilient Together: The Point, August 29th
- Historic Salem, Inc. “Yes, You CAN Decarbonize a Historic Home” presentation, Thurs., Sept. 7 on zoom [HSI Calendar](#)
- Preservation in a Climate Conference, Tuesday, Sept. 12th [Purchase Tickets](#)
- Trails & Sails, Saturday, Sept. 16th [Trails & Sails Events](#)
 - 10:30 AM “What Have These Trees Seen” With Chris Burke. Brief history of the Park and exploration of current sustainable landscaping
 - 3:30PM “When You Know Better, Do Better,” With Stacy Kilb. Overview of sustainable & resilient design features of Forest River Park.
- NDEW Saturday, September 23rd [Beverly and Salem Drive \(and Ride\) Electric!](#)

Dominick Pangallo, Mayor

John Hayes' PowerPoint of SERC activity, followed by Q&A

- Networked geothermal Feasibility Study Webinar 11AM tomorrow by HEET (post link to recording in minutes when available)
- SERC input to public comment by SAFE submitted to EEOEEA MEPA office re Single EIR for Salem Wind Port Development
 - Written comments submitted to planning board. [OBJ]
 - Progress on CBA?
 - Comments were provided re heat island, generation of runoff & stormwater management, public access, air quality & emissions.
- Letter of support from SERC to DPS Director David Knowlton re Grant Application to repair Willow Ave Trunk Sewer December 2, 2022. Mayor: Funding was NOT obtained; feedback was that they would only fund a project to relocate the system IF it failed. Other potential funding sources are being explored simultaneous to a possible appeal which has been filed.
- July 2020 – Public comment submitted in support of offshore wind energy project.
- Outline of presentations to educate SERC members and the public.
- Storm drainage asset management seminar John attended. There are concerns about extreme weather events and SESD that put this on SERC's radar and the City's radar. What if Salem got two months' worth of rain in two days, as happened in Vermont? Could SESD handle that?
- Rick: Canal St. project never completed, stormwater storage at O'Keefe center not done.

Mayor's comments

- Priorities: what are we doing to prepare for climate impacts to facilities like SESD, but also roadways and homes. SESD is not a City department, but they could be invited to speak about plans. This is more of a cooperative process rather than demanding that they do something. "You're thinking about this, right? If not, we can connect you with opportunities."
- Can't build a wall around the entire coastline; does not solve the problem if private property owners don't do it.
- The O'Keefe center storage project would cost \$30 million for a tank to protect a limited area. It may be advisable to consider a pump station only, not storage. SSU wants to build a solar canopy on parking lot, which will make it difficult to make use of the site once they do that. Questions about state funding for storage? Had funding for the first phase, unsure of second.

- Think about Salem's own contributions to climate crisis via our buildings and fleet. Departments should use the FASP (Fleet Assessment Services Program) report by ICF, outlining which vehicles should be replaced with electric versions, as they are doing their capital plans for vehicle replacement. The Mayor is putting it on people's radar.
- Met w/Mass Mayors Association (MMA). Rebecca Tepper, Secretary, Executive Office of Energy and Environmental Affairs and Brian Arrigo, DCR Commissioner were present. Their priorities: sustainable building systems, geothermal, solar, and cleaning the grid so electrification projects can contribute. Attendees provided feedback on PPA solar projects in their cities.
- Many funding opportunities exist in the IRA for rooftop solar; this is considered in our capital plans for City buildings. Where can we purchase systems ourselves as leases do not seem advantageous? How can we build this into these projects rather than it being an afterthought?
- Missed opportunity with the Community Life Center, which lacks rooftop solar. We don't want to make the same mistake with the new High School. Neal Duffy is on the building committee. Goal is to make the building net zero/sustainable from the outset. The group has not met yet, and the project is moving through the state funding process.
- Re Specialized Opt-In Code: will meet w/Councilor Cohen, and this will be addressed over the next few months. The costs to developers to implement the code requirements must be balanced with Salem's affordability requirements in a way that does not deter development.
 - Councilor Cohen has pointed out that these upfront investments pay for themselves in the long term.
- The Ameresco Performance Contract was discussed and will be updated at the next meeting. This is another exciting opportunity if the "guaranteed savings" are actually savings. The question is: do we only advance projects that will fund themselves via these saving, or do we spend a bit more on capital beyond those savings to achieve our climate goals? Given the current weather, the planet is telling us we should spend a bit more to accomplish these.
- Erin Casey: Resiliency Program Director with the Ipswich River Watershed Association (IRWA), notes that Salem uses Ipswich River water. Water supply is a climate risk, especially due to increased droughts such as the ones last year, in 2020, and in 2016. We are fluctuating between extremes.

The River basin is fully allocated, and there is no more water to give. This is a resiliency issue. Despite the allocations, there are wells that go dry in our basin.

- The City of Salem is the biggest user in the watershed, but we do not limit usage. John Hayes notes that it would be good for the City to support conservation, even though our forefathers built us storage with the Putnam and Wenham lakes. We need to show other communities that we care. We may be insulated for now, but no one is future proof.
- Community Benefits Agreement (CBA) with offshore wind: Mayor Pangallo notes the timetable: finalize tax agreement, which must be approved by City Council; the hope is to have them vote on it in Sept., then will start the CBA process in earnest. The Mayor met with SAFE and others, to ensure that community stakeholders are part of the conversation.
 - This CBA process is different from the one with Footprint. This is a \$200 million largely publicly funded project for an industry that is just starting. It won't have the same degree of financial extractions we had with Footprint. He urged community partners to look at the Planning Board process re impact-related concerns. The Special Permit process has more teeth and enforceability than a CBA. We learned this from the Footprint process. Transparency and accountability are important.
 - There will also need to be a wharfing agreement as the City has rights to the berth and property, so there will be potential funding for vessels that arrive.
- Crowley priorities are jobs and workforce pathways; there is a separate Project Labor Agreement to which the City is not a party, but others are, and the Mayor has advocated on behalf of local labor community.
- CBA will follow TIF (Tax Increment Financing) agreement. We don't want the CBA to hold up the start of work.
- Chris Cantone: does the City retain ownership of the land? We own 5 acres and the berth, which we are leasing back to the CEC (Clean Energy Center), who is renting it to Crowley. The property is never owned by a private commercial entity. The remainder of the site will be owned by MassCEC, so will still be publicly owned, providing some protection for the site; it won't be used for something we don't want to see there.

- Chris Cantone asks about the performance contracting w/Ameresco, and the value of where solar is re incentives. He notes that there are net metering opportunities on City owned property, so it may be worthwhile to accelerate some of the sites. Mayor Pangallo cannot offer this area as retaining ownership of the property is a requirement of net metering. However, the net metering option should be in the Ameresco study.
- State grant money is coming to fund solar canopy projects; we are trying to offset the cost of canopies compared to other setups. Chris Cantone offers to help and reiterates it may be worth it to move forward regardless.
- Regarding the MMA meeting and the Mayors who commented on their issues with Power Purchase Agreements: This should be explored because they made unnecessary agreements that lead to higher consultant fees.
- Performance contracting: look at the projects with the highest returns, not the low hanging fruit, to generate more savings to pay for other projects. There should be an effort at wider decision making vs. having a narrow focus,

City Council Liaison Update (Andy Varela)

- Not present/no update

Guest Speaker:

Rebecca Noyes Senior Business Development Manager- Perch Energy; An Introduction to Community (Shared) Solar [Remote]

Perch Community Solar: A great opportunity for residents IN ADDITION TO the PowerChoice program.

- History of Perch Energy
- What is community solar?
 - A "farm share" but for solar instead of vegetables. If you don't have property, capital, sunlight, or you rent, you can get credits from a local renewable energy project with no upfront investment.
- A meter at the solar farm measures production at the site, then the state assigns a dollar figure to credit, and the credits are distributed among subscribers accordingly.
- The share generates energy, which you sell to Perch [or whichever community solar company you've chosen].
- If the project is down, or not producing/generating credits/you are not getting savings, Perch will not bill you for that month.

- Perch works with "anchor customers," or large energy users that take up 40% of usage.
- Benefits
 - Save Money
 - Support local power generation product
 - Community solar builds grid resilience. It can cost millions to upgrade a grid connection, but this cost is borne by the owner/builder of the grid, this means updates to infrastructure.
 - Long-term savings and a stable discount
- Difference between community solar and a 3rd party supply program: Community solar is a fixed 10% discount, though savings will fluctuate. Perch looks at it on an annual basis and rolls forward so you still get a discount in winter.
- You are not purchasing renewable energy itself, just credits from a local renewable energy project.
- Anchor companies of Perch: DSD White Plains, MaineHealth, Walmarts in NY

Q&A

- Can someone with rooftop solar still enroll? In MA, yes, but depends on state regulations. Not in NY. However, in NY, you can't use community solar toward your hot tub bill.
- Can you join as a private individual? Yes, you can do this.
- Community solar helps you save on both sides of your bill: community solar credits apply to BOTH supply and distribution charges, so you can reduce your bill along with PowerChoice and the R2 rate if you are income eligible.
- John Hayes wonders about the PEM and Salem Hospital, if they can benefit from Community Solar.
- What to look for in community solar in general? Perch is unique in sizing customers correctly, regularly monitoring their consumption and adjusting the subscription accordingly. Other companies do not do this, which can lead to oversubscription. In that case, the customers are not aware until they have a large credit balance, they feel like it is not saving them money
- Perch is local, which informs their ability to do this.
- John Hayes: Any interesting customers on North Shore? Private companies are mostly bound by NDAs.

Old/New Business

Plan August informal potluck at The Willows

- Stacy offers to do presentation/tour/at the willows.
- Food and logistics be discussed offline.

Updates on SAFE/SERC Public Comment to the Salem Wind SEIR (John Hayes)

- Not provided

Meeting locations

- August at the Willows
- Medium conference room not available for September, so I signed us up for the large. Members present enjoyed using the large meeting room, so if possible it will be reserved from now on.
- Recommend meeting virtually in October, and possibly for November and December.

Public Comment

Approve Meeting Minutes – June 28, 2023

A motion to approve the minutes is made by Ricky Nye, seconded by Erin Casey, and passes with all in favor.

John Hayes	Yes
Chris Cantone	Yes
Rick Nye	Yes
Erin Casey	Yes

Upcoming City Committee Meetings

Agendas can be found at: <https://www.salemma.gov/minutes-and-agendas>

Salem Food Policy Council: First Monday of the month, 8/7/23, 6:00PM

Recycling Committee: First Tuesday of the month, 8/1/23, 6:30PM

Tree Commission: Third Monday of the month, 8/21/23, 6:00 PM

Conservation Commission: Third Tuesday of the month, 8/15/23, 6:30PM

Next SERC Meeting – Informal potluck gathering at The Willows, Wednesday, August 23rd, 6:30-8:00PM

Adjournment

A motion to adjourn is made by Ricky Nye, seconded by Chris Cantone, and passes with all in favor.

John Hayes	Yes
Chris Cantone	Yes
Rick Nye	Yes
Erin Casey	Yes

The meeting ends at 8:14 PM