

Agenda – Finance Committee Meeting

February 28, 2022, 4:30 pm

Present at last meeting: Tara Zimmerman (m), Susan Timmer (m), Will Vizzard (m), Bettsi Ledesma, John Baker (Board liaison); Guests: Anthony Garay (Tesla); Homeowners: Karen Lowrey,

- 1) Approval of January minutes – Approved via email
- 2) Old business:
 - a. Follow-up on Board actions- Mr. Baker informed the committee that the Board had decided not to require committee chairs to report at Board meetings. They will ask if anyone has anything to report, at which time a committee chair (or representative) can let them know if they'd like to speak.
- 3) New business:
 - a. Tesla presentation on solar panels to power Clubhouse pool and spa: Anthony Garay, Tesla representative presented a plan to install 79 Canadian Solar CS39-390MS solar panels on the roof of the Nepenthe clubhouse as part of FCC efforts to look for future cost savings. Many thanks to Mary Gray, who met with the Tesla representative and facilitated his plan development.
 - i. Background info: Currently the HOA pays approximately \$1000/month in utility bills for clubhouse, spa, pool electricity use. Our annual kilowatt hour usage is 77,904KWh. With 79 panels, he anticipated our projected power production to be 38,125KWh/year, which offsets current usage by 49%.
 - ii. Equipment: Panels are triple black panels with crystalline construction. They are Tier 1 rated in quality and efficiency. They are 390 Watt panels (compared to industry standard of 315-330 Watts) with 20% efficiency (maximum possible efficiency for this technology is 22%) and a 0.5% degradation rate. Panels are appx 1.5" thick, measure 6.5 x 3.2 feet and weigh less than 1 lb per square foot. They are mounted on a premium alloy racking system that hugs the roofline. The system uses an Enphase energy inverter system to convert DC current collected by panels to the usable AC current. The Enphase differs substantially from other systems more commonly using the String inverter system: 1) modules are controlled independently so that if one panel is shaded, that is the only panel affected rather than the whole system; 2) power is inverted by microinverters on the underside of each panel instead of in one large box for entire system. In this way, the system eliminates a single point of failure or power reduction, reducing energy loss and increasing reliability.
 - iii. Warranties- Warranties include the following. According to Garay, industry standard is considerably lower and less comprehensive:
 1. 25 year equipment guarantee- panels, racks, every piece installed

2. 25 year production guarantee- guaranteed energy production of 38,125KWh. If there is a problem resulting in our having to pay higher utility bills, they will pay.
 3. 25 year labor- any labor for repairs covered
 4. 25 year monitoring system- we would have a monitoring system (web/app based), but they would also monitor outputs.
- iv. Costs- The cost of installation is \$96,730, minus a federal rebate of \$25,150, resulting in a total cost of \$71,580. With savings of half our utility bills, and utility costs estimated to rise at a 4% rate, Garay said that the system would pay for itself in 10.4 years. He noted that 4% was a conservative estimate and that if rates increased at a higher rate, the system would pay for itself more quickly.
 - v. Other information- Tesla would do a structural analysis of the roof prior to installation to insure that the roof could handle the additional weight of the panels. The system does not include a storage system (battery). This is not an issue at this time since the power offsets use by only 49%. In the future, if we were to produce more power than used, we can purchase a battery and plug it into the system, as it is battery ready.
 - vi. FC RECOMMENDATION: Mr. Vizzard made a motion to recommend to the Board that we solicit alternate proposals for this project and investigate more thoroughly customer satisfaction with these systems. Ms. Zimmerman seconded the motion. Motion was passed unanimously.
- b. Review of January financials- Negative balance in January because more homeowners are late on the January dues payments and because Bailey Bros. bill for 6 months of services needed to be paid in January, though it is budgeted as a monthly payment.
 - c. Review of Reserve tracker- Problems with the reserve tracker formulas, so the reserve tracker was unavailable.
 - d. New items/Planning for the future (running list)-
 - i. (Vizzard) Replacing T1-11 with SmartSide (see above)
 - ii. (Vizzard) Possibility of recommending that the Board examine landscape contract to reduce “low volume” blowing (see above)
 - iii. Guiding principles to help with budgetary decision-making
 - iv. Infrastructure needed to collect gray (runoff) water to help with irrigation/ minimize water costs
- 4) Meeting adjourned 6:05 pm.
- 5) Next meeting: March 28, 4:30 p.m.