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## Advance & Development Fund Application

Applicant's Legal Name: [REDACTED]

Address: [REDACTED]

Requested: Loan \$ 32,000. Grant -0- Challenge Grant \$44,000

*See proposal below*

Load term requested: Number of months 36 Interest rate 2.3/4 %

Challenge Grant Period Requested: Number of months 24 Beginning May 2010

Reason for Request: Must replace heating and air conditioning system

### Two Phase Application

**Phase I:** To consist of a Line-of-Credit in the amount of \$ 150,000.

**Phase II:** To consist of:

- a. Challenge Grant of \$ 1. for \$ 1 for year 1 of \$ 34,000..
- b. Challenge Grant of \$ 1. for \$ 2. for year 2 of \$ 10,000.
- c. Parish repayment for year 3 of \$ 20,000.
- d. A Loan in the amount of \$ 32,000. for a period of 3 years at 2. 3/4%

### Support Provided by [REDACTED]

#### Stewardship

<u>Pledges to support Geothermal Project</u>	<u>2009 Pledges to support Budget</u>
40 Pledges - \$ 74,435. – avg. \$ 1,861.	45 Pledges - \$59,525.- avg. \$ 1,323.

#### Services and Expenses toward the project

##### Parishioners manpower

Removal of ceiling in lower level hallway to provide access for new duct work.  
Replace ceiling and light fixtures in hallway upon completion of installation.

##### Expenses:

Tidewater Electric, Inc. \$7,250. to extend service and provide panels for project.  
Dumpster on site for debris from removal of plaster ceiling.  
Plumber to drain present system and pump oil from storage tanks.  
Materials for installation of drop ceiling and light fixtures.

##### Other:

Follow through on Green Energy Program Grant  
Follow through on Federal Geothermal Grant.  
Follow through on Insurance claim for loss suffered by boiler explosion.

St. Philip's Episcopal Church


Vestry Meeting

April 19, 2009

The following two resolutions were approved by the Vestry of St. Philip's

A motion was made by Jim Galoppa and seconded by Suzanne Johnson. I move that St. Philip's replace the three oil forced boilers with geothermal heating and air condition. The removal of the old equipment and installation of new geothermal equipment to cost \$150,000.

A motion was made by George Starr and seconded by Jim Galoppa. I move that the Rector, Senior Warden and the Capital Fund Co-chairs serve as a committee to apply for financing the cost of the geothermal system. Financing to be accomplished through application for a loan from the Diocese Advance and Development Fund, Grants and soliciting pledges of parishioners or any combination thereof.

  
William Hitch Sr., Sr. Warden

  
Rev. Dr. Howard Backus

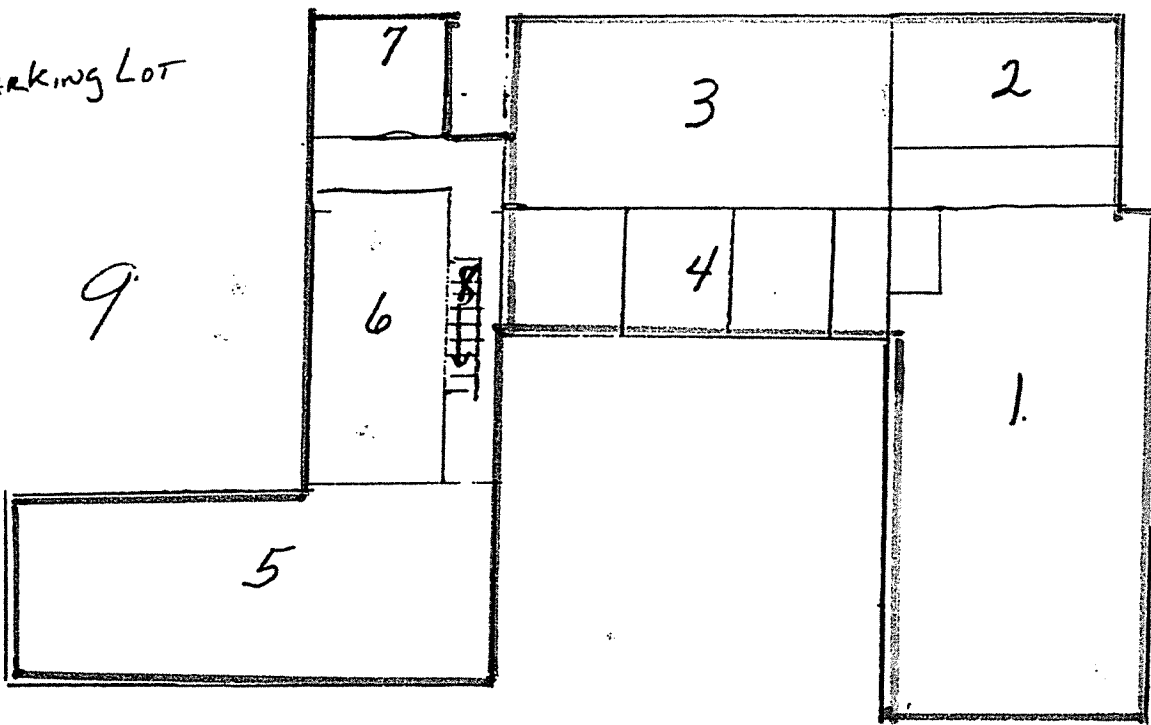
  
Margaret A. Anderson, Clerk to the Vestry

This is to certify that these motions were passed by the Vestry of St. Philip's Episcopal Church on April 19, 2009.

REAR PROPERTY LINE

PROPERTY LINE

Parking Lot



Area 1

- 1.- Church
- 2.- Columbarium Chapel
- 3.- Parish Hall
- 4.- Offices

Area 2

- 5.- Memorial Hall
- 6.- Kitchen
- 7.- Rest Rooms
- 8.- To Children's Chapel & Church School Rooms

9.- Parking Lot Area  
Location for 20 wells  
to supply Geothermal  
system

## DESCRIPTION OF PROJECT

### Area 1: [Church, Parish House, Offices & Columbarium Chapel]

- a. Remove two boilers and air handlers
- b. Install four Water Furnace Geothermal Heat Pumps
- c. Install four auxiliary heat packages
- d. Install four electronic thermostats
- e. Install four air cleaners.
- f. Drill twelve vertical wells 300' each with loops
- g. Provide all piping, valves, and fittings

Connections to be made to existing duct system.

### Area 2: [Memorial Hall, Kitchen, Restrooms, Children's Chapel & Class Rooms]

- a. Remove existing boiler and associated piping.
- b. Install two Water Furnace Heat Pumps.
- c. Install two auxiliary heat packages
- d. Install two electronic thermostats
- e. Install two Air Cleaners
- f. Drill eight vertical wells 300' each with loops.
- g. Install Galvanized sheet metal duct system for 1<sup>st</sup>. & 2d. floors.

Justification  
For  
New Heating & Air Conditioning System

The existing heating and Air Conditioning system consists of three oil fired boilers.

Area 1: One boiler installed in 1958 is used for heating the Memorial Hall, Kitchen, Rest Rooms and Church School rooms. There is no air conditioning of these areas.

Area 2: There are two boilers with heat exchangers installed in 1983 that serve the church, Offices and Parish Hall.

On January 8, 2009 one of the boilers servicing area 2 exploded causing irreparable damage to the boiler and one heat exchanger as well as damaging the chimney. The service company said we could try to keep the other boiler and heat exchanger operating temporarily until spring, but replacement would be needed at that time.

The Vestry asked the Junior Warden to investigate costs and alternatives.

Items taken into consideration:

1. Replacement cost of two oil fired boilers - \$35,000.
2. Fuel Oil cost for 2008 - \$15,000.
3. Repair cost Jan. – Mar. '09 - \$3,200.
4. No Air Conditioning in Memorial Hall, Kitchen or Church School.
5. Replacements using Gas.
6. Doing nothing - not an option.
7. Installation of Geothermal System which would
  - a. Provide air conditioning throughout the facilities.
  - b. Eliminate Fuel Oil expense.
  - c. Reduce maintenance costs.
  - d. High Installation costs - short time for payback.
  - e. Some elevation in electric expense.
  - f. Long life of system.
  - g. Clean air

Steps taken:

- 1, Several Contractors contacted, visited site and some offered bids.
2. Held open Parish meeting February 14<sup>th</sup>. Four contractors present to present their proposals and answer questions.
3. Held open Parish meeting April 4<sup>th</sup>. Representative of A&A Air Services was present to answer question re Geothermal System.

## FINANCIAL PLAN

On March 8, 2009 the Vestry named two Vestry persons, [REDACTED] and Leonard Wickham (both members of the Parish Finance Committee) to serve as co-chairs to develop plans for financing the Geothermal System. They proposed that the financing of the project must be made up of a combination of Loans, Grants and Pledges of parishioners.

We are hereby requesting a Line-of-Credit from the Diocesan Advance and Development Fund in the amount of \$150,000.00 in order to install the Geothermal Heating and Air Conditioning System at [REDACTED]

The following repayment program is proposed:

### 1. Challenge Grant:

Our parishioners have pledged a total of \$ 74,435.00 toward the new Geothermal System. The pledges are being received payable over a three year plan. It is [REDACTED] request that this amount be matched by a total of \$44,000.00 Year 1 being \$34,000 and year 2 being \$10,000.

### 2. Advance & Development Loan:

[REDACTED] is requesting a loan of \$ 32,000. be provided at the end of 3 years. This loan will be repaid over a period of 3 years at an interest rate of 2 ¾%.

### 3. Delaware Green Energy Grant:

On April 11, 2009 [REDACTED] applied for a grant from the Delaware Green Energy Program. This grant is based on the BTU output in tons at \$600. per ton. For a total grant of \$15,600. This grant will not be received until installation is completed, final reports are submitted and funds are available.

### 4. Federal Geothermal Grant:

As soon as applications are available [REDACTED] will apply for the Federal Stimulus program grant for Geothermal installations . This program is being established in Dover and will be managed by Lt. Governor Denn. [REDACTED] should be eligible for a grant of \$15,000.

[REDACTED] is expecting the receipt of the Green Energy grant and the Federal Stimulus Geothermal grant to be paid out in three to five years.

It is the hope of the [REDACTED] Vestry that the Advance & Development Fund Committee will react favorably to this Financial Plan.

[See copies of grant application and information attached]

**CHALLENGE GRANT**

For

**Advance and Development Fund**

**Pledges toward the Challenge Grant**

By

**St. Philip Parishioners**

**Total Dollars Pledged.....\$ 74,435.00**

**to be paid**

**2009-2010.....\$ 33,845.00**

**2010-2011.....\$ 20,295.00**

**2011-2012.....\$ 20,295.00**



## Bid Comparisons

### A & A Air Services, Inc.

Bid \$150,531.00

1. Experience includes a number of installations including high rise apartment buildings in Ocean City, Maryland, commercial and residential installations.
2. Service department is large and a good record on response time.
3. Presentation at the Parish meetings was outstanding. Provided explanation of installation and operation of system and answered questions.
4. National Brands used.
5. Loop System to be constructed of 1" pipe 300' deep.

### Clarke Service Group:

Bid \$225,081.00

1. Experience limited on Geothermal. Primary business is residential and includes mostly oil fired or gas fired furnaces.
2. Service department is small.
3. Presentation was good, but expressed interest in going to natural gas rather than Geothermal.
4. National Brands used.
5. Not included in bid.

### L & L Enterprises HVAC, Inc.:

Bid \$119,800.00

1. Experience limited. Limited finances.
2. Service department small.
3. Presentation good.
4. National Brands. Proposed tonnage questionable.
5. Loop System to be constructed of 3/4" pipe 200' deep.

### Laurel Petroleum Services, Inc.

Bid \$34,600.00

1. Bid covered installation of oil fired furnaces in Area 1 only.

The Committee after review of all bid felt that A&A Air Services, Inc. will be the best contractor for our project. Their representative have been great in responding to our questions. It must be noted that they have retained their bid of \$150,531. since December 2, 2008.



35130 BENNETT ROAD  
FRANKFORD, DE 19945  
(302) 436-4800 FAX (302) 436-2027  
aacompanies.com

April 16, 2009

~~Calappa  
Episcopal Church  
0956~~

Following please find a payment schedule for proposed geothermal retrofit with a total price of \$150,531.00.

Upon signing of the two proposals, the amount due will be as follows:

Proposal #1: Sanctuary and Parish  
Proposal #2: Classrooms and Meeting Hall  
Amount due: \$37,629.00

1st. (At signing)

Upon completion of demolition and upon completion of rough in:

Proposal #1: \$21,170.00  
Proposal #2: \$16,459.00  
Amount Due: \$37,629.00

3rd (5 to 6 wks)

Upon completion of loop installation:

Proposal #1: \$21,170.00  
Proposal #2: \$16,459.00  
Amount due: \$37,629.00

2d (2 to 3 wks)

Upon equipment start up and equipment check:

Proposal #1: \$19,183.00  
Proposal #2: \$14,461.00  
Amount due: \$33,644.00

4th (7 to 8 wks)

Upon job total completion:

Proposal #1: \$2,000.00  
Proposal #2: \$2,000.00  
Amount due: \$4,000.00

Retainer

Respectfully Submitted,

Carl Madden  
Sales Manager

Estimated Completion - 5-31-09 *dm*

"Quality, Comfort & Efficiency last long after the expense is forgotten."

*This time schedule is an estimate only, because of being a retrofit.*

# April 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
March 2009 S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	May 2009 S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31		1 91/274	2 First qtr 92/273	3 93/272	4 94/271
5 95/270	6 96/269	7 97/268	8 98/267	9 Full Moon 99/266	10 100/265	11 101/264
PALM SUNDAY	<i>Project</i>		<i>Schedule</i>			
12 102/263	13 103/262	14 104/261	15 105/260	16 106/259	17 Last qtr 107/258	18 108/257
EASTER SUNDAY	19 109/256	20 110/255	21 111/254	22 112/253	23 113/252	24 114/251
	<i>20-24 PETITION OF PROPOSAL #1 &amp; #2 END</i>					25 New Moon 115/250
26 116/249	27 117/248	28 118/247	29 119/246	30 120/245		
	<i>27-30 INSTALLATION OF PROPOSAL #1 &amp; #2</i>					

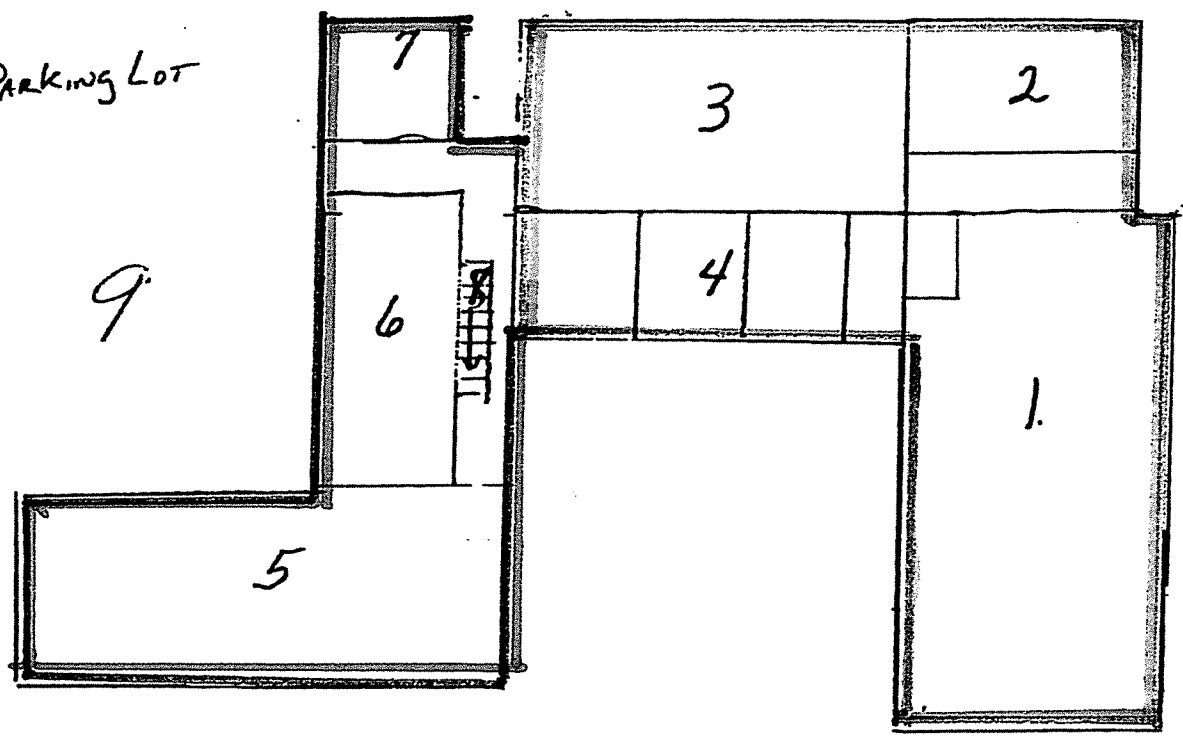
# May 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
April 2009 S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	June 2009 S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30				1 First qtr 121/244	2 122/243
3 123/242	4 124/241	5 125/240	6 126/239	7 127/238	8 LABOR DAY (MEXICO)	9 Full Moon 129/236
	<i>3-9 INSTALLATION OF PROPOSAL #1 &amp; #2</i>					
10 130/235	11 131/234	12 132/233	13 133/232	14 134/231	15 135/230	16 136/229
	<i>10-16 CONT.</i>					
MOTHER'S DAY Last qtr 137/228	17 138/227	18 139/226	19 140/225	20 141/224	21 142/223	22 143/222
	<i>17-22 CONT.</i>					
1 New Moon 144/221	25 145/220	26 146/219	27 147/218	28 148/217	29 149/216	30 150/215
31 First qtr 151/214	<i>25-30 CONT.</i>					
	<i>MEMORIAL DAY</i>					
<i>JOB COMPLETION END OF MAY</i>						

NEAR PROPERTY LINE

PROPERTY LINE

PARKING LOT



~~GENERAL ADVICE~~

Area 1

- 1.- Church
- 2.- Columbarium Chapel
- 3.- Parish Hall
- 4.- Offices

Area 2

- 5.- Memorial Hall
- 6.- Kitchen
- 7.- Rest Rooms
- 8.- To Children's Chapel & Church School Rooms

- 9.- Parking Lot Area  
Location for 20 wells  
to supply Geothermal  
system

## Present Properties

The entire facility is Red Brick with a high Cedar Shake covered steeple topped with a stainless steel cross. The steeple was rebuilt and erected in 1973.

### Area 1

The Church is the oldest structure built in 1874. as a wood frame building. It was bricked in 1925.

The remainder of Area 1 was constructed in 1937. The Columbarium was installed in 2006. Stained glass windows for this Chapel will be installed in early June.

### Area 2.

This entire area was constructed in 1958. The oil fired boiler serving this area is the original boiler.

### Total Facility.

The entire plant is well maintained and in good repair.

Improvements in recent years include:

1. The interior of the Church was refurbished by laminating ½ inch drywall on all side walls and painting the entire interior.
2. Electrical service has been upgraded and fuses replaced with circuit breakers.
3. A new roof was applied to the entire plant in 2007.
4. The stained glass windows are being restored and being covered with safety glass. We are in the second year of a five year process.
5. All water pipes in the facility have been replaced in 2009.
6. The aluminum awning type windows in Memorial Hall were replaced with vinyl clad thermopane windows in 2009.
7. Vinyl flooring in the Kitchen was replaced in 2009.

Highlights of Financial Reports  
Section 9 thru 12

Section 9 - Statement of Assets & Liabilities:

1. Investment assets are adjusted as of December 31, 2008.

Section 10 - 2008 Finance Report:

1. Habitat for Humanity expense line reflects 2007 & 2008 payment of commitment in 2008.
2. Heating Oil expense actual was \$14,795 due to a direct payment by a parishioner of \$675.00.
3. Reflects unbudgeted expenses for retiring Clergy and moving expenses for the new Rector.

Section 11 - 2009 YTD Finance Report

1. Pledges paid are 3% above 1<sup>st</sup>. quarter budget.
2. Office supplies and postage are over budget for the 1<sup>st</sup>. quarter due to increased communications.
3. Advance & Development loan for new roof paid off 3 years ahead.
4. Equipment repairs reflect an increase in the 1<sup>st</sup>. quarter due to heating system problems.

Section 12 - 2009 Budget:

1. Change in Insurance Company generated a savings of \$3,000.
2. This is [REDACTED] first balanced budget.
3. Operating Fund Pledges show a 32% increase of 2008.
4. Heating Oil expense is budgeted at \$15,000. With the installation of the Geothermal system a savings of \$10,000. for 2009 should be realized.