

Fennimore Community School District

Fennimore, Wisconsin 53809



Jamie Nutter
District Administrator
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June 15, 2009

Ms. Natalie Rew, Auditor
Wisconsin Department of Public Instruction
P.O. Box 7841
125 South Webster Street
Madison, WI 53707-7841

RE: Qualified School Construction Bond "QSCB" Allocation

Dear Ms. Rew:

This letter is to apply for a \$750,000 (seven hundred fifty thousand) allocation of Qualified School Construction Bonds. The School District of **Fennimore (LEA 1813)** appreciates the federal legislation and the support of the Wisconsin Department of Public Instruction in making this interest free (or low interest) bond program available. The District seeks any part of the **\$750,000** request that is available to our District.

- The District proposes to finance the following eligible projects listed by building and amount):
 - **Repair and/or Rehabilitation:** Fennimore High School Heating System
(Fennimore Poverty % District-37% Elementary – 41% High School - 35%.)
 - Building – High School
 - Amount - \$750,000

- The District's project plan will meet the following objectives:

Green and Healthy Schools and Safe and Healthful Schools: The Fennimore School District has organized an Energy Management Team that tours our facilities, reports on their observations regarding energy practices, and recommends equipment upgrades to conserve energy. The team is made up of students, teachers, community members, school board members, administration, and a Focus on Energy representative. There are 13 members on our committee. Our maintenance costs over the last five years have ranged from \$15,000 - \$52,000. Our annual energy cost is \$50,000 in the high school, when it should be around \$30,000. We have had pre-feasibility studies determining that our system burns excessively as we average 42,500 therms in about 60,000 square feet. This equipment upgrade would also allow us to track and program our heating system to monitor excessive energy use.

In summary, we are creating a school-wide effort to adjust our practices to conserve energy. Based on the projections if we were provided with financial support through this program to upgrade our heating system to a more energy-efficient system, we feel confident that our energy savings and maintenance savings will make the payment for this project. A zero percent loan for this project under fund 38 will allow us to stay within our revenue limit and not replace dollars that are budgeted for students' educations without burdening our taxpayer to exceed the revenue limit. There are several local heating

and ventilations companies that would welcome the opportunity to bid on this project and put people to work immediately.

- The District has (or is seeking) the Borrowing Authority via a Fund 38 Borrowing Resolution that will be approved on May 27, 2009.
- Estimated Construction start date ideally will commence in May, 2010, but can be ready by July 1.
- The District is confident that these projects will adhere to the "Prevailing Wage" requirements of the Davis-Bacon Act. Every step will be taken with our construction manager and project staff to ensure all reporting requirements is met.

The District's project is "shovel ready" and will fulfill the intended goal of the American Recovery and Reinvestment Act "ARRA" Stimulus Bill by creating or maintaining jobs on and near the construction worksite. We also feel that our project meets the longer-term goal of "reinvesting" in our local community by improving the public infrastructure that serves our citizens in an energy-efficient and sustainable manner.

Discussions of program details are currently underway at committee and school board level and we are working closely with our financial advisor and bond counsel. We believe we have met the requirements for participation in the Qualified School Construction Bond program and your review of our request for an allocation is appreciated.

I am including a copy of one of the estimates that we have received that gives us a range for the scope of the project. The purpose of these documents is to demonstrate that this has been an issue in our district. I am also including our maintenance costs over the past seven years. It has clearly been a matter of being unable to commit the dollar amounts necessary to make the right choice. We appreciate this opportunity. I am also including our maintenance costs over the past seven years.

Please feel free to contact me at 608-822-3243, if additional clarification is needed.

Respectfully,



Jamie J. Nutter
District Administrator



Budget Proposal for HVAC Modifications

Fennimore School District
Mr. Jamie Nutter
Fennimore, WI 53809

Date: 04/15/09

The followings Budgetary Proposal are based on assumptions and are to be considered only for budget planning only. This proposal does not reflect actual or accurate installation or design costs.

Request: To explore opportunities and systems to upgrade existing HVAC System for the High School. These opportunities should reduce repair and maintenance expenses as well as reduce energy consumption.

- Existing Hot Water Heating Delivery System in last Building Addition to remain.

System Options as follows:

1. Convert existing Steam Heating system to Hot Water Hydronic Heating
2. Convert existing Steam Heating System using VRV Technology for Heating and Selected Air Conditioning
3. Convert existing Steam Heating System Hot Water and adding Chilled Water for Air Conditioning

Option 1: Hot Water Heating

System Cost to range from \$ 9.00 - \$12.00 per square ft of space (based on 60,000 sq. ft.) - \$ 540,000-\$ 720,000

Operational expenses:

+ DDC
\$ 100,000

- Energy – 5% - 12% usage reduction compared to existing system
- Repairs – System would have 5 year Warranty on parts
- Maintenance Cost \$250-\$500 year if contracted

Option 2: VRV Technology Heat Pumps

System Cost to range from \$ 12.00 - \$16.00 per square ft of space (based on 60,000 sq. ft.) - \$ 720,000-\$ 960,000

Operational expenses:

- Energy – 15% - 35% usage reduction compared to existing system
- Repairs – System would have 5 year Warranty on parts
- Maintenance Cost \$250-\$500 year if contracted

Option 3: Hot Water Heating and Chilled Water Cooling

System Cost to range from \$ 14.00 - \$18.00 per square ft of space (based on 60,000 sq. ft.) - \$ 840,000-\$ 1,080,000

Operational expenses:

- Energy – 5% - 12% usage reduction compared to existing system
- Repairs – System would have 5 year Warranty on parts
- Maintenance Cost \$500-\$1500 year if contracted

I thank you for this opportunity and would be happy to discuss any questions you may have.

Sincerely,

Chris M. Myers

Chris M. Myers
President

1800 Industrial Park Rd. – Lancaster, WI 53813
1-877-896-4822 – Fax 608-723-6543 – www.myers.com

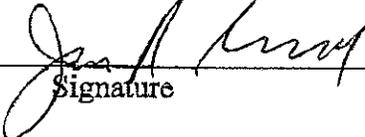
HVAC – Refrigeration – Geothermal – Temperature Controls – Commercial Plumbing System
M.P. License # 654092

Fennimore Community School Board Resolution

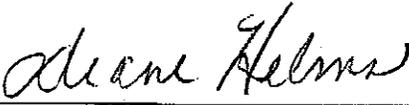
This resolution is to authorize the Fennimore School Board to apply for Qualified School Construction Bond as Authorized by the American Recovery and Reinvestment Act for the purpose of equipment purchases that will result in a reduction of Energy Use.

Date: May 27, 2009

Signature of Board President James Griswold


Signature

Signature of Board Clerk Diane Helms


Signature

Faxed to
Natalie Kew
@DPI
on 6/19/09
Fax# 608 266 2840