

**Greater Egg Harbor Regional High School District
Board of Education
Solar Referendum Fact Sheet**

Introduction

The Greater Egg Harbor Regional High School District Board of Education is preparing for a bond referendum scheduled to go before voters in the constituent communities of Egg Harbor City, Galloway Township, Hamilton Township, and Mullica Township on **December 9, 2008**. To provide facts about the proposed solar referendum project, the district has developed this fact sheet. As the need arises, the fact sheet will be updated to ensure that residents' concerns are addressed in a timely and comprehensive manner.

The Greater Egg Harbor Regional High School District Board of Education welcomes your questions and/or comments via email, phone, or in person.

Web site: www.gehrhsd.net
E-mail: gehsolar@geh.nj.k12us.com
District telephone information line: **609-625-0657, ext. 2732**

Overview

Currently, the Greater Egg Harbor Regional High School District consists of two schools serving students in grades 9-12 at Absegami High School and Oakcrest High School.

Students from Hamilton Township, Mullica Township, the City of Port Republic and Washington Township attend the Oakcrest High School located in Hamilton Township; students from Galloway Township and Egg Harbor City attend the Absegami High School located in Galloway Township.

Students residing in the City of Port Republic and Washington Township (Burlington County) attend Greater Egg Harbor Regional High Schools through a sending-receiving relationship.

**Greater Egg Harbor Regional High School District
Board of Education
Solar Referendum Fact Sheet**

About the Referendum

Q1. What is the purpose of a bond referendum?

A bond referendum is an opportunity for voters to decide if the school district will be authorized to raise funds through the sale of bonds to finance their share of specific facility construction, additions, repairs, and/or renovations.

Q2. When will the solar project referendum be held?

Voters will be asked to cast ballots on Tuesday, December 9, 2008.

Polls will be open from 2:00 p.m. to 9:00 p.m. at each regular school election polling location in the constituent communities.

Q3. Why is the referendum being held in December?

There are several reasons why the Board of Education has chosen to move forward at this time. The reasons are as follows:

- ❑ The district received a one-time Customer On-Site Renewable Energy (CORE) rebate commitment from the New Jersey Board of Public Utility and New Jersey Office of Clean Energy in the amount of \$966,374.
- ❑ In order to obtain the rebate, the referendum needs to be held immediately because it contains conditions that the project must start and be completed within a certain time frame to be eligible.
- ❑ Nearly 58 percent of the cost (principal and interest) will be provided through a state contribution in the form of debt service aid.
- ❑ Interest rates are still comparatively low.
- ❑ Project will not interfere with the construction of the new high school.
- ❑ December 9, 2008 is one of the legal dates approved by the state to hold a referendum.

Q4. What is the scope of the referendum project?

The proposed project calls for the acquisition and installation of solar panels at Absegami High School. This installation is being proposed to provide a more energy-efficient “green” building.

**Greater Egg Harbor Regional High School District
Board of Education
Solar Referendum Fact Sheet**

Q5. What is the total cost of the proposed solar panel referendum?

The referendum for the acquisition and installation of solar energy panels at the Absegami High School is estimated to cost \$3,320,000, or the amount of school bonds that would be authorized if the referendum is approved by the voters.

Q6. How much will the district borrow for this project?

As indicated, the board of education would be authorized to sell \$3,320,000 of school bonds. Of that amount, \$1.3 million would be issued in the form of a one-year temporary note in the spring of 2009. The temporary note will have an estimated interest rate of 2.50%. The purpose of the temporary note will 'jump-start' the project and provide funds to purchase the solar panels and insure receipt of a rebate in the amount of \$966,374 from New Jersey's Clean Energy Program.

When the temporary note comes due in the spring of 2010, the principal amount will be paid with the sale of bonds by the board of education in the amount of \$3,320,000. The interest will be paid with funds budgeted by the School district in its 2009/10 fiscal year as well as the eventual receipt of debt service aid from the State of New Jersey.

Bonds are expected to be sold in March 2010 at an estimated interest rate of 3.70% for a term of 10 years.

Q7. What other funds, including rebates, are available for this project?

As mentioned, the board of education has received a commitment for a one-time "Customer On-Site Renewable Energy" (CORE) rebate from the New Jersey Board of Public Utility's Office of Clean Energy in the amount of \$966,374. This rebate will likely only be available if the referendum is successful on December 9.

In addition, if the referendum passes, the Greater Egg Harbor Regional High School District will receive 57.98% debt service aid on the principal and interest payments made on the bonds and temporary notes. Another source of funds to pay debt service will be the sale of Solar Renewable Energy Certificates (SRECs). For each megawatt hour of electricity generated by the solar project, the School district will earn one SREC. Each SREC is expected to sell for approximately \$350, or an estimated annual source of revenue to the school district in excess of \$170,000 based on the number of megawatt hours generated.

**Greater Egg Harbor Regional High School District
Board of Education
Solar Referendum Fact Sheet**

Q8. How will the CORE rebate funds be used?

Initially, these funds will be deposited in the school district's capital reserve account and will be used to cover any shortfall, if the sale of the SRECs fails to generate their estimated revenue.

Q9. What energy savings are expected with the installation of solar panels?

It is estimated that the Absegami High School will reduce its annual energy costs by approximately \$64,000 each year.

Q10. I have read all the information that the district has provided but I am still uncertain as to how it all works financially?

The proposed solar energy project will essentially pay for itself through debt service aid that the district is entitled to receive (57.9877%) and the anticipated sale of SRECs. If, for any reason, the SREC revenue comes up short, the CORE rebate amount will be available to eliminate any shortfalls. For these reasons, **the project will not increase taxes for local residents.**

Q11. Why was Absegami High School chosen for this project and not Oakcrest High School?

Absegami High School was chosen simply because the roofs at Absegami are newer and better able to support solar panels. The Oakcrest High School roofs are in need of replacement within the next five years, and to put solar panels on them at this time would not be prudent. The district plans to address the installation of solar panels at Oakcrest at the time of roof replacement. In fact, the savings generated by the Absegami project are planned to partially fund the future Oakcrest projects. It is the district's intention to "go Green" in all its school facilities in a steady and sustainable manner.

Q12. Are there other school districts in the area using solar energy?

Yes, Margate City Schools is one local example of a local district using solar energy. Other districts include Little Egg Harbor Township, Ocean City, Neptune, Pennsville, and Toms River. Greater Egg Harbor is one of 42 other school districts in the state that have applied for the CORE rebate program. Because of the tremendous interest in the program, the state stopped accepting applications for rebates in April 2008.

**Greater Egg Harbor Regional High School District
Board of Education
Solar Referendum Fact Sheet**

Q13. What will the proposal look like on the ballot?

BOND PROPOSAL

The Board of Education of the Greater Egg Harbor Regional High School District in the County of Atlantic, New Jersey is authorized (a) to undertake the installation of solar energy panels at the Absegami High School; (b) to appropriate \$3,320,000 for such installation; and (c) to issue bonds of the School District in the principal amount of \$3,320,000 funded in part by a grant from *New Jersey's Clean Energy Program* in the amount of \$966,373.60.

The final eligible costs approved by the Commissioner of Education are \$3,320,000. The State debt service aid percentage will equal 57.9877% of the annual debt service due on the project's final eligible costs.

INTERPRETIVE STATEMENT

If the Proposal is approved, the Board of Education will be authorized to undertake a solar energy project that will reduce the energy costs at the Absegami High School.

Q14. Assuming the referendum passes on December 9, 2008, when will the solar installation work at Absegami High School be complete?

If the proposed referendum passes in December 2008, construction work is expected to begin in the late spring 2009 and be completed by the start of school in September 2009.

Q15. What happens if the referendum is defeated on December 9, 2008?

If the referendum were not approved in December, the ability of the school district to receive the CORE rebate would be jeopardized. The New Jersey Board of Public Utilities would likely award the grant to another public entity or cancel it because it is no longer awarding rebates for solar projects. The school district would not be able to achieve energy cost savings of more than \$64,000 a year and reduce the proportionate amount of fossil fuels needed to heat and cool the Absegami High School.

**Greater Egg Harbor Regional High School District
Board of Education
Solar Referendum Fact Sheet**

Q16. When and where will I vote?

The regular school election polling places in each constituent community will be open Tuesday, December 9, 2008 from 2:00 p.m.- 9:00 p.m. for registered voters to cast ballots.

CITY/TOWNSHIP	WARD AND DISTRICT	POLLING PLACE
Egg Harbor City	1-1,1-2,1-3	Charles L. Spragg School
	2-1,2-2,2-3	Fanny D. Rittenberg School
Galloway Township	D-1,D-8,D-9,D-14	Smithville E.S.-37 Old Port Republic Rd.
	D-2,D-4, D-13	Germania Fire House-Cologne Ave.
	D-3, D-6	Arthur Rann School-8th Ave. Absecon Highlands
	D-5, D-7	Pomona Kindergarten Learning Center-400 S. Genoa Ave.
	D-10, D-11, D-12	Roland Rogers E.S.-101 S. Reeds Ave.
Hamilton Township	D-1, D-5	Mays Landing Fire House-Mill St. & Reliance Ave.
	D-2	Laureldale Social Hall-Rte 50 & Orange St.
	D-3	Mizpah Fire House-DeHirsch & Sewell Mizpah
	D-4	Woodlands Club House-Woodlands Dr.
	D-6	New Weymouth Fire House-BHP, Weymouth
	D-7	Hess School Auditorium-Babcock Rd.
	D-8	Presbyterian Church- Main St. & Rte. 50
	D-9	Cologne Fire House-Cologne Ave.
	D-10	Victoria Crossing Club House-Victoria Dr.
	D-11	Oakcrest High School-1824 Dr. Dennis Foreman Dr.
	D-12	Mays Landing Rescue Squad-1404 Rte. 50
	Mullica Township	D-1, D-2, D-3

**Greater Egg Harbor Regional High School District
Board of Education
Solar Referendum Fact Sheet**

Q17. Where can I get additional information about the referendum plan?

- ❑ Look for information sent through the **mail**, including a special referendum edition Regional Reporter newsletter.
- ❑ Attend **Board of Education** meetings and/or presentations throughout the community. *Board meetings are conducted at 7:00 p.m., unless otherwise noted, on the first and second Monday of the month.*
- ❑ Call the Referendum Information **Hotline** at 609-625-0657, ext 2732.
- ❑ Request a **presentation and/or tour** for your group or organization by calling the hotline at 609-625-0657, ext 2732.
- ❑ Visit the district's **Web site** at www.gehrhsd.net
- ❑ **Email** questions to: gehsolar@geh.nj.k12us.com
- ❑ Watch for periodic updates or coverage in the *Press of Atlantic City, The Current, The Record Journal* and other media.
- ❑ Speak to members of the board of education about the plan details.