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New Energy Project Authorization

Effective July 1, 2011, a new (11) has been added under Title 16 §562. More flexibility has been added to the manner in which a school board may choose to ask voters to authorize borrowing for energy-related facility improvements.

16 V.S.A. § 562 is amended to read:

§ 562. POWERS OF ELECTORATE

At a school district meeting, the electorate:

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(11) May grant general authority to the school board, at the request of the board, to incur debt at any time within the subsequent five years to finance the cost of school-building energy improvements not to exceed \$350,000.00 per building in any three-year period and payable over a maximum term coextensive with the useful life of the financed improvements, but not to exceed ten years, provided that the avoided costs attributable to the financed improvements exceed the annual payment of principal and interest of the indebtedness. No indebtedness shall be incurred under this subdivision unless the entity appointed as an energy efficiency utility under 30 V.S.A. §209(d)(2), an independent licensed engineer, or an independent licensed architect has certified to the district the cost of the improvements to be financed, the avoided costs attributable to the improvements, and the adequacy of debt service coverage from the avoided costs over the term of the proposed indebtedness.

The language was included in S.100, the “Miscellaneous Education” bill, in section 32. The Vermont Superintendents Association was instrumental in its introduction and passage, in consultation with Efficiency Vermont and the Dept. of Education. Securing the voter approval and utilizing this approach does not involve the department, and no approvals or applications are necessary. This may help some districts undertake a series of modest energy-saving building improvements over a limited time period without having to secure a separate voted authorization for each individual project.