

Central Baptist Church

Congregational Meeting: New Roof and Solar Considerations

October 6, 2024

Moderator John Andrews opened the meeting at 10:34. Trey Posey led the congregation in a prayer. John explained that the meeting would be divided into two parts: a vote on replacing the roof; and discussion of solar considerations.

Part 1: Trey explained that the roof was inspected by two companies and multiple quotes were received. The Trustees recommend accepting the quote of Rinaldi Roofing for \$52,000 (\$51,718), which includes stripping the roof, inspecting for rot, installing sheathing, flashing, shingles, etc., meeting RI code. The total cost also includes making the roof solar-ready. The company provides a 25-year warranty on workmanship covering materials, labor and job-related costs; a 50-year warranty on material defects; and a 25-year warranty on algae roof stains.

A motion to approve \$52,000 to replace the roof was approved for discussion and later amended to include a 20% contingency addition to cover any costs related to issues uncovered in the inspection once the shingles have been removed.

Discussion ensued and included the following responses to questions posed:

- Rinaldi is a well-reviewed local company with experience in replacing church roofs.
- Rinaldi's timeline is 2-5 weeks to replace the roof.
- The past fire was contained in the basement and did not damage the roof.

A motion to approve \$52,000 and an additional 20% contingency amount was approved.

Part 2: Don Carlson kicked off the solar discussion by explaining that the Inflation Reduction Act included a change in January 2024 to allow non-profit organizations that do not pay taxes to participate in the Federal solar tax credit program. The Direct Pay Program provides a 30% check, not a tax credit, for the cost of qualifying solar installations. In addition, the church would be eligible for a 10% credit from RI as well as additional credits for using American-sourced materials.

Don introduced Eric Martin of Newport Solar, who described potential solar installations. Eric confirmed that Newport Solar would be responsible for applying for the credits and, should the credits not be forthcoming, the church could cancel the contract.

Eric described a proposed 44-panel Net Metering installation on the south-facing portion of the roof that would cover the church's current \$6000 annual cost of electricity. The initial investment of \$78,170 would be offset by a \$31,268 Federal Direct Payment, and a RI credit of \$14,168. With the electricity savings, the church would recoup the initial cost of the installation in 5 years. Note, however, that the next possibility for applying for the RI credit is spring 2025.

Eric then addressed the possibility of adding heat pumps to migrate the heating of the building from oil to electricity. This would require a 77-panel installation on the eastern and western portions of the roof to support 85% of the additional cost of electricity to run the heat pumps. (The RI incentive would be lost if the installation exceeds 77 panels). The church would recoup the initial cost of the installation in 8 years.

The initial \$132,000 initial investment would be offset by a \$53,000 Direct Payment and a RI credit of \$25,000. The heat pump cost of \$70,000 would be \$53,000 after incentives.

Discussion ensued and included the following responses to questions posed:

- The solar installation will not compromise the integrity of the new roof because of the additional flashing and sealing included in making the roof solar-ready.
- The church can't apply for the Federal Direct Payment for a 44-panel installation and at a later date decide to expand to the 77-panel installation -- the Direct Payment and RI credit can only be applied for once. Furthermore, if the decision to update to 77 panels is not timely, Newport Solar would have challenges integrating new technologies.
- John explained that the church has funds (from savings) to cover the roof installation and 44-panel installation. For the church to "pay itself back" for the cost of the 44-panel installation, one option would be to keep the current annual cost of electricity (\$6000) in the budget for 5 years in order to pay back the initial \$30,000 investment.

John reiterated that a congregational meeting will be called later in November to consider/vote on potential solar installations after the Trustees have had the opportunity to explore/confirm the availability of incentives. One key consideration will be the outcome of the 2024 presidential election and possible impact on solar tax credit programs.

Don volunteered to talk with other non-profits who have applied for the existing Federal and RI credits to confirm their experience in receiving timely payments/credits.

Rob Taylor thanked the Trustees and Executive Committee for their effort on these issues.

The meeting was adjourned at 11:18 a.m.

Minutes respectfully submitted by Cathy Kaiser.