

Company Name Updated from Veregy,
Formerly Midstate Energy to Veregy, LLC

April 2022

TIPS VENDOR AGREEMENT

Between Veregy, LLC and _____
(Insert Company Name)

THE INTERLOCAL PURCHASING SYSTEM (TIPS), a Department of Texas Education Service Center Region 8 for **TIPS RFQ 220104 Energy Savings Performance Contract**

General Information

The Vendor Agreement (“Agreement”) made and entered into by and between The Interlocal Purchasing System (hereinafter “TIPS”) a government cooperative purchasing program authorized by the Region 8 Education Service Center, having its principal place of business at 4845 US Hwy 271 North, Pittsburg, Texas 75686 and the TIPS Vendor. This Agreement consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth shall control unless otherwise agreed by the parties in writing and by signature and date on the attachment.

A Purchase Order (“PO”), Agreement or Contract is the TIPS Member’s approval providing the authority to proceed with the negotiated delivery order under the Agreement. Special terms and conditions as agreed between the Vendor and TIPS Member should be added as addendums to the Purchase Order, Agreement or Contract. Items such as certificate of insurance, bonding requirements, small or disadvantaged business goals are some, but not all, of the possible addendums.

Terms and Conditions

Freight

All quotes to Members shall provide a line item for cost for freight or shipping regardless if there is a charge or not. If no charge for freight or shipping, indicate by stating “No Charge”, “\$0”, “included in price” or other similar indication. Otherwise, all shipping, freight or delivery charges shall be passed through to the TIPS Member at cost with no markup and said charges shall be agreed by the TIPS Member unless alternative shipping terms are agreed by TIPS as a result of the proposal award.

Warranty Conditions

All new supplies equipment and services shall include **manufacturer's minimum standard warranty** unless otherwise agreed to in writing. Vendor shall be legally permitted to sell all products offered for sale to TIPS Members if the offering is included in the Request for Proposal (“RFP”) category. All goods proposed and sold shall be new unless clearly stated in writing.

Customer Support

The Vendor shall provide timely and accurate customer support for orders to TIPS Members as agreed by the Parties. Vendors shall respond to such requests within a commercially reasonable time after receipt of the request. If support and/or training is a line item sold or packaged with a sale, support shall be as agreed with the TIPS Member.

Agreements

Agreements for purchase will normally be put into effect by means of a contract, agreement, or purchase order(s) executed by authorized agents of the TIPS Member participating government entities, but other means of placing an order may be used at the Member's discretion. Vendor accepts and understands that when a purchase order or similar purchase document is sent from a customer through TIPS to the Vendor, TIPS is recording the purchase and verifying whether the purchase is within the parameters of the TIPS Contract only. Vendor agrees that TIPS is not a legal party to the purchase order or similar purchase document and TIPS is not responsible for identifying fraud, mistakes, or misrepresentations for the specific order. Vendor agrees that any purchase order or similar purchase document issued from a customer to Vendor, even when processed through TIPS, constitutes a legal contract between the customer and Vendor only. A Vendor that accepts a purchase order or similar purchase document and fulfills an order, even when processed through TIPS, is representing that the vendor has carefully reviewed the purchase order or similar purchase document for legality, authenticity, and accuracy.

Tax exempt status

Most TIPS Members are tax exempt and the related laws and/or regulations of the controlling jurisdiction(s) of the TIPS Member shall apply.

Assignments of Agreements

No assignment of this Agreement may be made without the prior notification of TIPS. Written approval of TIPS shall not be unreasonably withheld. Payment for delivered goods and services can only be made to the awarded Vendor, Vendor designated reseller or vendor assigned company.

Disclosures

- Vendor and TIPS affirm that he/she, or any authorized employees or agents, has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with this Agreement.
- Vendor shall attach, in writing, a complete description of any and all relationships that might be considered a conflict of interest in doing business with the TIPS program.
- The Vendor affirms that, to the best of his/her knowledge, the offer has been arrived at independently, and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give an unfair advantage over other vendors in the award of this Agreement.

Term of Agreement and Renewals

The Agreement with TIPS is for approximately **five (5)** years with an option for renewal for an additional **one (1)** consecutive **year**. If TIPS offers the renewal extension year, the Vendor will be notified by email to the primary contact of the awarded Vendor and shall be deemed accepted by the Vendor unless the awarded Vendor notifies TIPS of its objection to the additional term. TIPS may or may not exercise the available extension(s) provided in the original solicitation beyond the base **five-year** term. Whether or not to offer the extension is at the sole discretion of TIPS.

“Start Date” for Term Calculation Purposes Only: Regardless of actual award/effective date of Contract, for Agreement “term” calculation purposes only, the Agreement “start date” is the last day of the month that Award Notifications are anticipated as published in the Solicitation

Example: *If the anticipated award date published in the Solicitation is March 24, 2022 but extended negotiations delay award until June 27, 2022 The end date of the resulting initial “five-year” term Agreement, (which is subject to an extension(s)) will still be March 31, 2027.*

“Termination Date”: The scheduled Agreement “termination date” shall be the last day of the month of the month of the Original Solicitation’s Anticipated Award Date plus **five years**.

Example: *If the original term is approximately five years, and the solicitation provides an anticipated award date of March 24, 2022, the expiration date of the original five-year term shall be May 31, 2027.*

Extensions: Any extensions of the original term shall begin on the next day after the day the original term expires.

Example Following the Previous Example: *If TIPS offers a one-year extension, the expiration of the extended term shall be March 31, 2028.*

TIPS may offer to extend Vendor Agreements to the fullest extent the original Solicitation permits but is not required to do so.

Automatic Renewal Clauses Incorporated in Awarded Vendor Agreements with TIPS Members Resulting from the Solicitation and with the Vendor Named in this Agreement.

No Agreement for goods or services with a TIPS Member by the awarded vendor named in this Agreement that results from the solicitation award named in this Agreement, may incorporate an automatic renewal clause that exceeds month to month terms with which the TIPS Member must comply. All renewal terms incorporated in an Agreement by the vendor with the TIPS Member shall only be valid and enforceable when the vendor receives written confirmation by purchase order, executed Agreement or other written instruction issued by the TIPS Member for any renewal period. The purpose of this clause is to avoid a TIPS Member inadvertently renewing an Agreement during a period in which the governing body of the TIPS Member has not properly appropriated and budgeted the funds to satisfy the Agreement renewal. This term is not negotiable and any Agreement between a TIPS Member and a TIPS awarded vendor with an automatic renewal clause that conflicts with these terms is rendered void and unenforceable.

Shipments

The Vendor shall ship, deliver or provide ordered products or services within a commercially reasonable time after the receipt of the order from the TIPS Member. If a delay in said delivery is anticipated, the Vendor shall notify TIPS Member as to why delivery is delayed and shall provide an estimated time for completion of the order. TIPS or the requesting entity may cancel the order if estimated delivery time is not acceptable or not as agreed by the parties.

Invoices

Each invoice or pay request shall include the TIPS Member’s purchase order number or other identifying designation as provided in the order by the TIPS Member. If applicable, the shipment tracking number or pertinent information for verification of TIPS Member receipt shall be made available upon request.

Payments

The TIPS Member will make payments directly to the Vendor, the Vendor Assigned Dealer or as agreed by the Vendor and the TIPS Member after receiving invoice and in compliance with applicable payment

statute(s), whichever is the greater time or as otherwise provided by an agreement of the parties.

Pricing

All pricing submitted to TIPS' Members shall include the participation fee, as provided in the solicitation, to be remitted to TIPS by the Vendor. Vendor will not show adding the fee to the invoice presented to TIPS Member customer.

Participation Fees and Reporting of Sales to TIPS by Vendor

The Participation Fee that was published as part of the Solicitation and the fee published is the legally effective fee, along with any fee conditions stated in the Solicitation. Collection of the fees by TIPS is required under Texas Government Code §791.011 Et seq. Fees are due on all TIPS purchases reported by either Vendor or Member. Fees are due to TIPS upon payment by the Member to the Vendor, Reseller or Vendor Assigned Dealer. Vendor, Reseller or Vendor Assigned Dealer agrees that the participation fee is due to TIPS for all Agreement sales immediately upon receipt of payment including partial payment, from the Member Entity and must be paid to TIPS at least on a monthly basis, specifically within 31 calendar days of receipt of payment, if not more frequently, or as otherwise agreed by TIPS in writing and signed by an authorized signatory of TIPS. Thus, when an awarded Vendor, Reseller or Vendor Assigned Dealer receives any amount of payment, even partial payment, for a TIPS sale, the legally effective fee for that amount is immediately due to TIPS from the Vendor and fees due to TIPS should be paid at least on a monthly basis, specifically within 31 calendar days of receipt of payment, if not more frequently. **Fees for this RFQ is 1% of the sale price paid by the TIPS Member entity.**

Reporting of Sales to TIPS by Vendor

Vendor is required to report all sales under the TIPS contract to TIPS. When a public entity initiates a purchase with a TIPS Awarded Vendor, if the Member inquires verbally or in writing whether the Vendor holds a TIPS Contract, it is the duty of the Vendor to verify whether or not the Member is seeking a TIPS purchase. Once verified, the Vendor must include the TIPS Contract number on any communications and related sales documents exchanged with the TIPS Member entity. To report sales, the Vendor must login to the TIPS Vendor Portal online at https://www.tips-usa.com/vendors_form.cfm and click on the PO's and Payments tab. Pages 3-7 of the [Vendor Portal User Guide](#) will walk you through the process of reporting sales to TIPS. Please refer to the TIPS [Accounting FAQ's](#) for more information about reporting sales and if you have further questions, contact the Accounting Team at accounting@tips-usa.com. The Vendor or vendor assigned dealers are responsible for keeping record of all sales that go through the TIPS Agreement and submitting same to TIPS. Failure to render the participation fee to TIPS shall constitute a breach of this agreement with our parent governmental entity, Texas Education Service Center Region 8, as established by the Texas legislature and shall be grounds for termination of this agreement and any other agreement held with TIPS and possible legal action. Any overpayment of participation fees to TIPS by a Vendor will be refunded to the Vendor within ninety (90) days of receipt of notification if TIPS receives written notification of the overpayment not later than the expiration of six (6) months from the date of overpayment and TIPS determines that the amount was not legally due to TIPS pursuant to this agreement and applicable law. It is the Vendor's responsibility to identify which sales are TIPS Agreement sales and pay the correct participation fee due for TIPS Agreement sales. Any notification of overpayment received by TIPS after the expiration of six (6) months from the date of overpayment will be non-refundable. Region 8 ESC and TIPS reserve the right to extend the six (6) month deadline to notify if approved by the Region 8 ESC Board of Directors. TIPS reserves all rights under the law to collect the fees due. Please contact TIPS at tips@tips-usa.com or call (866) 839-8477 if you have questions about paying fees.

Indemnity

The Vendor agrees to indemnify and hold harmless and defend TIPS, TIPS Member(s), officers and employees from and against all claims and suits by third parties for damages, injuries to persons (including death), property damages, losses, and expenses including court costs and reasonable attorney's fees, arising out of, or resulting from, Vendor's performance under this Agreement, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations of negligent or intentional acts on the part of the Vendor, its officers, employees, agents, subcontractors, licensees, or invitees. Parties found liable shall pay their proportionate share of damages as agreed by the parties or as ordered by a court of competent jurisdiction over the case. **NO LIMITATION OF LIABILITY FOR DAMAGES FOR PERSONAL INJURY OR PROPERTY DAMAGE ARE PERMITTED OR AGREED BY TIPS/ESC REGION 8.** Per Texas Education Code §44.032(f), and pursuant to its requirements only, reasonable Attorney's fees are recoverable by the prevailing party in any dispute resulting in litigation.

State of Texas Franchise Tax

By signature hereon, the Vendor hereby certifies that he/she is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171, Tax Code.

Miscellaneous

The Vendor acknowledges and agrees that continued participation in TIPS is subject to TIPS sole discretion and that any Vendor may be removed from the participation in the Program at any time with or without cause. Nothing in the Agreement or in any other communication between TIPS and the Vendor may be construed as a guarantee that TIPS or TIPS Members will submit any orders at any time. TIPS reserves the right to request additional proposals for items or services already on Agreement at any time.

Purchase Order Pricing/Product Deviation

If a deviation of pricing/product on a Purchase Order or contract modification occurs between the Vendor and the TIPS Member, TIPS must be notified within five (5) business days of receipt of change order.

Termination for Convenience of TIPS Agreement Only

TIPS reserves the right to terminate this agreement for cause or no cause for convenience with a thirty (30) days prior written notice. Termination for convenience is conditionally required under Federal Regulations 2 CFR part 200 if the customer is using federal funds for the procurement. All purchase orders presented to the Vendor, but not fulfilled by the Vendor, by a TIPS Member prior to the actual termination of this agreement shall be honored at the option of the TIPS Member. The awarded Vendor may terminate the agreement with ninety (90) days prior written notice to TIPS 4845 US Hwy North, Pittsburg, Texas 75686. The vendor will be paid for goods and services delivered prior to the termination provided that the goods and services were delivered in accordance with the terms and conditions of the terminated agreement. This termination clause does not affect the sales agreements executed by the Vendor and the TIPS Member customer pursuant to this agreement. TIPS Members may negotiate a termination for convenience clause that meets the needs of the transaction based on applicable factors, such as funding sources or other needs.

TIPS Member Purchasing Procedures

Usually, purchase orders or their equal are issued by participating TIPS Member to the awarded vendor and should indicate on the order that the purchase is per the applicable TIPS Agreement Number. Orders are typically emailed to TIPS at tipspo@tips-usa.com.

- Awarded Vendor delivers goods/services directly to the participating member.
- Awarded Vendor invoices the participating TIPS Member directly.
- Awarded Vendor receives payment directly from the participating member.

- Fees are due to TIPS upon payment by the Member to the Vendor. Vendor agrees to pay the participation fee to TIPS for all Agreement sales upon receipt of payment including partial payment, from the Member Entity or as otherwise agreed by TIPS in writing and signed by an authorized signatory of TIPS.

Licenses

Awarded Vendor shall maintain, in current status, all federal, state and local licenses, bonds and permits required for the operation of the business conducted by awarded Vendor. Awarded Vendor shall remain reasonably fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of goods or services under the Agreement. TIPS and TIPS Members reserves the right to stop work and/or cancel an order or terminate this or any other sales Agreement of any awarded Vendor whose license(s) required for performance under this Agreement have expired, lapsed, are suspended or terminated subject to a 30-day cure period unless prohibited by applicable statute or regulation.

Novation

If awarded Vendor sells or transfers all assets, rights or the entire portion of the assets or rights required to perform this Agreement, a successor in interest must guarantee to perform all obligations under this Agreement. A simple change of name agreement will not change the Agreement obligations of awarded vendor. TIPS will consider Contract Assignments on a case by case basis. TIPS must be notified within five (5) business days of the transfer of assets or rights.

Site Requirements (*only when applicable to service or job*)

Cleanup: When performing work on site at a TIPS Member's property, awarded Vendor shall clean up and remove all debris and rubbish resulting from their work as required or directed by TIPS Member or as agreed by the parties. Upon completion of work, the premises shall be left in good repair and an orderly, neat, clean and unobstructed condition.

Preparation: Awarded Vendor shall not begin a project for which TIPS Member has not prepared the site, unless awarded Vendor does the preparation work at no cost, or until TIPS Member includes the cost of site preparation in a purchase order. Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.

Registered sex offender restrictions: For work to be performed at schools, awarded Vendor agrees that no employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are, or reasonably expected to be, present unless otherwise agreed by the TIPS Member. Awarded Vendor agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the TIPS Member's discretion. Awarded Vendor must identify any additional costs associated with compliance of this term. If no costs are specified, compliance with this term will be provided at no additional charge. **Safety measures:** Awarded Vendor shall take all reasonable precautions for the safety of employees on the worksite, and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Awarded Vendor shall post warning signs against all hazards created by the operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public and existing structures from injury or damage.

Safety Measures

Awarded Vendor shall take all reasonable precautions for the safety of employees on the worksite, and shall erect and properly maintain all necessary safeguards for protection of workers and the public. Awarded vendor shall post warning signs against all hazards created by the operation and work in progress. Proper precautions shall be taken pursuant to state law and standard practices to protect workers, general public and existing structures from injury or damage.

Smoking

Persons working under Agreement shall adhere to the TIPS Member's or local smoking statutes, codes or policies.

Marketing

Awarded Vendor agrees to allow TIPS to use their name and logo within TIPS website, marketing materials and advertisement subject to any reasonable restrictions provided to TIPS in the Proposal to the Solicitation. The Vendor may submit an acceptable use directive for Vendor's names and logos with which TIPS agrees to comply. Any use of TIPS name and logo or any form of publicity, inclusive of press release, regarding this Agreement by awarded vendor must have prior approval from TIPS which will not be unreasonably withheld. Request may be made by email to TIPS@TIPS-USA.COM.

Supplemental Agreements

The TIPS Member entity participating in the TIPS Agreement and awarded Vendor may enter into a separate Supplemental Agreement or contract to further define the level of service requirements over and above the minimum defined in this Agreement such as but not limited to, invoice requirements, ordering requirements, specialized delivery, etc. Any Supplemental Agreement or contract developed as a result of this Agreement is exclusively between the TIPS Member entity customer and the Vendor. TIPS, its agents, TIPS Members and employees not a party to the Supplemental Agreement with the TIPS Member customer, shall not be made party to any claim for breach of such agreement unless named and agreed by the Party in question in writing in the agreement. If a Vendor submitting a Proposal requires TIPS and/or TIPS Member to sign an additional agreement, those agreements shall comply with the award made by TIPS to the Vendor. Supplemental Vendor's Agreement documents may not become part of TIPS' Agreement with Vendor unless and until an authorized representative of TIPS reviews and approves it. TIPS review and approval may be at any time during the life of this Vendor Agreement. TIPS permits TIPS Members to negotiate additional terms and conditions with the Vendor for the provision of goods or services under the Vendor's TIPS Agreement so long as they do not materially conflict with this Agreement.

Survival Clause

All applicable sales, leases, Supplemental Agreements, contracts, software license agreements, warranties or service agreements that were entered into between Vendor and TIPS or the TIPS Member Customer under the terms and conditions of this Agreement shall survive the expiration or termination of this Agreement. All Orders, Purchase Orders issued or contracts executed by TIPS or a TIPS Member and accepted by the Vendor prior to the expiration or termination of this agreement, shall survive expiration or termination of the Agreement, subject to previously agreed terms and conditions agreed by the parties or as otherwise specified herein relating to termination of this agreement.

Legal obligations

It is the responding Vendor's responsibility to be aware of and comply with all local, state and federal laws governing the sale of products/services identified in the applicable Solicitation that resulted in this Vendor Agreement and any awarded Agreement thereof. Applicable laws and regulations must be followed even if not specifically identified herein.

Audit rights

Due to transparency statutes and public accountability requirements of TIPS and TIPS Members', the awarded Vendor shall, at their sole expense, maintain appropriate due diligence of all purchases made by TIPS Member that utilizes this Agreement. TIPS and Region 8 ESC each reserve the right to audit the

accounting of TIPS related purchases for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. In order to ensure and confirm compliance with this agreement, TIPS shall have authority to conduct audits of Awarded Vendor's pricing or TIPS transaction documentation with TIPS Members with 30 days' notice unless the audit is ordered by a Court Order or by a Government Agency with authority to do so without notice. Notwithstanding the foregoing, in the event that TIPS is made aware of any pricing being offered to eligible entities that is materially inconsistent with the pricing under this agreement, TIPS shall have the ability to conduct the audit internally or may engage a third- party auditing firm to investigate any possible non- compliant conduct or may terminate the Agreement according to the terms of this Agreement. In the event of an audit, the requested materials shall be reasonably provided in the time, format and at the location acceptable to Region 8 ESC or TIPS. TIPS agrees not to perform a random audit the TIPS transaction documentation more than once per calendar year, but reserves the right to audit for just cause or as required by any governmental agency or court with regulatory authority over TIPS or the TIPS Member.

Force Majeure

If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.

Choice of Law

The Agreement between the Vendor and TIPS/ESC Region 8 and any addenda or other additions resulting from this procurement process, however described, shall be governed by, construed and enforced in accordance with the laws of the State of Texas, regardless of any conflict of laws principles.

Venue, Jurisdiction and Service of Process

Any Proceeding arising out of or relating to this procurement process or any contract issued by TIPS resulting from or any contemplated transaction shall be brought in a court of competent jurisdiction in Camp County, Texas and each of the parties irrevocably submits to the exclusive jurisdiction of said court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the Proceeding shall be heard and determined only in any such court, and agrees not to bring any proceeding arising out of or relating to this procurement process or any contract resulting from or any contemplated transaction in any other court. The parties agree that either or both of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and freely bargained for agreement between the parties irrevocably to waive any objections to venue or to convenience of forum. Process in any Proceeding referred to in the first sentence of this Section may be served on any party anywhere in the world. Venue for any dispute resolution process, other than litigation, between TIPS and the Vendor shall be located in Camp or Titus County, Texas.

Project Delivery Order Procedures

The TIPS Member having approved and signed an interlocal agreement, or other TIPS Membership document, may make a request of the awarded Vendor under this Agreement when the TIPS Member desires goods or services awarded to the Vendor. Notification may occur via phone, the web, courier, email, fax, or in person. Upon notification of a pending request, the awarded Vendor shall acknowledge the TIPS

Member's request as soon as possible, but must make contact with the TIPS Member within two working days.

Status of TIPS Members as Related to This Agreement

TIPS Members stand in the place of TIPS as related to this agreement and have the same access to the proposal information and all related documents. TIPS Members have all the same rights under the awarded Agreement as TIPS.

Vendor's Resellers as Related to This Agreement

Vendor's Named Resellers ("Resellers") under this Agreement shall comply with all terms and conditions of this agreement and all addenda or incorporated documents. All actions related to sales by Authorized Vendor's Resellers under this Agreement are the responsibility of the awarded Vendor. If Resellers fail to report sales to TIPS under your Agreement, the awarded Vendor is responsible for their contractual failures and shall be billed for the fees. The awarded Vendor may then recover the fees from their named reseller.

Support Requirements

If there is a dispute between the awarded Vendor and TIPS Member, TIPS or its representatives may, at TIPS sole discretion, assist in conflict resolution if requested by either party. TIPS, or its representatives, reserves the right to inspect any project and audit the awarded Vendor's TIPS project files, documentation and correspondence related to the requesting TIPS Member's order. If there are confidentiality requirements by either party, TIPS shall comply to the extent permitted by law.

Incorporation of Solicitation

The TIPS Solicitation which resulted in this Vendor Agreement, whether a Request for Proposals, the Request for Competitive Sealed Proposals or Request for Qualifications solicitation, or other, the Vendor's response to same and all associated documents and forms made part of the solicitation process, including any addenda, are hereby incorporated by reference into this Agreement as if copied verbatim.

SECTION HEADERS OR TITLES

THE SECTION HEADERS OR TITLES WITHIN THIS DOCUMENT ARE MERELY GUIDES FOR CONVENIENCE AND ARE NOT FOR CLASSIFICATION OR LIMITING OF THE RESPONSIBILITIES OF THE PARTIES TO THIS DOCUMENT.

STATUTORY REQUIREMENTS

Texas governmental entities are prohibited from doing business with companies that fail to certify to this condition as required by Texas Government Code Sec. 2270.

By executing this agreement, you certify that you are authorized to bind the undersigned Vendor and that your company (1) does not boycott Israel; and (2) will not boycott Israel during the term of the Agreement.

You certify that your company is not listed on and does not and will not do business with companies that are on the Texas Comptroller of Public Accounts list of Designated Foreign Terrorists Organizations per Texas Gov't Code 2270.0153 found at <https://comptroller.texas.gov/purchasing/docs/foreign-terrorist.pdf>

You certify that if the certified statements above become untrue at any time during the life of this Agreement that the Vendor will notify TIPS within three (3) business day of the change by a letter on Vendor's letterhead from and signed by an authorized representative of the Vendor stating the non-compliance decision and the TIPS Agreement number and description at:

Attention: General Counsel
ESC Region 8/The Interlocal Purchasing System (TIPS)
4845 Highway 271 North
Pittsburg, TX, 75686
And by an email sent to bids@tips-usa.com

Insurance Requirements

The undersigned Vendor agrees to maintain the below minimum insurance requirements for TIPS Contract Holders:

General Liability	\$1,000,000 each Occurrence/ Aggregate
Automobile Liability	\$300,000 Includes owned, hired & non-owned
Workers' Compensation	Statutory limits for the jurisdiction in which the Vendor performs under this Agreement.
Umbrella Liability	\$1,000,000

When the Vendor or its subcontractors are liable for any damages or claims, the Vendor's policy, when the Vendor is responsible for the claim, must be primary over any other valid and collectible insurance carried by the Member. Any immunity available to TIPS or TIPS Members shall not be used as a defense by the contractor's insurance policy. The coverages and limits are to be considered minimum requirements and in no way limit the liability of the Vendor(s). Insurance shall be written by a carrier with an A-; VII or better rating in accordance with current A.M. Best Key Rating Guide. Only deductibles applicable to property damage are acceptable, unless proof of retention funds to cover said deductibles is provided. "Claims made" policies will not be accepted. Vendor's required minimum coverage shall not be suspended, voided, cancelled, non-renewed or reduced in coverage or in limits unless replaced by a policy that provides the minimum required coverage except after thirty (30) days prior written notice by certified mail, return receipt requested has been given to TIPS or the TIPS Member if a project or pending delivery of an order is ongoing. Upon request, certified copies of all insurance policies shall be furnished to the TIPS or the TIPS Member.

Special Terms and Conditions

- **Orders:** All Vendor orders received from TIPS Members must be emailed to TIPS at tips@tips-usa.com. Should a TIPS Member send an order directly to the Vendor, it is the Vendor's responsibility to forward a copy of the order to TIPS at the email above within 3 business days and confirm its receipt with TIPS.
- **Vendor Encouraging Members to bypass TIPS agreement:** Encouraging TIPS Members to purchase directly from the Vendor or through another agreement, when the Member has requested using the TIPS cooperative Agreement or price, and thereby bypassing the TIPS Agreement is a violation of the terms and conditions of this Agreement and will result in removal of the Vendor from the TIPS Program.
- **Order Confirmation:** All TIPS Member Agreement orders are approved daily by TIPS and sent to the Vendor. The Vendor should confirm receipt of orders to the TIPS Member (customer) within 3 business days.
- **Vendor custom website for TIPS:** If Vendor is hosting a custom TIPS website, updated pricing when effective. TIPS shall be notified when prices change in accordance with the award.

- **Back Ordered Products:** If product is not expected to ship within the time provided to the TIPS Member by the Vendor, the Member is to be notified within 3 business days and appropriate action taken based on customer request.

NOTE: It is always the Vendor's responsibility under the TIPS agreement to report all sales under the TIPS Agreement. When a public entity initiates a purchase with a TIPS Awarded Vendor, if the Member inquires verbally or in writing whether the Vendor holds a TIPS Contract, it is the duty of the Vendor to verify whether or not the Member is seeking a TIPS purchase. Once verified, the Vendor must include the TIPS Contract Number on all related quotes, invoices, and similar sales documents. It is the duty of the Vendor to submit documentation of all final purchases to TIPS for processing. This may only be done through the TIPS Vendor Portal or by emailing the sales documentation to TIPSP0@TIPS-USA.com, unless TIPS agrees to an alternative reporting method in writing. Failure to report a TIPS sale may result in termination of Vendor's TIPS Contract(s) and preclusion to responding to future solicitations.

The TIPS Vendor Agreement Signature Page is inserted here.

TIPS Vendor Agreement Signature Form

RFQ 220104 Energy Savings Performance Contracts

Company Name Veregy, LLC

Address 23325 N 23rd Ave., Suite 120

City Phoenix State AZ Zip 85027

Phone 602.452.8746 Fax _____

Email of Authorized Representative vesparza@veregy.com

Name of Authorized Representative Vince Esparza

Title VP of Marketing and Communications

Signature of Authorized Representative 

Date 02/17/2022

TIPS Authorized Representative Name David Fitts

Title Executive Director

TIPS Authorized Representative Signature 

Approved by ESC Region 8 

Date 3/24/2022

NOTICE TO MEMBERS REGARDING ATTRIBUTE RESPONSES

TIPS VENDORS RESPOND TO ATTRIBUTE QUESTIONS AS PART OF TIPS COMPETITIVE SOLICITATION PROCESS. THE VENDOR'S RESPONSES TO ATTRIBUTE QUESTIONS ARE INCLUDED HEREIN AS "SUPPLIER RESPONSE." PLEASE BE ADVISED THAT DEVIATIONS, IF ANY, IN VENDOR'S RESPONSE TO ATTRIBUTE QUESTIONS MAY NOT REFLECT VENDOR'S FINAL ATTRIBUTE RESPONSE, WHICH IS SUBJECT TO NEGOTIATIONS PRIOR TO AWARD. PLEASE CONTACT THE TIPS OFFICE AT 866-839-8477 WITH QUESTIONS OR CONCERNS REGARDING VENDOR ATTRIBUTE RESPONSE DEVIATIONS. PLEASE KEEP IN MIND THAT TIPS DOES NOT PROVIDE LEGAL COUNSEL TO MEMBERS. TIPS RECOMMENDS THAT YOU CONSULT YOUR LEGAL COUNSEL WHEN EXECUTING CONTRACTS WITH OR MAKING PURCHASES FROM TIPS VENDORS.



**220104 Addendum 1
Veregy
Midstate Energy, LLC
Supplier Response**

Event Information

Number: 220104 Addendum 1
Title: Energy Savings Performance Contracts (ESPC)
Type: Request for Qualification
Issue Date: 1/6/2022
Deadline: 2/18/2022 03:00 PM (CT)
Notes:

IF YOU CURRENTLY HOLD TIPS CONTRACTS (170103) Energy Savings Performance Contracts ("170103") OR (200209) Energy Savings Performance Contracts ("200209"), YOU MUST RESPOND TO THIS SOLICITATION TO PREVENT LAPSE OF CONTRACT. THIS AWARDED CONTRACT WILL REPLACE YOUR EXPIRING TIPS CONTRACT.

Contact Information

Address: Region 8 Education Service Center
4845 US Highway 271 North
Pittsburg, TX 75686
Phone: +1 (866) 839-8477
Email: bids@tips-usa.com

Veregy Information

Contact: Vincent Esparza
Address: 23325 North 23rd Avenue
Suite 120
Phoenix, AZ 85027
Phone: (602) 452-8746
Email: vesparza@veregy.com
Web Address: www.midstate-energy.com

By submitting your response, you certify that you are authorized to represent and bind your company.

Cory Scamihorn

Signature

Submitted at 2/18/2022 8:32:49 AM

cscamihorn@veregy.com

Email

Requested Attachments

Agreement Signature Form

220104 ESPC Agreement Signature Form.pdf

If you have not taken exception or deviation to the agreement language in the solicitation attributes, download the AGREEMENT SIGNATURE FORM from the "ATTACHMENTS" tab. This PDF document is a fillable form. Download the document to your computer, fill in the requested company information, print the file, SIGN the form, SCAN the completed and signed AGREEMENT SIGNATURE FORM, and upload here.

If you have taken exception to any of the agreement language and noted the exception in the deviations section of the attributes for the agreement, complete the AGREEMENT SIGNATURE FORM, but DO NOT SIGN until those deviations have been negotiated and resolved with TIPS management. Upload the unsigned form here, because this is a required document.

Confidentiality Claim Form

220104 ESPC CONFIDENTIALITY CLAIM FORM With Attachment.pdf

REQUIRED CONFIDENTIALITY FORM. Complete the form according to your company requirements, make any desired attachments and upload to the appropriate section under "Response Attachments" THIS FORM DETERMINES HOW ESC8/TIPS RESPONDS TO LEGAL PUBLIC INFORMATION REQUESTS.

Proposed Goods and Services

Veregy Product Offering .pdf

Please upload one or more documents or sheets describing your offerings, line cards, catalogs, links to offerings OR list links to your offerings that illustrate the catalog of proposed lines of goods and or services you carry and offer under this proposal. It does not have to be exhaustive but should, at a minimum tell us what you are offering. It could be as simple as a sheet with your link to your online catalog of goods and services.

Reference Form

220104 ESPC Reference_Form - leave as Excel.xls

The vendor must download the References spreadsheet from the attachment tab, fill in the requested information and upload the completed spreadsheet. DO NOT UPLOAD encrypted or password protected files.

Current W-9 Tax Form

Veregy w9.pdf

You are required by TIPS to upload a current W-9 Internal Revenue Service (IRS) Tax Form for your entity. This form will be utilized by TIPS to properly identify your entity.

Vendor Agreement

220104 ESPC Vendor Agreement - Filled.pdf

The vendor must download the Vendor Agreement from the attachment tab, fill in the requested information and upload the completed agreement.

DO NOT UPLOAD encrypted or password protected files.

OPTIONAL Information Requested

No response

IF you agree to do so, Please upload the Optional Information Requested regarding ESaaS.
See attachment.

All Other Certificates

No response

All Other Certificates (if applicable) must be scanned and uploaded. If vendor has more than one other certification scan into one document. (PDF Format ONLY)
DO NOT UPLOAD encrypted or password protected files.

Conflict of Interest Form CIQ- ONLY REQUIRED IF A CONFLICT EXISTS PER THE INSTRUCTIONS

No response

ONLY REQUIRED IF A CONFLICT EXISTS PER THE INSTRUCTIONS
Conflict of Interest Form for Vendors that are required to submit the form. The Conflict of Interest Form is included in the Base documents or can be found at <https://www.tips-usa.com/assets/documents/docs/CIQ.pdf>.

D/M/WBE Certification OPTIONAL

No response

D/M/WBE Certification documentation may be scanned and uploaded if you desire to claim your status as one of the identified enterprises. (Disadvantaged Business Enterprise, Minority Business Enterprise and/or Woman Business Enterprise) If vendor has more than one certification scan into one document. (PDF Format ONLY)
DO NOT UPLOAD encrypted or password protected files.

Warranty

Veregy Warranty .pdf

Warranty information (if applicable) must be scanned and uploaded. (PDF Format ONLY)
DO NOT UPLOAD encrypted or password protected files.

Supplementary

No response

Supplementary information may be scanned and uploaded. (Company information, brochures, catalogs, etc.) (PDF Format ONLY)
DO NOT UPLOAD encrypted or password protected files.

Logo and Other Company Marks

Veregy Logo - Registered Trademark Logo.png

If you desire, please upload your company logo to be added to your individual profile page on the TIPS website. If any particular specifications are required for use of your company logo, please upload that information under the Supplementary section or another non-required section under the "Response Attachment" tab. Preferred Logo Format: 300 x 225 px - .png, .eps, .jpeg preferred

Certification of Corporate Offerer Form- COMPLETE ONLY IF OFFERER IS A CORPORATION

CERTIFICATION OF CORPORATE OFFERER FORM - Signed.pdf

COMPLETE AND UPLOAD FORM IN ATTACHMENTS SECTION ONLY IF OFFERER IS A CORPORATION

Disclosure of Lobbying Activities Standard Form LLL

No response

ONLY IF you answered "I HAVE Lobbied per above" to attribute #66, please download and complete and upload the Standard Form-LLL, "disclosure Form to Report Lobbying," in the Response attachments section.

Response Attachments

Veregy Response to the TIPS RFQ 220104 Energy Savings Performance Contracts.pdf

Veregy Response to the TIPS RFQ 220104 Energy Savings Performance Contracts

Bid Attributes

1	<p>Yes - No</p> <p>Disadvantaged/Minority/Women Business Enterprise - D/M/WBE/Federal HUBZone (Required by some participating governmental entities). Vendor certifies that their firm is a D/M/WBE or HUBZone? Vendor must upload proof of certification to the "Response Attachments" D/M/WBE CERTIFICATES section.</p> <p><input type="text" value="NO"/></p>
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2	<p>Yes - No</p> <p>Historically Underutilized Business - HUB (Required by some participating governmental entities) Vendor certifies that their firm is a HUB as defined by the State of Texas at https://comptroller.texas.gov/purchasing/vendor/hub/.</p> <p>Proof may be submitted. Vendor must upload proof of certification to the "Response Attachments" HUB CERTIFICATES section.</p> <p><input type="text" value="No"/></p>
3	<p>Yes - No</p> <p>The Vendor can provide services and/or products to all 50 US States?</p> <p><input type="text" value="Yes"/></p>
4	<p>States Served:</p> <p>If answer is NO to question #3, please list which states can be served. (Example: AR, OK, TX)</p> <p><input type="text" value="Arizona, Colorado, California, Texas, Missouri, Illinois, Ohio, Indiana, Michigan"/></p>
5	<p>Company and/or Product Description:</p> <p>This information will appear on the TIPS website in the company profile section, if awarded a TIPS contract. (Limit 750 characters.)</p> <p><input type="text" value="Veregy is a national Energy Service Company headquartered in Phoenix, AZ. The company has 500+ employees and 30+ years of experienced engineering and project management teams that have upgraded 1000's of buildings. Veregy provides comprehensive development, design, and engineering services relating to infrastructure upgrades and energy-efficient sustainability solutions for the K-12, healthcare, and municipal markets. Veregy also provides healthy building solutions for the ubiquitous need for pandemic response assistance. To learn more about Veregy, visit our website at www.veregy.com or contact us at 602.452.8746."/></p>
6	<p>Primary Contact Name</p> <p>Primary Contact Name</p> <p><input type="text" value="Vincent Esparza"/></p>
7	<p>Primary Contact Title</p> <p>Primary Contact Title</p> <p><input type="text" value="Vice President of Marketing and Communications"/></p>
8	<p>Primary Contact Email</p> <p>Primary Contact Email</p> <p><input type="text" value="vesparza@veregy.com"/></p>
9	<p>Primary Contact Phone</p> <p>Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477</p> <p><input type="text" value="6024528746"/></p>
10	<p>Primary Contact Fax</p> <p>Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477</p> <p><input type="text" value="No response"/></p>

1 1	Primary Contact Mobile Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477 <input type="text" value="No response"/>
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1 2	Secondary Contact Name Secondary Contact Name <input type="text" value="Tonja Hale"/>
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1 3	Secondary Contact Title Secondary Contact Title <input type="text" value="Project Manager"/>
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1 4	Secondary Contact Email Secondary Contact Email <input type="text" value="thale@veregy.com"/>
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1 5	Secondary Contact Phone Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477 <input type="text" value="6028195706"/>
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1 6	Secondary Contact Fax Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477 <input type="text" value="No response"/>
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1 7	Secondary Contact Mobile Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477 <input type="text" value="No response"/>
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1 8	Admin Fee Contact Name Admin Fee Contact Name. This person is responsible for paying the admin fee to TIPS. <input type="text" value="Michele Greener"/>
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1 9	Admin Fee Contact Email Admin Fee Contact Email <input type="text" value="mgreener@veregy.com"/>
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2 0	Admin Fee Contact Phone Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477 <input type="text" value="6024293042"/>
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2 1	Purchase Order Contact Name Purchase Order Contact Name. This person is responsible for receiving Purchase Orders from TIPS. <input type="text" value="Tonja Hale"/>
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2 2	Purchase Order Contact Email Purchase Order Contact Email <input type="text" value="thale@veregy.com"/>
2 3	Purchase Order Contact Phone Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477 <input type="text" value="6028195706"/>
2 4	Company Website Company Website (Format - www.company.com) <input type="text" value="www.veregy.com"/>
2 5	Entity D/B/A's and Assumed Names Please identify all of your entity's assumed names and D/B/A's. Please note that you will be identified publicly by the legal name under which you responded to this solicitation unless you organize otherwise with TIPS after award. <input type="text" value="Veregy"/>
2 6	Primary Address Primary Address <input type="text" value="23325 N. 23rd Ave. Ste. 120"/>
2 7	Primary Address City Primary Address City <input type="text" value="Phoenix"/>
2 8	Primary Address State Primary Address State (2 Digit Abbreviation) <input type="text" value="Arizona"/>
2 9	Primary Address Zip Primary Address Zip <input type="text" value="85027"/>
3 0	Search Words: Please list search words to be posted in the TIPS database about your company that TIPS website users might search. Words may be product names, manufacturers, or other words associated with the category of award. YOU MAY NOT LIST NON-CATEGORY ITEMS. (Limit 500 words) (Format: product, paper, construction, manufacturer name, etc.) <input type="text" value="ESCO, ESPC, GESPC, HVAC, Controls, Building Automation, Battery Storage....."/>

3 1 Do you want TIPS Members to be able to spend Federal grant funds with you if awarded? Is it your intent to be able to sell to our members regardless of the fund source, whether it be local, state or federal?

Most of our members receive Federal Government grants or other funding and they make up a significant portion of their budgets. The Members need to know if your company is willing to sell to them when they spend federal budget funds on their purchase. There are attributes that follow that include provisions from the federal regulations in 2 CFR part 200, etc. Your answers will determine if your award will be designated as eligible for TIPS Members to utilize federal funds with your company.

Do you want TIPS Members to be able to spend Federal funds, at the Member's discretion, with you?

3 2 Yes - No

Certification of Residency (Required by the State of Texas) The vendor's ultimate parent company or majority owner:

(A) has its principal place of business in Texas;

OR

(B) employs at least 500 persons in Texas?

This question is required as a data gathering function for information to our members making purchases with awarded vendors. It does not affect scoring with TIPS.

3 3 Company Residence (City)

Vendor's principal place of business is in the city of?

3 4 Company Residence (State)

Vendor's principal place of business is in the state of?

3 5 TIPS Administration Fee

By submitting a proposal, I agree that all pricing submitted to TIPS shall include the Administration Fee, as designated in the solicitation or as otherwise agreed in writing which shall be remitted to TIPS by the Vendor, or the vendor's named resellers, and as agreed to in the Vendor Agreement. I agree that the fee shall not and will not be added by the Vendor as a separate line item on a TIPS member invoice, quote, proposal or any other written communications with the TIPS member.

3
6 **Yes - No**

Vendor agrees to remit to TIPS the required administration fee or, if resellers are named, Vendor agrees to guarantee the fee remittance by or for the reseller named by the vendor?

TIPS/ESC Region 8 is required by Texas Government Code § 791 to be compensated for its work and thus, failure to agree shall render your response void and it will not be considered.

3
7 **TIPS Administration Fee Paid by Vendor - Not Charged Separately to Customer**

Vendor understands and agrees that it owes TIPS a TIPS Administration Fee (published in the RFP/RCSP document) on every TIPS sale made under an awarded TIPS Contract. Vendor further understands and agrees that Vendor shall submit pricing to Member entity which includes and accounts for the TIPS Administration Fee and **shall never** separately charge the TIPS Member Customer the TIPS fee or add the TIPS Administration Fee line item to an invoice or similar purchase document. Submission of this proposal is Vendor's certification that Vendor agrees to this mandatory term.

3
8 **Years in Business as Proposing Company**

Years in business as proposing company?

3
9 **Resellers:**

Does the vendor have resellers that it will name under this contract? Resellers are defined as other companies that sell your products under an agreement with you, the awarded vendor of TIPS.

EXAMPLE: BIGmart is a reseller of ACME brand televisions. If ACME were a TIPS awarded vendor, then ACME would list BIGmart as a reseller.

(If applicable, Vendor should add all Authorized Resellers within the TIPS Vendor Portal upon award).

4
0 **Right of Refusal**

The proposing vendor has the right not to sell under the awarded agreement with a TIPS member at vendor's discretion unless required by law.

4
1 **NON-COLLUSIVE BIDDING CERTIFICATE**

By submission of this bid or proposal, the Bidder certifies that:

- 1) This bid or proposal has been independently arrived at without collusion with any other Bidder or with any Competitor;
- 2) This bid or proposal has not been knowingly disclosed and will not be knowingly disclosed, prior to the opening of bids, or proposals for this project, to any other Bidder, Competitor or potential competitor:
- 3) No attempt has been or will be made to induce any other person, partnership or corporation to submit or not to submit a bid or proposal;
- 4) The person signing this bid or proposal certifies that he has fully informed himself regarding the accuracy of the statements contained in this certification, and under the penalties being applicable to the Bidder as well as to the person signing in its behalf.

Not a negotiable term. Failure to agree will render your proposal non-responsive and it will not be considered.

4
2 **CONFLICT OF INTEREST QUESTIONNAIRE - FORM CIQ - Do you have any CONFLICT OF INTEREST TO REPORT OR DISCLOSE under this statutory requirement?**

Do you have any CONFLICT OF INTEREST TO REPORT OR DISCLOSE under this statutory requirement? YES or NO

If you have a conflict of interest as described in this form or the Local Government Code Chapter 176, cited therein- you are required to complete and file with TIPS.
The Form CIQ is one of the attachments to this solicitation.

There is an optional upload for this form provided if you have a conflict and must file the form

4
3 **Filing of Form CIQ**

If yes (above), have you filed a form CIQ by uploading the form to this RFP as directed above?

4
4 **Regulatory Standing**

I certify to TIPS for the proposal attached that my company is in good standing with all governmental agencies Federal or state that regulate any part of our business operations. If not, please explain in the next attribute question.

4
5 **Regulatory Standing**

Regulatory Standing explanation of no answer on previous question.

Antitrust Certification Statements (Tex. Government Code § 2155.005)

By submission of this bid or proposal, the Bidder certifies that:

I affirm under penalty of perjury of the laws of the State of Texas that:

(1) I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;

(2) In connection with this bid, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;

(3) In connection with this bid, neither I nor any representative of the Company has violated any federal antitrust law;

(4) Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this bid to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

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Suspension or Debarment Instructions

Instructions for Certification:

1. By answering yes to the next Attribute question below, the vendor and prospective lower tier participant is providing the certification set out herein in accordance with these instructions.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and / or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms “covered transaction,” “debarred,” “suspended,” “ineligible,” “lower tier covered transaction,” “participants,” “person,” “primary covered transaction,” “principal,” “proposal” and “voluntarily excluded,” as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this form that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction” without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and / or debarment.

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Suspension or Debarment Certification

By answering yes, you certify that no federal suspension or debarment is in place, which would preclude receiving a federally funded contract as described above.

Yes

4 **Non-Discrimination Statement and Certification**

In accordance with Federal civil rights law, all U.S. Departments, including the U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

(Title VI of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Title 7 CFR Parts 15, 15a, and 15b; the Americans with Disabilities Act; and FNS Instruction 113-1, Civil Rights Compliance and Enforcement – Nutrition Programs and Activities)

All U.S. Departments, including the USDA are equal opportunity provider, employer, and lender.

Not a negotiable term. Failure to agree by answering YES will render your proposal non-responsive and it will not be considered. I certify that in the performance of a contract with TIPS or its members, that our company will conform to the foregoing anti-discrimination statement and comply with the cited and all other applicable laws and regulations.

Yes, I certify (Yes)

5 **2 CFR PART 200 Contract Provisions Explanation**

Required Federal contract provisions of Federal Regulations for Contracts for contracts with ESC Region 8 and TIPS Members:

The following provisions are required to be in place and agreed if the procurement is funded in any part with federal funds.

The ESC Region 8 and TIPS Members are the subgrantee or Subrecipient by definition. Most of the provisions are located in 2 CFR PART 200 - Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards at 2 CFR PART 200. Others are included within 2 CFR part 200 et al.

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

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1 **2 CFR PART 200 Contracts**

Contracts for more than the simplified acquisition threshold currently set at \$250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Notice: Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree?

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2 **2 CFR PART 200 Termination**

Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members reserves the right to terminate any agreement in excess of \$10,000 resulting from this procurement process for cause after giving the vendor an appropriate opportunity and up to 30 days, to cure the causal breach of terms and conditions. ESC Region 8 and TIPS Members reserves the right to terminate any agreement in excess of \$10,000 resulting from this procurement process for convenience with 30 days notice in writing to the awarded vendor. The vendor would be compensated for work performed and goods procured as of the termination date if for convenience of the ESC Region 8 and TIPS Members. Any award under this procurement process is not exclusive and the ESC Region 8 and TIPS reserves the right to purchase goods and services from other vendors when it is in the best interest of the ESC Region 8 and TIPS.

Does vendor agree?

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3 **2 CFR PART 200 Clean Air Act**

Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

Pursuant to the Clean Air Act, et al above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members requires that the proposer certify that during the term of an award by the ESC Region 8 and TIPS Members resulting from this procurement process the vendor agrees to comply with all of the above regulations, including all of the terms listed and referenced therein.

Does vendor agree?

5 4 2 CFR PART 200 Byrd Anti-Lobbying Amendment

Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members requires the proposer certify that during the term and during the life of any contract with ESC Region 8 and TIPS Members resulting from this procurement process the vendor certifies to the terms included or referenced herein.

Does vendor agree?

5 5 2 CFR PART 200 Federal Rule

Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$250,000)

Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members requires the proposer certify that in performance of the contracts, subcontracts, and subgrants of amounts in excess of \$250,000, the vendor will be in compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

Does vendor certify that it is in compliance with the Clean Air Act?

5 6 2 CFR PART 200 Procurement of Recovered Materials

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Does vendor certify that it is in compliance with the Solid Waste Disposal Act as described above?

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2 CFR PART 200 Rights to Inventions

If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

Pursuant to the above, when the foregoing applies to ESC Region 8 and TIPS Members, Vendor certifies that during the term of an award resulting from this procurement process, Vendor agrees to comply with all applicable requirements as referenced in the Federal rule above.

Does vendor agree?

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2 CFR PART 200 Domestic Preferences for Procurements

As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. For purposes of 2 CFR Part 200.322, “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. Moreover, for purposes of 2 CFR Part 200.322, “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum, plastics and polymer-based products such as polyvinyl chloride pipe, aggregates such as concrete, glass, including optical fiber, and lumber.

Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, Vendor certifies that to the greatest extent practicable Vendor will provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products).

Does vendor agree?

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2 CFR PART 200 Ban on Foreign Telecommunications

Federal grant funds may not be used to purchase equipment, services, or systems that use “covered telecommunications” equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. “Covered telecommunications” means purchases from Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, Vendor certifies that Vendor will not purchase equipment, services, or systems that use “covered telecommunications”, as defined by 2 CFR §200.216 equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

Does vendor agree?

6 2 CFR PART 200 Contract Cost & Price

For contracts more than the simplified acquisition threshold currently set at \$250,000, a TIPS Member may, in very rare circumstances, be required to negotiate profit as a separate element of the price pursuant to 2 C.F.R. 200.324(b). Under those circumstances, Vendor agrees to provide information and negotiate with the TIPS Member regarding profit as a separate element of the price. However, Vendor certifies that the total price charged by the Vendor shall not exceed the Vendor's TIPS pricing and pricing terms proposed.

Does Vendor Agree?

6 1 FEMA Fund Certifications

Submission of this proposal is Vendor's certification that Vendor agrees to this term. Vendor certifies that **IF and when** Vendor accepts a TIPS purchase paid for in full or part with FEMA funds, Vendor certifies that:

(1) Vendor agrees to provide the TIPS Member, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to and rights to reproduce any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions. The Vendor agrees to provide the FEMA Administrator or an authorized representatives access to construction or other work sites pertaining to the work being completed under the contract. Vendor acknowledges and agrees that no language in this contract or the contract with the TIPS Member is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.

(2) The Vendor shall not use the Department of Homeland Security's seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

(3) The Vendor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives.

(4) The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

(5) The Vendor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Vendor's actions pertaining to this contract.

6 2 Certification of Compliance with the Energy Policy and Conservation Act

When appropriate and to the extent consistent with the law, Vendor certifies that it will comply with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq; 49 C.F.R. Part 18) and any mandatory standards and policies relating to energy efficiency which are contained in applicable state energy conservation plans issued in compliance with the Act.

Does Vendor agree?

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Certification Regarding Lobbying

Applicable to Grants, Subgrants, Cooperative Agreements, and Contracts Exceeding \$100,000 in Federal Funds

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered subawards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

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If you answered "I HAVE lobbied" to the above Attribute Question

If you answered "I HAVE lobbied" to the above Attribute question, you must download the Lobbying Report "Standard From LLL, disclosure Form to Report Lobbying" which includes instruction on completing the form, complete and submit it in the Response Attachments section as a report of the lobbying activities you performed or paid others to perform.

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5

Subcontracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms.

Do you ever anticipate the possibility of subcontracting any of your work under this award if you are successful?

IF NO, DO NOT ANSWER THE NEXT ATTRIBUTE QUESTION. . IF YES, and ONLY IF YES, you must answer the next question YES if you want a TIPS Member to be authorized to spend Federal Grant Funds for Procurement.

6 6 ONLY IF YES TO THE PREVIOUS QUESTION OR if you ever do subcontract any part of your performance under the TIPS Agreement, do you agree to comply with the following federal requirements?

ONLY IF YES TO THE PREVIOUS QUESTION OR if you ever do subcontract any part of your performance under the TIPS Agreement,

do you agree to comply with the following federal requirements?

Federal Regulation 2 CFR §200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. (a)The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce ; and

(6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs(1) through (5) of this section.

YES

6 7 Indemnification

The ESC Region 8 and TIPS is a Texas Political Subdivision and a local governmental entity; therefore, is prohibited from

indemnifying third parties pursuant to the Texas Constitution (Article 3, Section 52) except as specifically provided by law or as

ordered by a court of competent jurisdiction. A provision in a contract to indemnify or hold a party harmless is a promise to pay for

any expenses the indemnified party incurs, if a specified event occurs, such as breaching the terms of the contract or negligently

performing duties under the contract. Article III, Section 49 of the Texas Constitution states that "no debt shall be created by or on

behalf of the State ... " The Attorney General has counseled that a contractually imposed obligation of indemnity creates a "debt" in

the constitutional sense. Tex. Att'y Gen. Op. No. MW-475 (1982). Contract clauses which require the System or institutions to

indemnify must be deleted or qualified with "to the extent permitted by the Constitution and Laws of the State of Texas." Liquidated

damages, attorney's fees, waiver of vendor's liability, and waiver of statutes of limitations clauses should also be deleted or qualified

with "to the extent permitted by the Constitution and laws of State of Texas."

Not a negotiable term. Failure to agree will render your proposal non-responsive and it will not be considered. Do you agree

to these terms?

Yes, I Agree (Yes)

6 Remedies

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The parties shall be entitled to exercise any right or remedy available to it either at law or in equity, subject to the choice of law, venue and service of process clauses limitations agreed herein. Nothing in this agreement shall commit the TIPS to an arbitration resolution of any disagreement under any circumstances. Any Claim arising out of or related to the Contract, except for those specifically waived under the terms of the Contract, may, after denial of the Board of Directors, be subject to mediation at the request of either party. Any issues not resolved hereunder MAY be referred to non-binding mediation to be conducted by a mutually agreed upon mediator as a prerequisite to the filing of any lawsuit over such issue(s). The parties shall share the mediator's fee and any associated filing fee equally. Mediation shall be held in Camp or Titus County, Texas. Agreements reached in mediation shall be reduced to writing, and will be subject to the approval by the District's Board of Directors, signed by the Parties if approved by the Board of Directors, and, if signed, shall thereafter be enforceable as provided by the laws of the State of Texas.

Do you agree to these terms?

6 Remedies Explanation of No Answer

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7 Choice of Law

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The agreement between the Vendor and TIPS/ESC Region 8 and any addenda or other additions resulting from this procurement process, however described, shall be governed by, construed and enforced in accordance with the laws of the State of Texas, regardless of any conflict of laws principles. THIS DOES NOT APPLY to a vendor's agreement entered into with a TIPS Member, as the Member may be located outside Texas.

Do you agree to these terms?

7 Venue, Jurisdiction and Service of Process

1

Any proceeding, involving Region 8 ESC or TIPS, arising out of or relating to this procurement process or any contract issued by TIPS resulting from or any contemplated transaction shall be brought in a court of competent jurisdiction in Camp County, Texas and each of the parties irrevocably submits to the exclusive jurisdiction of said court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the Proceeding shall be heard and determined only in any such court, and agrees not to bring any proceeding arising out of or relating to this procurement process or any contract resulting from or any contemplated transaction in any other court. The parties agree that either or both of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and freely bargained for agreement between the parties irrevocably to waive any objections to venue or to convenience of forum. Process in any Proceeding referred to in the first sentence of this Section may be served on any party anywhere in the world. Any dispute resolution process other than litigation shall have venue in Camp County or Titus County Texas.

Do you agree to these terms?

**7
2** **Infringement(s)**

The successful vendor will be expected to indemnify and hold harmless the TIPS and its employees, officers, agents, representatives, contractors, assignees and designees from any and all third party claims and judgments involving infringement of patent, copyright, trade secrets, trade or service marks, and any other intellectual or intangible property rights attributed to or claims based on the Vendor's proposal or Vendor's performance of contracts awarded and approved.

Do you agree to these terms?

Yes, I Agree

**7
3** **Infringement(s) Explanation of No Answer**

No response

**7
4** **Contract Governance**

Any contract made or entered into by the TIPS is subject to and is to be governed by Section 271.151 et seq, Tex Loc Gov't Code. Otherwise, TIPS does not waive its governmental immunities from suit or liability except to the extent expressly waived by other applicable laws in clear and unambiguous language.

Yes, I Agree (Yes)

**7
5** **Payment Terms and Funding Out Clause**

Payment Terms:

TIPS or TIPS Members shall not be liable for interest or late payment fees on past-due balances at a rate higher than permitted by the laws or regulations of the jurisdiction of the TIPS Member.

Funding Out Clause:

Vendor agrees to abide by the laws and regulations, including Texas Local Government Code § 271.903, or any statutory or regulatory limitations of the jurisdiction of any TIPS Member which governs contracts entered into by the Vendor and TIPS or a TIPS Member that requires all contracts approved by TIPS or a TIPS Member are subject to the budgeting and appropriation of currently available funds by the entity or its governing body.

See statute(s) for specifics or consult your legal counsel.

Not a negotiable term. Failure to agree will render your proposal non-responsive and it will not be considered.

Do you agree to these terms?

Yes, I Agree (Yes)

7 Insurance and Fingerprint Requirements Information

6 Insurance

If applicable and your staff will be on TIPS member premises for delivery, training or installation etc. and/or with an automobile, you must carry automobile insurance as required by law. You may be asked to provide proof of insurance.

Fingerprint

It is possible that a vendor may be subject to Chapter 22 of the Texas Education Code. The Texas Education Code, Chapter 22, Section 22.0834 & 22.08341. Statutory language may be found at: <http://www.statutes.legis.state.tx.us/>

If the vendor has staff that meet both of these criterion:

- (1) will have continuing duties related to the contracted services; and
- (2) has or will have direct contact with students

Then you have "covered" employees for purposes of completing the attached form.

TIPS recommends all vendors consult their legal counsel for guidance in compliance with this law. If you have questions on how to comply, see below. If you have questions on compliance with this code section, contact the Texas Department of Public Safety Non-Criminal Justice Unit, Access and Dissemination Bureau, FAST-FACT at NCJU@txdps.state.tx.us and you should send an email identifying you as a contractor to a Texas Independent School District or ESC Region 8 and TIPS. Texas DPS phone number is (512) 424-2474.

See form in the next attribute to complete entitled:
Texas Education Code Chapter 22 Contractor Certification for Contractor Employees

Texas Education Code Chapter 22 Contractor Certification for Contractor Employees

Introduction: Texas Education Code Chapter 22 requires entities that contract with school districts to provide services to obtain criminal history record information regarding covered employees. Contractors must certify to the district that they have complied. Covered employees with disqualifying criminal histories are prohibited from serving at a school district.

Definitions: Covered employees: Employees of a contractor or subcontractor who have or will have continuing duties related to the service to be performed at the District and have or will have direct contact with students. The District will be the final arbiter of what constitutes direct contact with students. Disqualifying criminal history: Any conviction or other criminal history information designated by the District, or one of the following offenses, if at the time of the offense, the victim was under 18 or enrolled in a public school:

(a) a felony offense under Title 5, Texas Penal Code; (b) an offense for which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) an equivalent offense under federal law or the laws of another state.

I certify that:

NONE (Section A) of the employees of Contractor and any subcontractors are covered employees, as defined above. If this box is checked, I further certify that Contractor has taken precautions or imposed conditions to ensure that the employees of Contractor and any subcontractor will not become covered employees. Contractor will maintain these precautions or conditions throughout the time the contracted services are provided.

OR

SOME (Section B) or all of the employees of Contractor and any subcontractor are covered employees. If this box is checked, I further certify that:

(1) Contractor has obtained all required criminal history record information regarding its covered employees. None of the covered employees has a disqualifying criminal history.

(2) If Contractor receives information that a covered employee subsequently has a reported criminal history, Contractor will immediately remove the covered employee from contract duties and notify the District in writing within 3 business days.

(3) Upon request, Contractor will provide the District with the name and any other requested information of covered employees so that the District may obtain criminal history record information on the covered employees.

(4) If the District objects to the assignment of a covered employee on the basis of the covered employee's criminal history record information, Contractor agrees to discontinue using that covered employee to provide services at the District.

Noncompliance or misrepresentation regarding this certification may be grounds for contract termination.

None

7 **Texas Business and Commerce Code § 272 Requirements as of 9-1-2017**

8 SB 807 prohibits construction contracts to have provisions requiring the contract to be subject to the laws of another state, to be required to litigate the contract in another state, or to require arbitration in another state. A contract with such provisions is voidable. Under this new statute, a "construction contract" includes contracts, subcontracts, or agreements with (among others) architects, engineers, contractors, construction managers, equipment lessors, or materials suppliers. "Construction contracts" are for the design, construction, alteration, renovation, remodeling, or repair of any building or improvement to real property, or for furnishing materials or equipment for the project. The term also includes moving, demolition, or excavation. BY RESPONDING TO THIS SOLICITATION, AND WHEN APPLICABLE, THE PROPOSER AGREES TO COMPLY WITH THE TEXAS BUSINESS AND COMMERCE CODE § 272 WHEN EXECUTING CONTRACTS WITH TIPS MEMBERS THAT ARE TEXAS GOVERNMENT ENTITIES.

7 **Texas Government Code 2270 & 2271 Verification Form**

9 Texas Government Code 2270 & 2271 Verification Form

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of \$100,000 or more, the following certification shall apply; otherwise, this certification is not required. Pursuant to Chapter 2271 of the Texas Government Code, the Vendor hereby certifies and verifies that neither the Vendor, nor any affiliate, subsidiary, or parent company of the Vendor, if any (the "Vendor Companies"), boycotts Israel, and the Vendor agrees that the Vendor and Vendor Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Our entity further certifies that it is is not listed on and we do not do business with companies prohibited by Texas Government Code 2270 or that are on the Texas Comptroller of Public Accounts list of Designated Foreign Terrorists Organizations per Texas Gov't Code 2270.0153 found at <https://comptroller.texas.gov/purchasing/docs/foreign-terrorist.pdf>

I swear and affirm that the above is true and correct.

8 **Logos and other company marks**

0 Please upload your company logo to be added to your individual profile page on the TIPS website. If any particular specifications are required for use of your company logo, please upload that information under the "Logo and Other Company Marks" section under the "Response Attachment" tab. Preferred Logo Format: 300 x 225 px - .png, .eps, .jpeg preferred

Potential uses of company logo:

- * Your Vendor Profile Page of TIPS website
- * Potentially on TIPS website scroll bar for Top Performing Vendors
- * TIPS Quarterly eNewsletter sent to TIPS Members
- * Co-branding Flyers and or email blasts to our TIPS Members (Permission and approval will be obtained before publishing)

8
1 Solicitation Deviation/Compliance

Does the vendor agree with the General Conditions Standard Terms and Conditions or Item Specifications listed in this proposal invitation?

Yes

8
2 Solicitation Exceptions/Deviations Explanation

If the bidder intends to deviate from the General Conditions Standard Terms and Conditions or Item Specifications listed in this proposal invitation, all such deviations must be listed on this attribute, with complete and detailed conditions and information included or attached.

TIPS will consider any deviations in its proposal award decisions, and TIPS reserves the right to accept or reject any bid based upon any deviations indicated below or in any attachments or inclusions.

In the absence of any deviation entry on this attribute, the proposer assures TIPS of their full compliance with the Standard Terms and Conditions, Item Specifications, and all other information contained in this Solicitation.

No response

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3 Agreement Deviation/Compliance

Does the vendor agree with the language in the Vendor Agreement?

Yes

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4 Agreement Exceptions/Deviations Explanation

If the proposing Vendor desires to deviate from the Vendor Agreement language, all such deviations must be listed on this attribute, with complete and detailed conditions and information included. TIPS will consider any deviations in its proposal award decisions, and TIPS reserves the right to accept or reject any proposal based upon any deviations indicated below. In the absence of any deviation entry on this attribute, the proposer assures TIPS of their full compliance with the Vendor Agreement.

No response

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5 Felony Conviction Notice

Texas Education Code, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony." Subsection (b) states "a school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract." (c) This section does not apply to a publicly held corporation. The person completing this proposal certifies that they are authorized to provide the answer to this question.

Select A., B. or C.

A. My firm is a publicly held corporation; therefore, this reporting requirement is not applicable.

OR B. My firm is not owned nor operated by anyone who has been convicted of a felony, OR

C. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony. (if you answer C below, you are required to provide information in the next attribute.

B. Firm not owned nor operated by felon; per above

86 **If you answered C. My Firm is owned or operated by a felon to the previous question, you are REQUIRED TO ANSWER THE FOLLOWING QUESTIONS.**

If you answered C. My Firm is owned or operated by a felon to the previous question, you must provide the following information.

1. Name of Felon(s)
2. The named person's role in the firm, and
3. Details of Conviction(s).

87 **Required Confidentiality Claim Form**

Required Confidentiality Claim Form

This completed form is required by TIPS. By submitting a response to this solicitation you agree to download from the "Attachments" section, complete according to the instructions on the form, then upload the completed form, with any confidential attachments, if applicable, to the "Response Attachments" section titled "Confidentiality Form" in order to provide to TIPS the completed form titled, "CONFIDENTIALITY CLAIM FORM". **THIS REQUIRED PROCESS IS THE ONLY WAY TO DEEM PROPOSAL DOCUMENTATION CONFIDENTIAL ANY OTHER CONFIDENTIAL DESIGNATION WILL BE DISREGARDED UNLESS THE DOCUMENT IS IDENTIFIED BY AND ATTACHED TO THE REQUIRED FORM.** By completing this process, you provide us with the information we require to comply with the open record laws of the State of Texas as they may apply to your proposal submission. If you do not provide the form with your proposal, an award will not be made if your proposal is qualified for an award, until TIPS has an accurate, completed form from you.

Read the form carefully before completing and if you have any questions, email bids@tips-usa.com.

88 **Member Access to Vendor Proposal**

Notwithstanding any other information provided in this solicitation or Vendor designation of certain documentation as confidential or proprietary, Vendor's acceptance of this TIPS Contract constitutes Vendor's consent to the disclosure of Vendor's comprehensive proposal, including any information deemed confidential or proprietary, **to TIPS Members**. The proposing Vendor agrees that TIPS shall not be responsible or liable for any use or distribution of information or documentation by TIPS Members or any other party. By submitting this proposal, Vendor certifies the foregoing.

89 **Choice of Law clauses with TIPS Members**

If the vendor is awarded a contract with TIPS under this solicitation, the vendor agrees to make any Choice of Law clauses in any contract or agreement entered into between the awarded vendor and with a TIPS member entity to read as follows: "Choice of law shall be the laws of the state where the customer resides" or words to that effect.

90 **Venue of dispute resolution with a TIPS Member**

In the event of litigation or use of any dispute resolution model when resolving disputes with a TIPS member entity as a result of a transaction between the vendor and TIPS or the TIPS member entity, the Venue for any litigation or other agreed upon model shall be in the state and county where the customer resides unless otherwise agreed by the parties at the time the dispute resolution model is decided by the parties.

9 1 Indemnity Limitation with TIPS Members

Texas and other states restrict by law or state Constitution the ability of a governmental entity to indemnify others. TIPS requires that any contract entered into between a vendor and TIPS or a TIPS Member as a result of an award under this Solicitation limit the requirement that the Customer indemnify the Vendor by either eliminating any such indemnity requirement clauses in any agreements, contracts or other binding documents **OR** by prefacing all indemnity clauses required of TIPS or the TIPS Member entity with the following: "To the extent permitted by the laws or the Constitution of the state where the customer resides, ".

Agreement is a required condition to award of a contract resulting from this Solicitation.

9 2 Arbitration Clauses

Except for certain circumstances, TIPS forbids a mandatory arbitration clause in any contract or agreement entered into between the awarded vendor with TIPS or a TIPS member entity. Does the vendor agree to exclude any arbitration requirement in any contracts or agreement entered into between TIPS or a TIPS member entity through an awarded contract with TIPS?

9 3 Required Vendor Sales Reporting

By responding to this Solicitation, you agree to report to TIPS all sales made under any awarded Agreement with TIPS. Vendor is required to report all sales under the TIPS contract to TIPS. If the TIPS Member entity requesting a price from the awarded Vendor requests the TIPS contract, Vendor must include the TIPS Contract number on any communications with the TIPS Member entity. If awarded, you will be provided access to the Vendor Portal. To report sales, login to the TIPS Vendor Portal and click on the PO's and Payments tab. Pages 3-7 of the Vendor Portal User Guide will walk you through the process of reporting sales to TIPS. Please refer to the TIPS Accounting FAQ's for more information about reporting sales and if you have further questions, contact the Accounting Team at accounting@tips-usa.com. The Vendor or vendor assigned dealers are responsible for keeping record of all sales that go through the TIPS Agreement and submitting same to TIPS.

9 4 Upload of Current W-9 Required

Please note that you are required by TIPS to upload a current W-9 Internal Revenue Service (IRS) Tax Form for your entity. This form will be utilized by TIPS to properly identify your entity.

9 5 CERTIFICATION REGARDING BOYCOTTING CERTAIN ENERGY COMPANIES (Texas law as of September 1, 2021)

By submitting a proposal to this Solicitation, you certify that you agree, when it is applicable, to the following required by Texas law as of September 1, 2021:

If (a) company is not a sole proprietorship; (b) company has ten (10) or more full-time employees; and (c) this contract has a value of \$100,000 or more that is to be paid wholly or partly from public funds, the following certification shall apply; otherwise, this certification is not required. Pursuant to Tex. Gov't Code Ch. 2274 of SB 13 (87th session), the company hereby certifies and verifies that the company, or any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of these entities or business associations, if any, does not boycott energy companies and will not boycott energy companies during the term of the contract. For purposes of this contract, the term "company" shall mean an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, that exists to make a profit. The term "boycott energy company" shall mean "without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or (b) does business with a company described by paragraph (a)." See Tex. Gov't Code § 809.001(1).

**9
6 CERTIFICATION PROHIBITING DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES
(Texas law as of September 1, 2021)**

By submitting a proposal to this Solicitation, you certify that you agree, when it is applicable, to the following required by Texas law as of September 1, 2021:

If (a) company is not a sole proprietorship; (b) company has at least ten (10) full-time employees; (c) this contract has a value of at least \$100,000 that is paid wholly or partly from public funds; (d) the contract is not excepted under Tex. Gov't Code § 2274.003 of SB 19 (87th leg.); and (e) governmental entity has determined that company is not a sole-source provider or governmental entity has not received any bids from a company that is able to provide this written verification, the following certification shall apply; otherwise, this certification is not required.

Pursuant to Tex. Gov't Code Ch. 2274 of SB 19 (87th session), the company hereby certifies and verifies that the company, or association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary parent company, or affiliate of these entities or associations, that exists to make a profit, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this contract against a firearm entity or firearm trade association. For purposes of this contract, "discriminate against a firearm entity or firearm trade association" shall mean, with respect to the entity or association, to: "(1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association. See Tex. Gov't Code § 2274.001(3) of SB 19. "Discrimination against a firearm entity or firearm trade association" does not include: "(1) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association." See Tex. Gov't Code § 2274.001(3) of SB 19.

**9
7 CERTIFICATION REGARDING CERTAIN FOREIGN-OWNED COMPANIES IN CONNECTION WITH
CRITICAL INFRASTRUCTURE (Texas law as of September 1, 2021)**

By submitting a proposal to this Solicitation, you certify that you agree to the following required by Texas law as of September 1, 2021:

Proposing Company is prohibited from entering into a contract or other agreement relating to critical infrastructure that would grant to the company direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by the Proposing Company for product warranty and support purposes. Company, certifies that neither it nor its parent company nor any affiliate of company or its parent company, is (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; (2) a company or other entity, including governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (3) headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this contract, "critical infrastructure" means "a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility." See Tex. Gov't Code § 2274.0101(2) of SB 1226 (87th leg.). The company verifies and certifies that company will not grant direct or remote access to or control of critical infrastructure, except for product warranty and support purposes, to prohibited individuals, companies, or entities, including governmental entities, owned, controlled, or headquartered in China, Iran, North Korea, Russia, or a designated country, as determined by the Governor.

**9
8 Acknowledgement**

By submitting this proposal, Vendor certifies that it has read, examined, and understands all portions of this solicitation including but not limited to all attribute questions, attachments, solicitation documents, bid notes, and the Vendor Agreement(s). Vendor certifies that, if found to be necessary by the proposing vendor, vendor has sought the advice of counsel in understanding all portions of the solicitation.

AMENDED

OPTIONAL INFORMATION REQUESTED

It has come to my attention that the correct name for the below process is Energy Efficiency as a Service (EEaaS)

I have modified the below document to use this commonly accepted term.

Additional Information Requested Regarding Energy Efficiency ~~Savings~~ as a Service (ESaaS) (EEaaS)

Vendors ***are not*** required to respond to the additional request for information related to Energy Efficiency ~~Savings~~ as a Service (ESaaS) (EEaaS) and qualifications to provide same.

Failure to respond to this additional information request for Energy Efficiency ~~Savings~~ as a Service (ESaaS) (EEaaS) will have **NO BEARING** on the evaluation of your qualifications to provide offer Energy Savings Performance Contracting (ESPC).

If it is later determined that governmental procurement of Energy Efficiency ~~Savings~~ as a Service (ESaaS) (EEaaS) is permitted, TIPS will timely issue a legally sufficient solicitation to address that need. All information gathered here will be used to aid TIPS in the solicitation process for contracts with companies that provide ESaaS.

Texas statutes do not specifically address **Energy Efficiency ~~Savings~~ as a Service (ESaaS) (EEaaS)** however TIPS recognizes that it is an option offered by many vendors that also offer Energy Savings Performance Contracting (ESPC).

Please provide in a separate sheet(s) or document if your company offers ~~ESaaS~~ EEaaS and how that service is offered to governmental entities. Please provide your detailed information related to your company's qualifications and your process as it relates to ~~ESaaS~~ EEaaS and governmental customers. Please list existing governmental customers currently contracted with you for ~~ESaaS~~ EEaaS. Please provide details on how this model is structured, how it differs from ESPC and how a governmental entity would benefit from ~~ESaaS~~ EEaaS as it compares with ESPC.

You may utilize the Confidentiality Form included in the RFQ to declare this information confidential if you choose to. Final determination of confidentiality of any information provided to TIPS as a department of the Texas governmental entity Texas Education Service Center Region 8 is at the discretion of the Texas Attorney General and subject to Texas Government Code §552. See <https://comptroller.texas.gov/about/policies/open-records/public-information-act.php>

References

TIPS RFQ 220104 Energy Savings Performance Contracts

Veregy, LLC

DO NOT HANDWRITE REFERENCES AND DO NOT CONVERT EXCEL SHEET TO ANY OTHER FORMAT.

ALL INFORMATION MUST BE TYPED AND FORM
MUST BE UPLOADED IN EXCEL FORMAT.

Please provide **FIVE (5) VERIFIED AND WILLING** references, preferably from school districts or other governmental entities who have used your services within the last three years. Additional references may be required.

DO NOT INCLUDE TIPS EMPLOYEES AS A REFERENCE.

You may provide more than FIVE (5) references.

Entity Name	Contact Person	VALID TYPED EMAIL IS REQUIRED	Phone
Tolleson High School District	Jeremy Calles	jeremy.calles@tuhsd.org	602-687-3656
Alhambra Unfied School District	Dr. Ceci Maes	ceciliamaes@alhambraesd.org	602-527-1555
Pendergast Unfied School District	Regina Robles	rrobles@pesd92.org	623-293-1600
Nogales Unfied School District	Fernando Parra	fparra@nUSD.k12.az.us	520-980-0093
Cartwright Elementary School District	Thomas Foster-De Oro	thomas.fosterdeoro@csd83.org	623-432-4301

Required Confidential Information Status Form

Veregy, LLC

Name of company

Vince Esparza, VP of Marketing and Commuincation

Printed Name and Title of Authorized Company Officer declaring below the confidential status of material

23325 N 23rd Ave., Suite 120 Phoenix AZ 85027 602.452.8746

Address City State ZIP Phone

ALL VENDORS MUST COMPLETE THE ABOVE SECTION

CONFIDENTIAL INFORMATION SUBMITTED IN RESPONSE TO COMPETITIVE PROCUREMENT REQUESTS OF EDUCATION SERVICE CENTER REGION 8 AND TIPS (ESC8) IS GOVERNED BY TEXAS GOVERNMENT CODE, CHAPTER 552

If you consider any portion of your proposal to be confidential and not subject to public disclosure pursuant to Chapter 552 Texas Gov't Code or other law(s), you must attach a copy of all claimed confidential materials to this COMPLETED form, name the combined PDF documents "CONFIDENTIAL", and upload the combined, confidential documents with your proposal submission. If a document is not attached, it will not be considered confidential. The copy uploaded will be the sole indicator of which material in your proposal, if any, you deem confidential in the event TIPS/ESC 8 receives a Public Information Request. If ESC 8 receives a request, any responsive documentation not deemed confidential by you in this manner will be automatically released. For documents deemed confidential by you in this manner, ESC8 and TIPS will follow procedures of controlling statute(s) regarding any claim of confidentiality and shall not be liable for any release of information required by law, including Attorney General determination. Notwithstanding any other information provided in this solicitation or Vendor designation of certain documentation as confidential or proprietary, Vendor's acceptance of this TIPS Vendor Agreement constitutes Vendor's consent to the disclosure of Vendor's comprehensive proposal, including any information deemed confidential or proprietary, to TIPS Members. The proposing Vendor agrees that TIPS shall not be responsible or liable for any use or distribution of information or documentation by TIPS Members or any other party.

ALL VENDORS MUST COMPLETE ONE OF THE TWO OPTIONS BELOW

OPTION 1:

I **DO CLAIM** parts of my proposal to be confidential and **DO NOT** desire to expressly waive a claim of confidentiality of all information contained within our response to the solicitation. The attached contains material from our proposal that I classify and deem confidential under Texas Gov't Code Sec. 552 or other law(s) and I invoke my statutory rights to confidential treatment of the enclosed materials.

IF CLAIMING PARTS OF YOUR PROPOSAL CONFIDENTIAL, YOU MUST ATTACH THE SHEETS TO THIS FORM AND LIST THE NUMBER OT TOTAL PAGES THAT ARE CONFIDENTIAL.

ATTACHED ARE COPIES OF 1 PAGES OF CLAIMED CONFIDENTIAL MATERIAL FROM OUR PROPOSAL THAT WE DEEM TO BE NOT PUBLIC INFORMATION AND WILL DEFEND THAT CLAIM TO THE TEXAS ATTORNEY GENERAL IF REQUESTED WHEN A PUBLIC INFORMATION REQUEST IS MADE FOR OUR PROPOSAL.

Signature  Date 02/17/2022

OR

OPTION 2:

I **DO NOT CLAIM** any of my proposal to be confidential, complete the section below.

Express Waiver: I desire to expressly waive any claim of confidentiality as to any and all information contained within our response to the competitive procurement process (e.g. RFP, CSP, Bid, RFQ, etc.) by completing the following and submitting this sheet with our response to Education Service Center Region 8 and TIPS.

Signature _____ Date _____



Vince Esparza

VP of Marketing and Communications
23325 N 23rd Avenue, Suite 120
Phoenix, AZ 85027
P: 602.452.8746 | C: 602.376.8582
E: vesparza@veregy.com

Warranties

All warranties for materials and workmanship are stipulated in the Scope of Services. The following provisions will be in effect should any warranty language be omitted from the Scope of Services.

VEREGY, LLC. warrants that the design, engineering and installation services it performs will be performed consistent with good engineering practices and that such work is warranted to be free from defects in materials and workmanship for a period of one (1) year from the date of execution of the Delivery and Acceptance Certificate by the Customer with respect to Substantial Completion.

Any manufacturer's warranties which exceed this one (1) year period shall be assigned to Customer to the extent allowed by the manufacturer. Except as provided above, VEREGY, LLC. makes no warranties or representations of any kind, whether statutory, written, oral or implied, including, including without limitation, warranties as to the value, design and condition or fitness for use or particular purpose and merchantability, regarding the products or any services provided hereunder.

Individual warranties that extend beyond the warranty defined in above will transfer to the customer VEREGY, LLC. will not be responsible for administering extended warranties.



Veregy, LLC's Response to the:
TIPS RFQ 220104 Energy Savings Performance Contracts

Veregy, LLC 23325
N 23rd Ave Ste 120
Phoenix, AZ 85027

Vince Esparza
Vice President of Marketing
(602) 376-8582 Mobile
(602) 452-8746 Office
vesparza@veregy.com



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Executive Summary

Veregy, LLC, a Veregy Company, is an award winning, nationwide, EnergyServices Company (ESCO) comprised of 6 regional brands with a long and distinguished history in the industry. We can trace our roots back 34 years where we began to make our name in Arizona working with school districts and municipalities throughout the state. Veregy, LLC enhances learning environments and upgrades outdated and failing equipment with the best building technologies. These technologies enable our clients to easily manage their facilities while optimizing natural resource consumption and minimizing environmental impact. We empower an end-to-end environmental and energy business process from reporting-to-reduction helping improve operational efficiency, maximize value, and manage risk.

We have performed work including the installation of energy management control systems, photovoltaic equipment, storage and comprehensive electrical construction. Our six regional brands have been working closely together for many years giving us a national reach but a deep understanding of local needs. Together with our collective ability to self-perform projects across electrical, lighting, HVAC, solar and water conservation solutions we have proven track record of success.

Veregy, LLC brings K-12, Municipality, airport, and hospital clients all the benefits of state-of-the-art technology without the overhead. Since 1986, we have implemented hundreds of successful energy projects across the nation and we are familiar with the many challenges facing the operations and finance departments of organizations today.

Our deep expertise providing efficient energy solutions for projects of various sizes has taught us that there is no “one- size-fits-all” solution. Within our unique investigative energy audit process, we evaluate various technology choices and how best to employ them within your facilities alongside of your facility’s experts. Because we believe in giving you control of your choices, you will find our recommendations have clear pricing and paybacks associated with each energy conservation measure.

Our knowledgeable and responsive team of HVAC, electrical, solar, plumbing and controls specialists is committed to providing our customers with reliable service throughout the duration of the project and after its completion. We offer all our customers 24/7 service so that all needs can be addressed promptly and efficiently. We focus on excellence and personalized service to provide the highest quality professional design and installation on heating, ventilation and air conditioning systems. Veregy, LLC is proud of the exemplary service projects we have implemented for our clients.

33YRS
Industry
Experience

\$1.7 BIL
Energy Saving
Projects

1,000s
Buildings
Optimized

550+
Veregy
Professionals

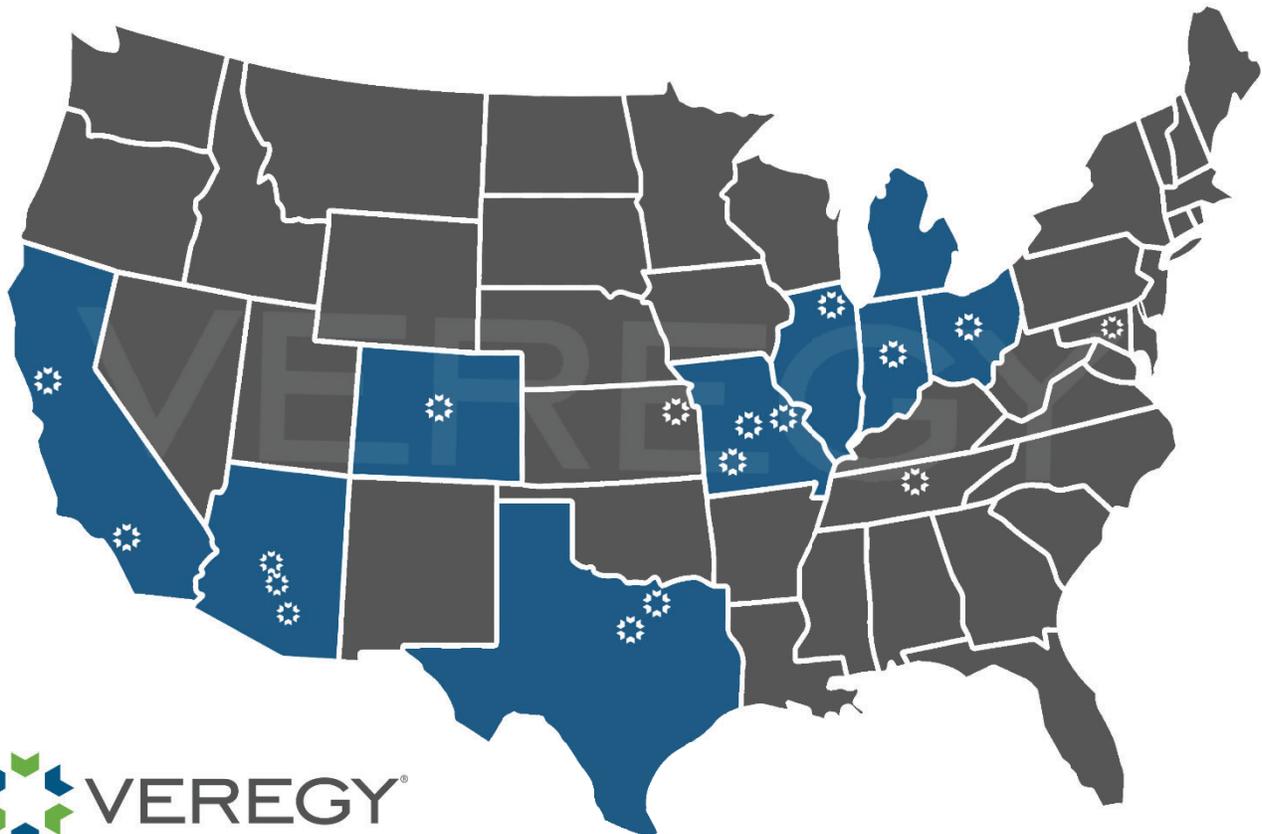
8 BIL
kWhs of
Energy Saved

20 BIL
Gallons
Water Saved

100's
School Districts
Optimized



Map of Locations



North Phoenix (Headquarters)
23325 North 23rd Ave., #120
Phoenix, Arizona 85027

Central Phoenix
3312 E. Broadway Rd
Phoenix, Arizona 85040

Tucson
3280 E Hemisphere Loop
Tucson, AZ 85714

Columbus
855 Grandview Ave
Columbus, OH 43215

Denver
445 Storm Mountain Court
Steamboat Springs, CO 80487

Indianapolis
5915 Stockberger Place
Indianapolis, IN 46241

St. Louis
15933 Clayton Rd. #110
St. Louis, MO 63011

Texas
5601 Bridge St., #300
Fort Worth, TX 76112

California
32 executive Park
Irvine, CA 92614



Local and National Associations

Beyond our accreditation with the National Association of Energy Service Companies (NAESCO), we have many active membership and trade alliances with local, state and national associations. Our active and long-term relationships developed with each of these associations has strengthened our reputation as a trusted ESCO throughout the nation.



Texas and National Associations

- | | |
|---|--|
|  | <p>Texas Association of School Business Officials
 www.tasbo.org</p> |
|  | <p>Texas Association of School Administrators
 www.tasanet.org</p> |
|  | <p>Texas Rural Education Association
 www.txrea.com</p> |
|  | <p>Texas Caucus of Black School Board Members
 www.tcbsbm.net</p> |
|  | <p>Texas City Management Association
 www.tcma.org</p> |
|  | <p>Texas Public Charter Schools
 www.txcharterschools.org</p> |
|  | <p>Texas Association of Latino Administrators and Superintendents
 www.tasanet.org/</p> |
|  | <p>Association of Energy Engineers
 www.aeecenter.org/</p> |
|  | <p>Certified Energy Manager
 www.aeecenter.org/</p> |
|  | <p>Energy Efficiency Business Coalition
 www.eebco.wildapricot.org/</p> |
|  | <p>Energy Services Coalition
 www.energyservicescoalition.org/</p> |
|  | <p>International Facility Management Association
 www.ifma.org</p> |
|  | <p>National Association of Women in Construction
 www.nawic.org/</p> |



Reference Projects

Please provide references that have entered into an Energy Savings Performance Contract with the proposer.

Ability to successfully complete projects on time and to customer satisfaction.

Veregy, LLC prides itself on our ability to complete projects on time and to go above and beyond in client satisfaction. Below you will find several clients that we have completed multiple phases for. Each phase was contracted separately and these clients each had the opportunity to walk away from the relationship several time, yet each time they enthusiastically selected us to complete the next phase in the project.

In Appendix A you will also find letters of recommendation from many of our clients that speaks to our professionalism and the high standards of excellence we strive for in everything we do. **See the list of references uploaded to the RFP submission site.**

Tolleson Union High School District

Project Detail	Response
Project Identification	Owner Name: Tolleson Union High School District City/State: Tolleson, AZ Facility Type: Public School District 
Project Dates	Baseline Period: 7/17 – 6/18 Contract Date: 2/13/18 Installation Period: 4/13/18 - Final Date of Completion:
Project Size	Number of Sites: 7 Total Square Footage: 1,319, 434
Project Dollar Amount	Total Contract Amount: \$12,674,452
Source of Funding	Description: Tax Exempt Municipal Lease Company's Role: Worked with client to review rates from competitive process to select lender, work with client to arrange use of old ARRA funds.
Contract Terms	14.5-year repayment term, following the construction period.



Project Detail		Response		
Technical Design Personnel		John Hobbes, Chief Executive Officer Donovan Stevens, Relationship Management Randy Falconer, Energy Sales Ben Madsen, Energy Sales Tom Emanuelson, Project Development Don Calahan, Senior Project Manager Scott Conner, Operations Manager Amy Flores, Safety Manager		
Project Schedule		The project was completed on schedule		
List of Improvements:		<ul style="list-style-type: none"> • Lighting • HVAC • Data Management • Water 		
Project Annual Savings/ Guaranteed Savings/Actual Annual Savings:				
Units	Guaranteed Annual Energy Savings	Actual Energy Savings Year 1	Actual Energy Savings Year 2	Actual Energy Savings Year 3
Year				
kWH	4,705,107			
kw				
Therns				
kgal	3,651			
Other				
Comments		Measurement Methodology: Option A & B Performance Guarantees: The total annual savings is exceeding the total guaranteed project savings.		

Cartwright Elementary School District

Project Detail		Response		
Project Identification		Owner Name: Cartwright ESD City/State: Phoenix, AZ Facility Type: Public School District		



Project Dates	Ongoing
Project Size	Number of Sites: 27 Total Square Footage: 2,150,956
Project Dollar Amount	Total Contract Amount: \$52,000,000
Source of Funding	Description: Municipal Lease Company's Role: Turnkey solution provider
Contract Terms	22-year repayment term, following the construction period.
Technical Design Personnel	Wes Walker, Chief Executive Officer Randy Falconer, Energy Sales Ben Madsen, Energy Sales Tom Emanuelson, Project Development Don Calahan, Senior Project Manager Scott Conner, Operations Manager
Project Schedule	The project was completed on schedule.
List of Improvements:	<ul style="list-style-type: none"> • Lighting- Interior/Exterior • HVAC Upgrades • Energy Management System • Orchestrate • Bipolar Ionization • PV Solar
Project Annual Savings/ Guaranteed Savings/Actual Annual Savings	Annual Guaranteed Savings: \$1,877,392.00
Comments	The total annual savings is exceeded the total guaranteed project savings.



Alhambra Unified School District

Project Detail	Response
Project Identification	Owner Name: Alhambra Unified School District (Ph 1 only) City/State: Phoenix, AZ Facility Type: Public School District 
Project Dates	Baseline Period: 7/14 – 6/16 Contract Date: 9/28/17 Installation Period: 11/28/17 – 3/1/19 Final Date of Completion: 3/1/19
Project Size	Number of Sites: 16 Total Square Footage: 1,628,318
Project Dollar Amount	Total Contract Amount: \$7,064,937
Source of Funding	Description: Tax Exempt Municipal Lease Company's Role: Worked with client to review rates from competitive process to select lender, work with client to arrange use of old ARRA funds.
Contract Terms	20-year repayment term, following the construction period.
Technical Design Personnel	John Hobbes, Chief Executive Officer Donovan Stevens, Relationship Management Randy Falconer, Energy Sales Ben Madsen, Energy Sales Tom Emanuelson, Project Development Don Calahan, Senior Project Manager Scott Conner, Operations Manager Amy Flores, Safety Manager
Project Schedule	The project was completed on schedule
List of Improvements:	<ul style="list-style-type: none"> • Lighting • Water



Project Detail		Response		
Project Annual Savings/ Guaranteed Savings/Actual Annual Savings:				
Units	Guaranteed Annual Energy Savings	Actual Energy Savings Year 1	Actual Energy Savings Year 2	Actual Energy Savings Year 3
Year				
kWH	2,900,213			
kw				
Therns				
kgal	14,480			
Other				
Comments	Measurement Methodology: Option A & B Performance Guarantees: The total annual savings is exceeding the total guaranteed project savings.			

Pendergast Elementary School District Energy Performance Project

Project Detail		Response	
Project Identification	Owner Name: Pendergast Elementary School District, (Ph 1,2,3) City/State: Phoenix, AZ Facility Type: Public School District		
Project Dates	Baseline Period: July 2013- June 2015 Contract Date: (Ph 1) November 14, 2018, (Ph 2) January 14, 2018 Installation Period: (Ph 1) January 14, 2018 – Current Day for Ph 3 Final Date of Completion: ongoing		
Project Size	Number of Sites: 14 locations Total Square Footage: 1,162,083 SF		
Project Dollar Amount	Total Contract Amount: \$11,882,880.00		
Source of Funding	Description: Tax Exempt Municipal Lease Company's Role: Worked with client to review rates from competitive process to select lender, work with client to arrange use of old ARRA funds.		
Contract Terms	15-year repayment term, following the construction period.		



Project Detail	Response
Technical Design Personnel	John Hobbes, Chief Executive Officer Donovan Stevens, Relationship Management Randy Falconer, Energy Sales Ben Madsen, Energy Sales Tom Emanuelson, Project Development Don Calahan, Senior Project Manager Scott Conner, Operations Manager Amy Flores, Safety Manager
Project Schedule	The project was completed on schedule. And it is still ongoing for Phase 3.
List of Improvements:	<ul style="list-style-type: none"> • Interior LED Lighting • Exterior Lighting • Energy Management System • Mechanical Upgrades • Domestic Water Systems



Past Experience with TIPS

Fort Worth ISD in Fort Worth, Texas

Accepted as Final 7/20/2020

\$9,198,690

New energy management system and lighting upgrade



Eldon R-I SD, Eldon, MO

Accepted as Final 5/21/21

\$1,075,759

New water source heat pump HVAC system with Needlepoint Bipolar Ionization (NPBI)



Bowling Green R-I SD – Ph 3, Troy, MO

Pending Final Acceptance (Contract signed 6/1/21)

\$478,003

HVAC and electrical service upgrades, NPBI, temperature control building automation



Washington Schools, Washington, MO

Pending Final Acceptance (Contract signed 7/20/21)

\$1,668,440

District-wide LED lighting upgrade



We are also the member of many other cooperatives and are well versed in collective purchasing agreements.

National Cooperative Purchasing Alliance (NCPA)		<ul style="list-style-type: none"> Energy Performance Contract
Purchasing Cooperative of America (PCA)		<ul style="list-style-type: none"> Energy Performance Contract
1GPA		<ul style="list-style-type: none"> Energy Performance Contract Solar Contract Mechanical Contract Plumbing Contract Electrical Contract
Arizona State Procurement		<ul style="list-style-type: none"> Energy Performance Contract Solar Contract
AZ Purchasing		<ul style="list-style-type: none"> Energy Performance Contract Mechanical Contract Plumbing Contract Electrical Contract



Project Management

- A. Comprehensiveness and rationale of project management plan, based on :**
- i. Approach to project management, including staffing and contractor-oversight**
 - ii. Ability to successfully complete projects on time and to customer satisfaction.**

Veregy, LLC will select and assign a dedicated Project Manager (PM) to every project. During the Development Phase we work without clients to prepare and review a constructability plan for each ECM. Our review will include site specific information and a district review of the overall ECM objectives.

Once all energy conservation measure designs and specifications have been developed, presented, and approved, the PM will then begin the implementation of the project in a collaborative effort with the site personnel. Project management procedures employed by Veregy, LLC minimally include the following:

- PM directs the Veregy, LLC team's work schedules based on coordination meetings with the client.
- PM requires teams to submit status reports (daily, weekly).
- PM conducts weekly construction meetings unless directed otherwise by client. Updates include work completed and schedule "look-aheads" to keep the client informed of the next affected areas.
- PM generates meeting minutes from meetings and distributes electronically to the client's project team. In order for the minutes to become accepted by the team, Veregy, LLC requests a positive response from the client representative within five business days of transmittal (unlike the standard practice of considering a lack of response as tacit acceptance).
- PM schedules informal kickoff meetings with a representative for each affected building and coordinates future work with this individual to meet the operational requirements of that facility.
- PM inspects work during site visits and reviews work with subcontractors. All deficiencies and punch list items are noted at this time. As soon as practical following these walk-throughs, we will establish a timeline and provide it to the subcontractors for completion of open items.
- PM schedules site walk-throughs with the client's personnel to verify that substantial completion is attained, and design requirements have been met
- PM documents all changes to the work and receives appropriate approvals before initiating any changes to the scope of work.
- PM redlines documents and generates the project "as-builts," which are provided to the client in the project turnover package.

We realize within a project plan other tasks become relevant and scope creep can occur. We are flexible with managing the scope of a project and are comfortable integrating new capital projects into current project plan. We will accommodate this by quickly scoping the project, getting the right stakeholders aligned and implementing project additions in an efficient and cost-effective manner. To maintain the systems desired efficiency, we will develop a system plan for each ECM.



B. Method employed to establish baseline energy use in individual buildings and facility-wide

Accurate and realistic savings projections are the foundation for successful energy efficiency programs, and accurate savings are dependent on thorough and accurate baseline methodology. Veregy development of baselines and measurement in project savings are based on the International Performance Measurement and Verification Protocol (IPMVP).

Among the first tasks that MSE will undertake during the IGA will be to analyze in more depth the clients' existing energy cost and consumption data to refine the energy baseline. A baseline is the amount of energy deemed to be consumed under current conditions and the figures against which we will judge future savings.

We will work with the client to determine the baseline by analyzing current and recent years' utility data on a month-by-month basis. Rather than simply averaging several years' data, we will compare baseline data against historic (30-year) heating degree day and cooling degree day data and energy end-use models to further verify that the baseline represents a typical year.

The process is iterative and will require us to completely understand facility use, occupancy, and operations. We will work with the client to determine whether historical anomalies may have impacted energy cost and consumption data. Our experience with other facilities has made us cognizant of situations that can affect baselines, such as buildings undergoing renovation, detection of water line leaks, and significant changes in building population.

In short, using rigorous quality control measures, our energy calculations reflect actual electric, natural gas, and water billing histories. The accuracy of the energy calculations will begin with the application of the appropriate utility rates.

A simple way to think of developing a baseline is to multiply units of use by the cost per unit. The calculations become more complicated with application of differing levels of cost per unit (i.e., tiered rates), any demand ratchets, demand charges, riders, and any possible differing rates by Time of Use (TOU) pricing.

Most energy service providers use the blended electricity rate during the preliminary proposal stage of a project, then apply the structured rate during the IGA. This approach means that:

- The potential project size and overall savings should not differ significantly between the preliminary and IGA stages.
- Savings estimates for each ECM are more accurate and should require less refinement between the preliminary and IGA stages.

Veregy minimizes any possible discrepancy that may exist in the engineering style and approach from the preliminary and IGA stage. By doing so, we can begin to refine rather than rebuild a baseline and all of the associated financial projections.

We obtain baseline consumption data from equipment nameplates, manufacturer published data, field measurements, equipment testing and logs, interviews with building operators, and observation of field conditions and operation. Where necessary, we will install sub-metering or data logger devices to collect consumption data over a period of time. We then model energy use of each major energy-consuming system and



reconcile it against metered utility data. We also compare baseline data to other facilities of similar size and usage to reveal any apparent consumption anomalies.

One of the strengths that Veregy brings to the audit process is our extensive experience working in client occupied facilities. This experience has provided us a thorough understanding of energy savings opportunities specific to similar facilities as well as a realistic view the level of savings achievable. It also means we have a wealth of data from previous similar projects against which to compare our plans for the client's facilities.

Energy service providers commonly use benchmarks to check a facility's performance against similar facility types. One such benchmark is the Energy Usage Index (EUI), which is the total energy use (both gas and electric) in kBTU per square foot of floor area. The EUI is determined by converting all of the energy consumption for a facility into a common unit, the British thermal unit (Btu), and dividing that number by the total square footage of the facility, resulting in Btu/sqft. The EUI does not account for water and sewer, but it allows us to compare overall energy usage of similar facilities in similar climates even when the facilities use different utilities.

Total utility cost per square foot can also be used to benchmark facility performance, but this index is influenced by local utility rates. Due to Veregy and the team's facility experience of more than \$240 million of performance contracts, we can draw upon a significant volume of data to compare to the baselines we development for the client's facilities. During the IGA, our project team will continue to draw upon the experience of its members, many of whom have worked on projects for other ESCO's throughout the United State. They will continue to seek advice from other internal resources as well.

Computer Modeling

Whole building modeling is used to quantify the complex thermal interactions experienced by modifying large components of a building. This can include construction upgrades, such as increased insulation or new windows; HVAC upgrades, such as converting from a constant volume system to a variable air volume system; or scheduling upgrades, such as unoccupied night setback. Whole building spreadsheet bin-models are used to quantify buildings that have a straightforward building footprint, consistent type of HVAC control, and common building occupancy scheduling and temperatures.

More complicated buildings are modeled using an 8760-hour methodology with eQuest version 3.64. eQuest is a building energy simulation software package used industry-wide to demonstrate that buildings qualify for LEED certification and to demonstrate energy savings as one of the IPMVP measurement and verification options. The software is based on the DOE-2 energy simulation engine and provides an improved user interface and features to facilitate the input and processing of data. eQuest also uses typical meteorological year (TMY) weather data.

Multiple Baseline Approach

Most of Veregy's performance contracts have used multiple baselines. A multiple baseline methodology is essential for accurate calculations of complicated energy savings. It is designed to remove extraneous information in the evaluation of energy savings as these savings relate to a specific ECM. For example, if a lighting retrofit project is proposed, the amount of electrical energy consumed by the lightingsystem



can be determined in various ways:

- Metering of lighting panels for a specific duration.
- Pre- and post-retrofit spot measures of the various lighting systems and operating times.

Under the first approach, we can evaluate the exact usage of the various lighting systems under various occupancy conditions. Under the second approach, we can evaluate the exact rate of energy usage of various lighting systems and apply agreed upon usage patterns for the lighting system.

C. Method of measurement and verification used to demonstrate energy user education and cost savings as guaranteed

Measurement and Verification (M&V) of Savings

The fundamental concepts of the Veregy, LLC's approach to M&V are to identify the balance point for the cost of the process versus the risk to the client and to ensure that the client understands the M&V protocol and all variables. Our M&V Plans are always based on a cost-benefit analysis – balancing the cost of measuring the savings with the actual savings amount. We place significant emphasis on the measurement of results and take great pride in the performance of our past projects. Ultimately, we want to agree upon an M&V Plan that will clearly measure the results and protect the client from the potential of an underperforming project. Since the client is paying for the measurement and verification process, it should be cost effective and easy to understand. Our engineers have the necessary knowledge and sophistication to help the client develop a strategy that is appropriate for each ECM.

Veregy, LLC. uses procedures, formulas, and methodologies, including specialized metering and equipment, which are custom tailored for all Energy Conservation Measures (ECM) based on the measures' scope and contribution to savings. Our methods are transparent and cost-effective, providing clients peace of mind that proposed the savings will be realized while minimizing the impact of M&V costs on the project's cash flow. Although each ECM will have its own M&V plan, we have grouped the ECMs into three categories for the purposes of describing the M&V methodologies: meter-based, prescriptive, and custom.

Meter-based M&V

The team will evaluate in conjunction with the client and identify what the largest impact to the energy savings is and analyze approaches that will allow for metering of the performance of the ECM.

During the audit phase, we will monitor daily consumption on the master meter and if necessary, install submeters and compare their usage to the historical baseline. Assuming the data demonstrates clear usage patterns, we will use the same meters post-construction to verify savings on each submeter monthly, for a defined period, and report the accrued savings annually.

Prescriptive M&V

Simple ECM's such as interior lighting improvements and some control installations are prescriptive ECM's for which we propose to develop detailed and statistically valid sampling plans in accordance with the International Performance Measurement and Verification Protocol (IPMVP) Volume I 2012 and the Federal Energy Management



Program (FEMP) Measurement & Verification Guidelines, Version 3.0. We will use a calibrated true RMS power meter to measure baseline fixture wattages for a representative sample of fixtures from a number of pre-installation lamp and ballast combination (LBC) groups. The pre-installation LBC groups scheduled for measurement will be based on fixture quantities and hours of operation.

Upon completion of construction, we will measure the post-installation electrical demand of a representative sample of fixtures from a number of post-installation LBC groups based on proposed fixture quantities. Hours of operation for each building's fixtures will be determined via facility personnel interviews, field observations, and short-term deployment of data loggers. Verified savings will be calculated based on measured post-installation fixture wattages and the as-built quantities.

Custom M&V

Many ECM's such as Ice Machine Replacement, Ozone Systems, DDC Controls and VAV, EMS Front End and Sub metering, and New Central Plants and DDC Controls are all custom measures that we will verify based on spot measurements, manufacturer's data, field observations, and commissioning of the new systems. We will verify savings for the custom measures by analyzing the data in analysis models that we will review with clients.

Veregy will commission all of these systems according to the manufacturers' procedures to ensure that they operate as intended. We will provide commissioning reports, including detailed functional performance test results, to the client in the post-installation documentation. To help ensure that savings persist throughout the contract term, we will periodically review data from the new EMS front end and DDC controls to ensure that the implemented energy savings strategies remain in place and are operating as intended. We will report all deficiencies to the client.

We employ a rigorous quality assurance and quality control program with respect to all collected data and calculations. Our data collection QA process employs several key facets, all of which protect the integrity of collected data.

Calibration

Veregy performs annual calibration of our meters and other instruments to ensure they are accurate and within manufacturers' rated tolerances. We maintain copies of all calibration certificates and provide them to clients in the audit and post-installation reports.

Client Witnessing

Whenever we perform field measurements, we invite a client representative to witness our work. Our transparent field practices ensure that clients can always view our safe work practices and validate that our measurements are recorded correctly. Our measurement forms are hand-written in the field and signed by the Veregy's field staff as well as the client witness. The forms also bear the serial number of the meter used to perform the measurements.

Data Integrity Protection and Persistence

We will provide the client copies of our completed and signed field measurement forms, along with spreadsheet summaries of the data so that the client can confirm that the



measured values are properly transcribed into our spreadsheet models.

As with our collected data, our calculations are subjected to rigorous QA processes. For all of our projects, our analysis engineers develop a spreadsheet or building simulation models that are carefully peer reviewed to ensure that they accurately reflect measured data, standard engineering calculations, conservative savings estimates, and tolerances of measurements equipment. We thoroughly review these models internally and then share them with clients to ensure that the methods and procedures conform to client expectations.

Successful Experience In The Field Of Energy Savings Performance Contracts.

A. Business unit dedicated to providing guaranteed energy savings programs.

B. Business unit dedicated to ensuring project performance.

At Veregy, LLC our entire business is dedicated to both providing Energy Performance Contracts and ensuring our projects perform as well, or better, than expected. We are so confident in our abilities we back this with our guarantee that if the promised savings are not realized, we will make up the difference by writing a check.

This guarantee gives our clients piece of mind and ensures that we always do our best work. Our tenured team has worked together in the completion of hundreds of guaranteed energy projects equating to millions in energy savings, the following sample list is a few from the last 3 years:

Project Name	Facility Type	Energy Performance Project Size (Dollars)	Year Completed
Fort Worth Elementary School District	School	\$9,198,690	2020
Reynoldsburg City Schools	School	\$15,410,258	2019
Northland Prep	School	\$399,973	2019
Cartwright Elementary School District	School	\$52,000,000	2020
Kingman Unified School District	School	\$7,632,847	2019
Dysart Unified School District	School	\$18,952,522	2020
Humboldt Unified School District	School	\$5,400,900	2019
Pendergast Elementary School District	School	\$7,403,523	2019
City of Sedona	School	\$371,998	2019
Littleton Unified School District	School	\$2,425,000	2019
Florence Unified School District	School	\$7,897,342	2019
Pendergast Unified School District	School	\$2,178,857	2019
Show Low Unified School District	School	\$1,423,366	2019



San Carlos Unified School District	School	\$2,115,000	2019
Roosevelt Elementary School District	School	\$11,636,191	2019
Flagstaff Unified School District	School	\$9,265,638	2019
Sahuarita Unified School District	School	\$16,653,704	2020
Alhambra Elementary School District	School	\$7,064,937	2019
Tolleson Union High School District	School	\$12,600,000	2019

Performance Contracting

Veregy, LLC specializes in facility improvements, modernization of existing building systems and sustainable energy design, including geothermal, solar and battery storage solutions. The focus of our efforts is aimed at reducing energy usage and the total cost of facility ownership for our clients. Our scope of services includes performance contracting, controls, heating, ventilation, air conditioning, piping, plumbing, service/maintenance, retrofits, renovations and pre-construction services. Our team of tenured professionals have multiple industry certifications (e.g., LEED, CEM, PE) and licenses in skilled trades such as General Contractor, Electrical, Boilers, Steamfitting and Process Piping, Plumbing and Air Conditioning and Refrigeration Licenses. Veregy, LLC’s areas of self-performing expertise in energy conservation measures fall into the following categories:

Comprehensive Solutions



Energy Efficient Solutions
Design and implementation of industry leading energy efficiency solutions



Facility Services
Full-service energy system operations and maintenance; continuous commissioning, monitoring, and preventive maintenance



Engineering Solutions
Specialize engineering solutions supported by accredited electrical, geothermal, mechanical, plumbing and technology engineers.



Distributed & Renewable Energy
Design, installation and maintenance of renewable on-site generation and storage



Smart Building and Systems Integration
Assessment, monitoring and data analytics to optimize energy consumption, asset performance and demand management.



Flexible and Creative Execution

We create tailored solutions that are specific to client needs and adaptative to real-world conditions



School District Partner and Advocates

We view our clients as long-term partners and continue to advocate for the best solutions by being vendor and product neutral



K-12 Process Expertise

Having worked with districts all over AZ we are specialists in K-12 projects





Energy Reduction: Sample ECMs/FIMs

Lighting Systems: Indoor, Outdoor, and Daylighting

During our audit process, our engineers will identify the existing lighting systems at the facilities and evaluated opportunities for improvements. The typical retrofit will include LED applications, looking to replace existing systems. Our preferred option is to replace all ballasts with LED tube and driver combinations. We only use products that we can obtain with a 10-year manufactures warranty. In the last two years we have two of the largest LED conversion projects in North America, Peoria Unified School Districts and Scottsdale Unified School District. Although much of the lighting in each facility may have been upgraded from T12 to T8 over the years, there often remains opportunities for additional improvements. Veregy, LLC's proposed upgrades will reduce the overall energy footprint of the client's facilities through the installation of new, high efficient, LEDs, and lighting controls.

Heating Systems, Central Plants, Fuel Switching

In Veregy, LLC's extensive ESCO experience we have found most heating system retrofits (whole system) and modernizations will not pencil out to an attractive payback without some support from other ECM's; however, we often find that component change out or system recommissioning will yield a solution that is accretive to the project. The other opportunity typically yielding higher payback is either a fuel switch opportunity, or the decentralization of the central plant depending on the distribution system. For the strategy around the fuel switch to be viable the client needs to understand what the new system will require and the new requirement for logistics, to provide the infrastructure to ensure the new system can work. If the clients desired outcome is for the project to have a new central plant, Veregy, LLC has an extensive history in the modernization of the heating plant system.

Ventilating Systems

Veregy, LLC has direct experience working with clients to ensure that these systems – particularly the fans/air distribution in these systems are under control and working. This often includes the installation of VFD on larger fan motors and interlinking of the systems and the BAS to ensure use in the occupied periods and ensure that the building is meeting all requirements for fresh air. Another attractive measure is to convert constant volume system to variable air volume systems where possible.

Cooling Systems

Veregy, LLC has the experience to access system performance and with the clients input make decisions on the financial viability of modernization for the system or system replacement. We need to understand much more about the building than just this equation, as these are long payback items and much of the building lifecycle analysis needs to be considered when reviewing the cooling systems. Our approach is to remain vendor neutral and understand what systems the client's team can support after the project is completed. A common ECM is to isolate parts of a building that don't have to run or different occupancy schedule from the larger central plant (auxiliary or "pony" chiller). The opportunity to provide this solution must match the site and building conditions. When considering new chilled water systems our goal is to look at many options which can include:



- Direct Chiller Replacement – Removing the existing chiller and replacing it with a new chiller of the same size but with improved efficiency.
- New Chiller and Rebuild Existing Chiller – Installing a new chiller in place of the removed chiller and performing repairs on the existing chiller.
- Modular Chillers (Partial Redundancy) – Removing the existing chiller and installing two smaller chillers, providing partial but not full redundancy.
- Variable Flow Chiller System – Reconfiguring to a variable primary flow chilled water system to gain additional energy savings with variable flow pumping.
- We will coordinate with facility staff to minimize impact and down time on building services. The new chiller plant configuration will provide for a more reliable cooling system and will reduce energy as well as operational costs.
- When replacing rooftop equipment and split systems our team will focus on the installation of equipment with a higher SEER rating, and the replacement of existing fan systems with constant volume to VAV system or VFD system on fanmotors.

Utility Management

Veregy, LLC will review each opportunity that we engage in, to ensure the clients cost of the utility is at its lowest rate possible. By building the baseline and then disaggregating the loads we can often find areas for improvement in the rate tariff. Our engineering team recently found a client, Scottsdale Unified School District, nearly \$250,000 per year by providing them information regarding a rate plan change that they could take advantage of with any capital cost. Our approach during the IGA will be to present a program that will allow ongoing review of utility data and allow are clients to access management reports preparing them to make informed choices around manage their utilities.

Laboratories

Veregy, LLC has found opportunities in many laboratories especially when fume hoods are present. This ECM would provide variable volume exhaust systems that would reduce lab exhaust and conditioning of make-up air for unused hoods during occupied and unoccupied hours for energy savings and would use the existing manifold system to take the exhaust to a new high plume exhaust fan system. The ECM will separate the hood from the general exhaust to provide independent control of both. New exhaust and supply valves for all spaces will be provided. The existing exhaust box for lab rooms will be removed and separate exhaust boxes will be provided for the hood and general exhaust as applicable. The ductwork will be modified to accommodate the new system. Additionally, the ECM will typically include new controls system modifications with a lab controller that can track fume hood exhaust valve flows based on sash position and reduce airflows of associated supply valves.

Kitchens and Dining Rooms

For kitchens we typically find opportunities in lighting (LED), and in the exhaust systems. By installing variable speed drives will be added to the kitchen hood exhaust and make-up air fans. Fan speed will be reduced based on exhaust air temperature (new temperature sensor to be provided for exhaust duct). In our experience, the kitchen equipment is not an area to be investigated as these systems often are used by



either a contract party or to provide services outsourced to others. The other item impacting energy efficiency in a kitchen that is often changing is the staff, many time we find that kitchen staff currently does a good job of manually turning off the major kitchen equipment and makeup air fans when not needed, and with some turn over the next staff may not be as “energy aware” and thus impact the program. Altogether, kitchens, and their equipment are often difficult to establish a clear M&V plan.

Water-Consuming Systems

Veregy, LLC has found significant opportunity for savings from water conservation upgrades that include the retrofit and installation of new plumbing fixtures and controls. Typical we address domestic water consumption by:

- Replacing existing china toilets and urinals, sinks with ultra-low flow fixtures and or flush valves
- Replace high-flow showerheads and aerators with low-flow pressure-compensating units
- Replacing the fixtures and adding controls will reduce water flow through the fixtures, thereby saving water and sewer costs. The reduced heated water flow through the plumbing fixtures so client will also save energy costs.

Not all valves and china match, not all valves work well with different pressure so this ECM must be carefully crafted to ensure system performance. Done correctly this measure will also provide greater equipment reliability, improve inventory uniformity, and reduce maintenance requirements. Our approach can include kitchen equipment such as low flow sprayers and foot pedals on sinks. Other domestic areas for investigation are ice machines and cooling tower deduct meters where towers are present and local codes allow.

Irrigation Systems

Veregy, LLC has found opportunities for water savings in irrigation systems. These opportunities typically include metering, isolation of irrigation meters and ensuring proper distribution and coverage, combined with better control of the system tied to moisture or atmospheric conditions. However, these programs will require the use of support agreement to ensure that the clients are well trained and have the same objective for water reduction.

Control and Smart Building Automation Systems

As part of our audit process, our engineers audit the client facilitates to determine how the HVAC is being controlled. Veregy, LLC’s team will review the temperature control systems in all the buildings and identified opportunities for improvement, replacement or Rx Commissioning process. Our approach is to be vendor neutral and understand how we can preserve the capital investment that has already been made in the existing system. Our recommendations and solutions often include migration to update the controls systems and increase operator training.

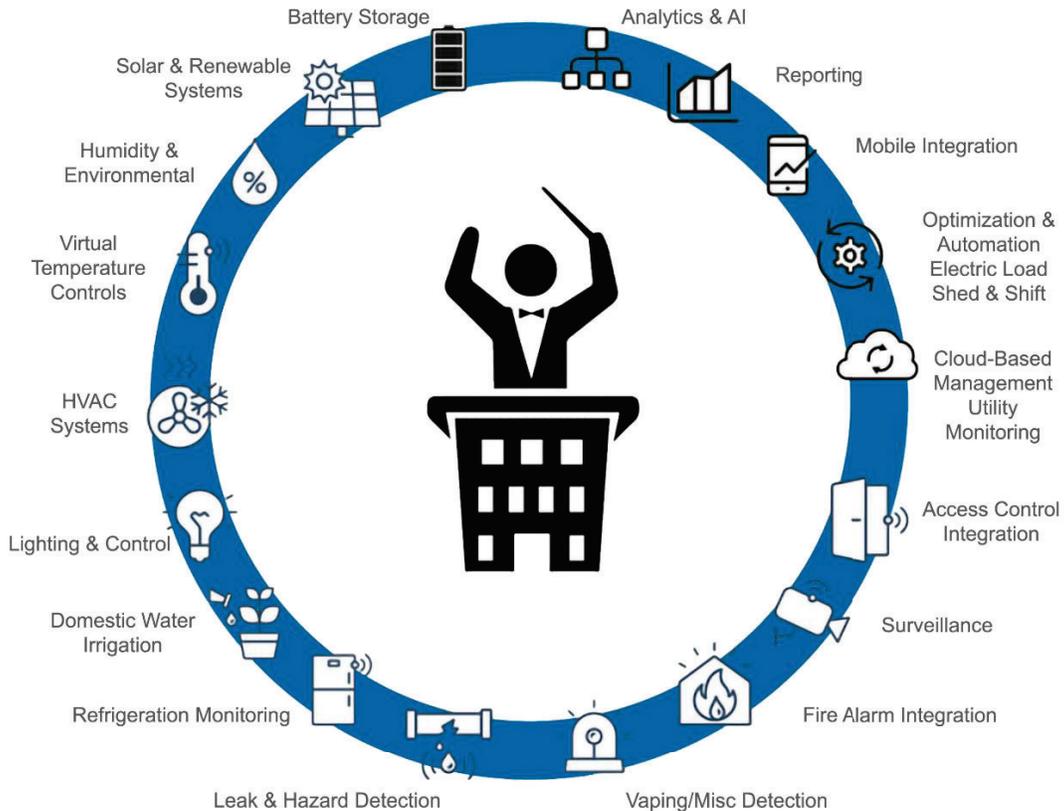
Typically, updated and expanded DDC systems will allow more accurate and reliable space temperatures, more flexible equipment scheduling, and space temperature setback based on occupancy. It will also empower maintenance staff to better control, troubleshoot, and generally understand the operation of the heating, ventilating, and air conditioning systems.



As Veregy, LLC we also offer an integrated solution to tie all of your building and control systems together called Orchestrate. The system allows for a single point of access for all of your control and automation technologies as well as ancillary products outside of energy systems such as work order management, facilities scheduling, and surveillance. Visit www.veregy.com/orchestrate for a quick video overview.

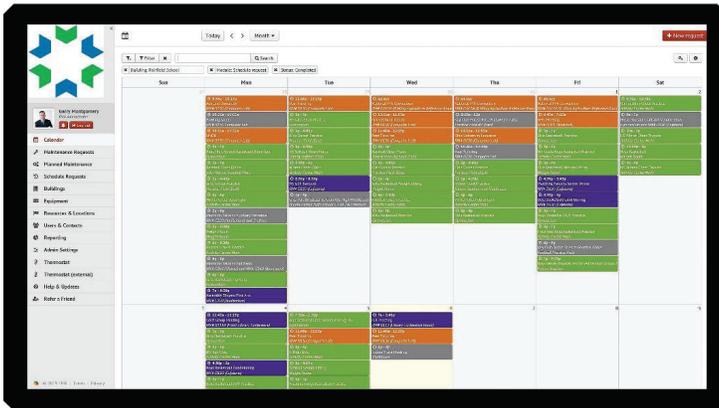
ORCHESTRATE

BY VEREGY





Facilities Management



BAS

- Scheduled event changes to tomorrow at designated time
- HVAC Equipment pre-tempers space, operates during event and then returns to default schedule

Lighting

- System initiates at specified time at designated levels
- Lighting operates during event and then returns to default schedule/ low energy state

Building Controls



- HVAC Controls
- Virtual Temperature Control
- Humidity & Environmental Control
- Lighting Controls
- Security Controls
- Water Control
- AI – weather forecast integration, central plant control, scheduling automation
- Alarming

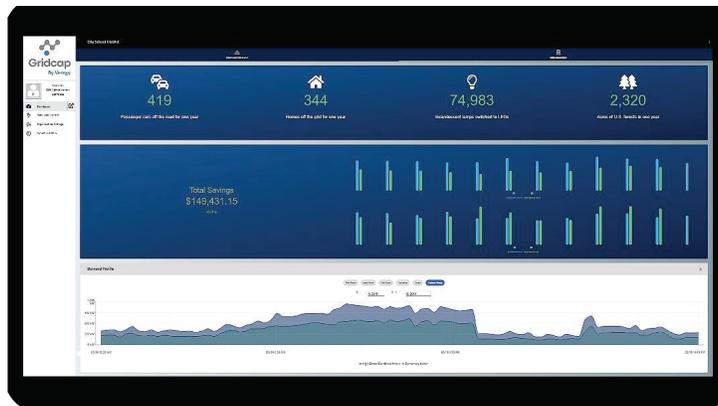


Measurement



- Real-time energy use and spend data
- Simple and clear interface
- Ability to set and track daily energy use targets
- Granular savings targets and tracking
- Easy graphing of energy use and long-term trends
- Ability to continually verify energy savings

Demand Management



- Track current regional demand
- Tracks maximum regional demand for previous hour
- Uses data to predicted regional demand broken down by hour
- Easy to understand graphical representation of demand for planning
- System can automatically shed load to avoid current or predicted demand spikes



Energy Production: Sample ECMs/FIMs

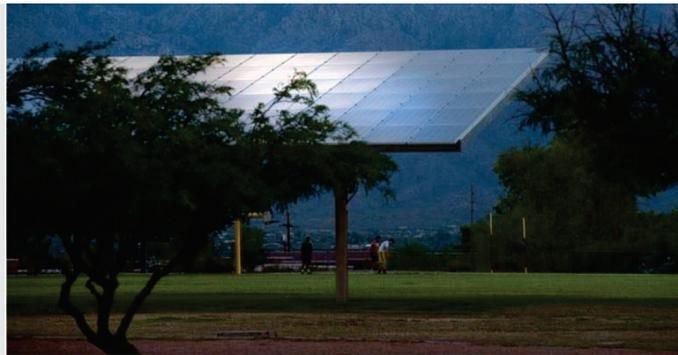
Renewables (Geothermal Solar-Electric/Thermal, Battery Storage)

In a deliberate decision earlier this year, Veregy, LLC acquired a solar division and have integrated that expertise into our offering. We have installed over 160MW, across dozens of sites. Our inhouse team has 52 people including engineers, and installers to execute on solar opportunities.

One of our projects, **Tucson Unified School District** has been recognized by the EPA as the largest solar project in the US that has been done without local/utility incentives.

<https://www.epa.gov/greenpower/green-power-partnership-top-30-k-12-schools-0>

Our talent pool of gifted solar engineers means we can design and build tailored solar solutions for our clients. These projects can range from a small car port installation to sprawling multi-site microgrids connected to their own battery storage systems, and anything in between.





Design Philosophy

One of the most simplistic formulas for the success of our design, implementation, and performance of a system, comes from our collaborative approach.

A collaborative approach, for our purposes, means working with the district, internal engineers, consulting engineers, our project managers, and contractors. Collectively we can meet or exceed the district's goals and do so in the most effective and efficient manner.

An example of this in action is when the district provides a clear goal for the result of the project, then the engineers (internal and consulting) work together to develop various solutions. These solutions are presented to our project managers and contractors for their input on cost impacts, value engineering opportunities, as well as completely unique solutions. This information is evaluated by our engineers and presented to our customer (District) for discussion.

From these discussions, we are able to provide a school district with multiple options and cost variables, enabling the district to make the best decision for themselves.

Comprehensive Needs and Solution Analysis

A customized program for the district can only be achieved through a thorough evaluation of your current facility's conditions and operating processes. Veregy, LLC refers to this approach as a comprehensive needs and solutions analysis. The analysis provides the information required for the District and Veregy, LLC to develop a co-authored program that determines what to do, how to do it, and how it will be maintained.

As part of our standard practice, we will accomplish the following tasks:

- Review of the As-Built construction drawings
- Identification of equipment operation and building occupancy schedules
- Measurement of air flow rates, temperatures, lighting levels, and power demand of equipment and power distribution panels
- Survey of installed lighting; examination of the condition and actual design of HVAC control systems

Some of the tasks associated for each major category of assessment available to perform, based on the goals and direction of the Client, during a Comprehensive Analysis include:

General Survey

- Interview building coordinators
- Document areas of concern
- Obtain building floor plans and schedules
- Study building construction and envelope
- Document building occupancy levels

Lighting Survey

- Perform individual building walk-through



- Document existing lighting system configurations
- Document existing light levels, number of fixtures, and conditions
- Measure fixture wattage
- Establish occupancy hours by room and building
- Test sample retrofits

We can also use light “burn-hour” meters to get a feel for the hours of operation of facility lighting. Targeted sampling will be taken following selection, to get a more accurate understanding of the room schedules. These meters will allow us to effectively project the burn-hours when rooms are unoccupied due to lights left on between unscheduled use of the rooms by the district.

HVAC Systems Survey

- Review existing mechanical plans and specifications
- Obtain submittals and equipment schedules
- Sketch HVAC zoning by building and air system type
- Conduct walk-through of all building equipment rooms
- Establish occupancy and conditioning requirements of each area
- Establish present operating scheme and schedule
- Document condition of all equipment
- Review capability of equipment to serve building needs and the feasibility of performing retrofits

Equipment Metering/Performance Survey

- Determine energy input of equipment by taking ampere readings on chillers, pumps, air-handling unit motors, fans, etc.
- Simulate vent cycle, full-cooling, and full-heating scenarios on air-handling units, mixing boxes, etc., to study the equipment controls' reliability and response to the various strategies.
- Install data logging instruments, as required, to evaluate equipment performance and energy use.

Controls Survey

- Review existing control drawings
- Conduct building and equipment-specific surveys
- Check the operation and accuracy of all existing controls
- Document condition and the capability of meeting present needs
- Review the feasibility of meeting future retrofit criteria

Automation System Survey

- Review existing automation point list
- Review system architecture and layout
- Check accuracy and location of sensors
- Document system features such as trending and demand limiting



- Establish present controlling capabilities and review schedules
- List new system features required, as well as additional buildings to be added to the system

Power, Chilled Water & Heating Plant Survey

- Document layout of power / heating plant and nameplate information
- Review plant operation and document condition of equipment
- Review system log sheets
- Identify system sequencing schedule and operating hours
- Identify breakdown of fuel source use by equipment or process

Indoor Air Quality Survey

- Interview building personnel for indoor air quality concerns
- Conduct walk-through of affected areas
- Recommend methods to improve conditions

Review Master Plans for Additions/Renovations

- Review electrical, mechanical, and control plans and design with the district's consulting team
- Analyze impact of scope on utility cost
- Analyze impact of scope on operating cost and ease of use
- Review the feasibility for meeting long-term goals
- Provide recommendations to reduce installation costs and utility costs

Perform Life Cycle Analysis to Evaluate Options

- Develop Life Cycle matrix to allow the district to evaluate the economics of repairing equipment versus replacing with new systems.
- Allows the District to consider a prioritized approach to the project.

Technical Audit and Long-Term Facility Planning

Veregy, LLC projects start with a planning approach targeted at the following goals:

A. Safety: The project must provide for the safety of staff, students, workers, community members and stakeholders.

B. On time and on budget project: The community and in fact the State have entrusted us with significant resources, we are duty bound to be responsible with their investment.

C. 21st century learning facilities: We are building facilities that must prepare students for a world that is constantly evolving and, in some cases, hasn't even been conceived of yet.

D. High performance buildings: These facilities should reflect the district's commitment to protect the world around it and the long-term operating costs of the facilities themselves.

E. Safe and secure facilities: Our buildings must provide safe comfortable environments in which our students and our community can engage in a relentless focus on learning for years to come.



F. Future proofing: These buildings must be designed and built with an eye toward the future.

The Process

To begin the Facilities Master Plan process, a sequence of activities and decisions are made. The Superintendent and Board decide that a need to improve current school facilities and/or build new schools exists. The planning process is facilitated and supported by the Leadership Team. The Leadership Team consists of the



Superintendent, Business Administrator, School Principals, Facilities Committees, Veregy, LLC Managers and Engineers, Veregy, LLC Architect consultant, and possibly other outside Consultants or selected Community leaders. The Team should also include a Finance Advisor of the District's choice whose activities will start after the initial phases of planning.

The Leadership Team is designed specifically to accomplish data gathering, data analysis, and to interpret and communicate information. Initially, the Leadership Team will focus on activities that define the current and future educational programs and facilities and equipment needed to accommodate and support them.

The Leadership Team must set the overall vision, mission and goals for the facilities master plan effort. The Superintendent, working with the Leadership Team Members, establishes vision and mission statements for the process. These vision and mission statements define the desired future state of school facilities and the purpose and guiding principle that shape the direction of the planning process. After the vision and mission statements are established, the Leadership Team defines specific goals of the facilities master plan process. The goals have associated objectives and action plans that provide a basis for evaluating progress. These goals help to define activities for participants in the process.

Activities

Veregy, LLC will begin their work with collection of data about the educational program needs, the condition of facilities and the demographics of the district. The following sections define the approach that is used to provide the district and its committees with information and tools that aid the completion of their work.

A. Defining Educational Program Needs

The primary planning focus of the Facilities Master Plan is to identify the current and future educational programs that are being and will be delivered to the district's students. This process identifies teaching methodologies, enrichment programs in-room



versus pullout programs, Class Size Reduction Program, computer and related technologies, and other useful criteria. These factors form the basis for facility improvements, including equipment, and systems that are needed to support and enhance the education processes. As current programs change or as new programs are developed, instructional methods and the facilities that best support them need redefining. These spaces may vary from small group rooms to large group lectures. It is important to analyze the full range of spaces and equipment needed to facility current and future educational programs.

B. Condition of Facilities

Assessment of the Design and Configuration

Schools are initially designed to house elementary, middle, junior high or intermediate, and high school grade configurations. Over time, enrollment and/or program definition at a campus may change. These changes may cause existing facilities to become less suited to support the ongoing activities of the new programs. When preparing a Master Facilities Plans, it is important to understand:

- Grade configuration to be served in the future
- Enrollment levels current and expected
- Maximum capacity of the campus

Assessment of Physical Condition

A methodology for evaluation is undertaken to provide a diagrammatic plat plan and summary list of improvements required. The process used to assess the physical condition of the school sites is:

1) Methodology: Each School site diagram is input into the computer system to develop a site map of grounds, buildings and rooms.

2) Facility Evaluation: an initial evaluation of each facility is prepared that has been developed by visiting each school. Data is collected of all the essential systems and equipment to include the age and conditions of the systems.

3) Utilization/Capacity: A summary of the student utilization and capacity for each facility is prepared.

Assessment of Code Compliance/Life Safety

Currently, codes are considerably more advanced in their establishment of construction regulations to assure life safety and to provide equal access. Structural design regulations for earthquake resistance have become more rigorous. Fire codes have also changed, and new regulations exist for the Americans with Disabilities Act (ADA). The facilities improvement process includes upgrading older structure to meeting current codes. Improvement of facilities will likely include; new Fire Alarm System, structural bracing, new ADA access ramps and hardware, and accessible toilet room design.

Assessment of Public Use

Most schools not only house educational program, but also serve the public in other ways. The Gyms, cafeterias, and playfields serve the community as supplemental parks and recreational facilities. Community organizations, both public and private, use the buildings for meeting and other activities. As public resources, schools are the center for a variety of community-based activities. School buildings may become outdated when



they fail to accommodate community use. The Facilities Master Plan will enhance the community use of the district's school facilities by determining how to best accommodate current uses.

C. Demographics of the District and its Clients

Demographic analysis is designed to provide a District with descriptions of its resident populations and housing stock. The basis for demographic analysis is the historical trends of population growth, employment, language and ethnic composition of the district. Detailed descriptions of residential housing tenure and unit types along with major geographical and topographical features of the City and County in which the district is located provides valuable planning information to decision-makers.

D. Developing the Implementation Plan

After the School Site Facilities Master Plan Committees has determined the needs of their school facilities and the Steering Committee has received these needs lists, the implementation phase of the planning process begins. At this point, the services of the finance advisor are need.

Administrative Path

Veregy, LLC will work with District to understand requirements related to scheduling, construction general conditions, District terms and conditions, operation and maintenance considerations and measurement and verification. These factors can impact pricing and the overall schedule if not properly managed. Gaining the support of District's administrative team and other governing bodies will facilitate quicker project approval and execution. We will tailor the path during the IGA to comply and support all program requirements.

Financial Path

Determining the best project for the client is a collaborative process that requires consideration of budget and risk tolerance as well as buy-in from several groups. Veregy, LLC's approach is to put the right tools in front of the right people to ensure everyone understands and embraces the program.

Veregy, LLC's ECM and FIM review process will allow the district to analyze savings, associated costs and interactive effects of ECMs simultaneously. This approach will expedite the decision-making process while providing added assurance that every option has been considered and the most sensible are being selected.

Financial data review involves the following areas:

- Incremental economic values
- Long-term life-cycle factors
- Incremental capital investment costs
- Annual maintenance plan costs and ECM-dependent service-level options
- Possible capital supported FIMs
- Financing and guarantees
- Rebates and incentives

Procurement, Bidding and Cost Estimating

We understand our clients' concerns about paying a fair price after they choose a single



energy services contractor to manage their energy savings programs. Veregy, LLC's procurement method has several advantages for both the client and the ESCO.

- Promotes honesty and accurate price comparisons: Clients can see and compare the direct costs of measures from multiple bidders.
- Saves time: Clients and Veregy, LLC can concentrate on selecting and implementing the best energy conservation measures without wasting with pricing negotiations.
- Enhances flexibility: Clients will be able to make informed decisions about options and measures quickly, knowing that additional ECMs could be added to the base contract easily at a later date, if desired.

Bidding and Cost control measures are inherent to Veregy, LLC's time-tested project management methods and include the following:

- We provide a no-change-order price to the client.
- We use a competitive procurement process while accommodating any particular client preferences for materials and labor. We uphold stringent qualification requirements for vendors and subcontractors.
- Our Project Managers track all material and labor on a daily and weekly basis and report progress to executives via percent-complete reporting. This same information is used for accounting and invoicing.
- Veregy, LLC and its subcontractors carefully schedule and track the performance of projects based on the critical path method to ensure the timely purchase and delivery of material and equipment and the availability of adequate manpower and resources. Careful scheduling and effective communication with the client minimize costly delays. We convene progress meetings at least weekly (more frequently if necessary), both internally and with facility staff, in order to keep all interested parties informed of critical dates.
- Invoices are processed in accordance with Generally Accepted Accounting Principles and internal controls, and project accounting is supported by a state-of-the-art accounting system designed specifically for the construction and engineering industry.

Flexible Planning and Scheduling

With our vast experience working with hundreds of school districts nationwide, as well as multiple local government projects, we are sensitive to various construction challenges associated within their facilities including limited working hours, child and staff safety, client communication, and scheduling. This experience base allows us to consult with clients to ensure we collectively agree when project work should be conducted. communication, and scheduling. This experience base allows us to consult with clients to ensure we collectively agree when project work should be conducted.

Financing

Veregy, LLC has direct experience in arranging the appropriate financing for energy and facility improvement projects. Our expertise will support the client's objective but as required by law, we must maintain a neutrality and provide only our opinion and refer the client to a qualified advisor. Our experience includes relationships with lenders to



ensure that our client's programs are structured to capture the lowest rate (currently 1-4%) for a project compliant with legislative requirements. We understand that the project financing and interest rate have a significant impact on the overall project cash flow. The lower the rate, the larger the project. The final rate will be set during the Investment Grade Audit (IGA) phase.

In full disclosure Veregy, LLC does not make any money on the financing of a performance contract, so it is in the best interests of both Veregy, LLC and our clients to obtain the best rate available in the marketplace at the time of the Energy Services Agreement (ESA). However, it is also in the best interest of Veregy, LLC and our clients to consider realistic market rates during the proposal phase, to avoid unrealistic expectations.

At Veregy, LLC, we provide the benefits of a local company, but also the financial structure and experience to take on any size project. Our Dun and Bradstreet credit rating is favorable while our balance sheet and working capital positions are strong. As a result, we have a strong bonding capacity of \$100 million. Veregy, LLC is in an excellent position to bond, perform and financially guarantee the savings. We will assist the district to obtain competitive financing. We have brought the following financing vehicles to our customers:

Municipal Lease

With approximately a 2% to 4% interest rate, no early termination fees, and payments tailored to meet annual energy savings a Municipal Lease Option should be considered.

Funding from Utility Incentive Programs

Another creative source of financing is through participation in utility incentive programs to reduce the net cost of the project that must be financed. Veregy, LLC, LLC has been successful in negotiating utility rebate incentives, federal tax credits (for renewables), and other special financing programs for our customers. Over 10 years, we have provided our customers with an estimated \$20 million in utility-sponsored rebates.

Power Purchase Agreement (PPA)

A Power Purchase Agreement (PPA) is another option for financing renewable energy solutions. It can reduce the risk of rising utility rates by allowing the purchase of energy at below-grid prices, through incentives and state and federal tax credits. With today's tax incentives and flexible financing options, customers who switch to solar energy can subsidize a portion of the system cost and lower the cost of doing business. They can install photovoltaic systems without paying upfront or worrying about system operation and maintenance. The system size (kW output), cost per kWh, and annual escalation rates are determined in advance, so the customer knows what the power cost will be over the life of the PPA contract, usually 20 years.

Partnerships

Public-Private Partnerships (P3) come in a variety of forms and no two P3 projects are exactly alike. The below definitions were extracted from "Public-Private Partnerships: Terms Related to Building and Facility Partnerships", Government Accounting Office, April 1999. The National Council for Public-Private Partnerships was a resource used in



developing the GAO report.

O&M: Operations and Maintenance

A public partner (federal, state, or local government agency or authority) contracts with a private partner to provide and/or maintain a specific service. Under the private operation and maintenance option, the public partner retains ownership and overall management of the public facility or system.

OMM: Operations, Maintenance & Management

A public partner (federal, state, or local government agency or authority) contracts with a private partner to operate, maintain, and manage a facility or system providing a service. Under this contract option, the public partner retains ownership of the public facility or system, but the private party may invest its own capital in the facility or system. Any private investment is carefully calculated in relation to its contributions to operational efficiencies and savings over the term of the contract. Generally, the longer the contract term, the greater the opportunity for increased private investment because there is more time available in which to recoup any investment and earn a reasonable return. Many local governments use this contractual partnership to provide wastewater treatment services.

DB: Design-Build

A DB is when the private partner provides both design and construction of a project to the public agency. This type of partnership can reduce time, save money, provide stronger guarantees and allocate additional project risk to the private sector. It also reduces conflict by having a single entity responsible to the public owner for the design and construction. The public sector partner owns the assets and has the responsibility for the operation and maintenance.

DBM: Design-Build-Maintain

A DBM is similar to a DB except the maintenance of the facility for some period of time becomes the responsibility of the private sector partner. The benefits are similar to the DB with maintenance risk being allocated to the private sector partner and the guarantee expanded to include maintenance. The public sector partner owns and operates the assets.

DBO: Design-Build-Operate

A single contract is awarded for the design, construction, and operation of a capital improvement. Title to the facility remains with the public sector unless the project is a design/build/operate/ transfer or design/build/own/operate project. The DBO method of contracting is contrary to the separated and sequential approach ordinarily used in the United States by both the public and private sectors. This method involves one contract for design with an architect or engineer, followed by a different contract with a builder for project construction, followed by the owner's taking over the project and operating it.

A simple design-build approach creates a single point of responsibility for design and construction and can speed project completion by facilitating the overlap of the design and construction phases of the project. On a public project, the operations phase is normally handled by the public sector under a separate operations and maintenance agreement. Combining all three passes into a DBO approach maintains the continuity of



private sector involvement and can facilitate private-sector financing of public projects supported by user fees generated during the operations phase.

DBOM: Design-Build-Operate-Maintain

The design-build-operate-maintain (DBOM) model is an integrated partnership that combines the design and construction responsibilities of design-build procurements with operations and maintenance. These project components are procured from the private section in a single contract with financing secured by the public sector. The public agency maintains ownership and retains a significant level of oversight of the operations through terms defined in the contract.

DBFOM: Design-Build-Finance-Operate-Maintain

With the Design-Build-Finance-Operate-Maintain (DBFOM) approach, the responsibilities for designing, building, financing, operating and maintaining are bundled together and transferred to private sector partners. There is a great deal of variety in DBFOM arrangements in the United States, and especially the degree to which financial responsibilities are actually transferred to the private sector. One commonality that cuts across all DBFOM projects is that they are either partly or wholly financed by debt leveraging revenue streams dedicated to the project. Direct user fees (tolls) are the most common revenue source. However, others ranging from lease payments to shadow tolls and vehicle registration fees. Future revenues are leveraged to issue bonds or other debt that provide funds for capital and project development costs. They are also often supplemented by public sector grants in the form of money or contributions in kind, such as right-of-way. In certain cases, private partners may be required to make equity investments as well. Value for money can be attained through life-cycle costing.

DBFOMT: Design-Build-Finance-Operate-Maintain-Transfer

The Design-Build-Finance-Operate-Maintain-Transfer (DBFOMT) partnership model is the same as a DBFOM except that the private sector owns the asset until the end of the contract when the ownership is transferred to the public sector. While common abroad, DBFOMT is not often used in the United States today.

BOT: Build-Operate-Transfer

The private partner builds a facility to the specifications agreed to by the public agency, operates the facility for a specified time period under a contract or franchise agreement with the agency, and then transfers the facility to the agency at the end of the specified period of time. In most cases, the private partner will also provide some, or all, of the financing for the facility, so the length of the contract or franchise must be sufficient to enable the private partner to realize a reasonable return on its investment through user charges.

At the end of the franchise period, the public partner can assume operating responsibility for the facility, contract the operations to the original franchise holder, or award a new contract or franchise to a new private partner. The BTO model is similar to the BOT model except that the transfer to the public owner takes place at the time that construction is completed, rather than at the end of the franchise period.

BOO: Build-Own-Operate



The contractor constructs and operates a facility without transferring ownership to the public sector. Legal title to the facility remains in the private sector, and there is no obligation for the public sector to purchase the facility or take title. A BOO transaction may qualify for tax-exempt status as a service contract if all Internal Revenue Code requirements are satisfied.

Financing Using Veregy, LLC, LLC Funds

Another example of performance-based financing is where Veregy, LLC, is paid based on a contractually agreed upon fee schedule and time period contingent upon our successful development, construction, and ongoing operation of energy infrastructure assets within certain parameters of operational efficiency.

Financing Through Shared Savings

Under a Shared Savings model, the customer pays for a portion of the savings that are achieved and keeps the remaining percentage for their own use. Besides paying a percentage of all savings achieved, the customer has no fixed payment obligation. The process works as follows:

- The bank forms a third-party, special purpose entity for this transaction.
- Customer enters into a Shared Savings Agreement (SSA) with the third-party special purpose entity.
- The third-party entity contracts with Veregy, LLC to engineer and construct energy conservation measures (ECMs). The ECMs are designed to produce savings in the form of reduced energy and operating costs for the customer. The third-party entity funds the ECMs and provides energy management and related services to the customer under the SSA.

This model has the potential to be off book and/or off credit. The disadvantage is that the scope of the project is limited by the split of the shared savings. The more savings that goes to the customer, the smaller the project. The more savings that go to the project, the less back to the customer.

Guarantees/Warranties

Equipment Warranties

Veregy, LLC is transparent in this area. We typically do not start any warranty on any ECM until the entire project is finished. During the construction period, we take that warranty risk until the project is completed. Upon client acceptance of the project, we will pass the warranty from the equipment manufacturer to our clients.

Standard Installation Warranty

Our standard warranty is two years on parts and two years on workmanship. If the manufacture has a longer warranty we pass that warranty coverage to the customer.

Standard Warranty on Energy Retrofit Contracting

Our standard warranty is two years on parts and two years on workmanship. If the manufacture has a longer warranty we pass that warranty coverage to the customer.

Service Quality Guarantee

Veregy, LLC provides a workmanship and manufactures warranty on all installed



components. The duration of the warranty is for 2 years. Where applicable, during the IGA we will review a client's options for extended warranties. We also discuss with our clients their capabilities to support any installed equipment and at their option we will arrange for service and support.

Guarantees

We have the ability to capture and document energy savings from all conservation measures during multiple phases of a project. This allows us to offer customers guarantees around the reduction of energy costs. To help ensure that savings is accurate, we use various Measurement and Valuation (M&V) techniques that will track and quantify the financial savings.

Measurement and Verification (M&V) of Savings

Veregy, LLC utilizes the International Performance Measurement and Verification Protocol (IPMVP) guidelines on all our projects to measure and verify energy savings. These procedures are commonly utilized in any performance contract and define the proper procedures and standards that should be used to completely and accurately measure energy savings. **Our M&V experts are trained and certified in this methodology.**

C. Affiliation with energy and/or business organizations (including ISO certification and EPA or DOE affiliations.

Veregy, LLC companies, and licensed professionals maintain an array of certifications and licenses including the honored National Association for Energy Service Companies Accreditation, Certified Energy Manager (CEM) certifications and LEED professional designations, to name a few.



The Association of Energy Engineers

www.aeecenter.org



United States Green Building Council

www.usgbc.org



Certified Energy Manager

www.aeecenter.org



Energy Services Coalition

www.energyservicescoalition.org



Energy Star

www.energystar.gov



Energy Efficiency Business Coalition

www.eebco.wildapricot.org



National Association of Energy Services Companies
(NAESCO) www.naesco.org



The United States Department of Energy Certified Energy Services Company
https://www.energy.gov/sites/prod/files/2018/09/f55/doe_ql.pdf



Staffing/Personnel

A. Quality of personnel assigned to projects and degree of pertinent experience.

In our years working with school districts, municipalities and states nationwide, we understand our clients concerns and the continuous pursuit of ensuring environmental and economic stewardship for the communities. We will bring our team of experienced performance contracting professionals to support the TIPS members in meeting with a goal of exceeding the energy and maintenance goals that we collectively establish.



Pictured: Some of our Engineers and Leaders at a recent summit

Veregy and our family of companies currently has over 450 employees across the nation allowing us to self-perform much of the work that we do. This includes:

- 65 In-house Engineers
- 352 Construction and Implementation Specialists
- 32 Project Managers

Professional Engineering Stats

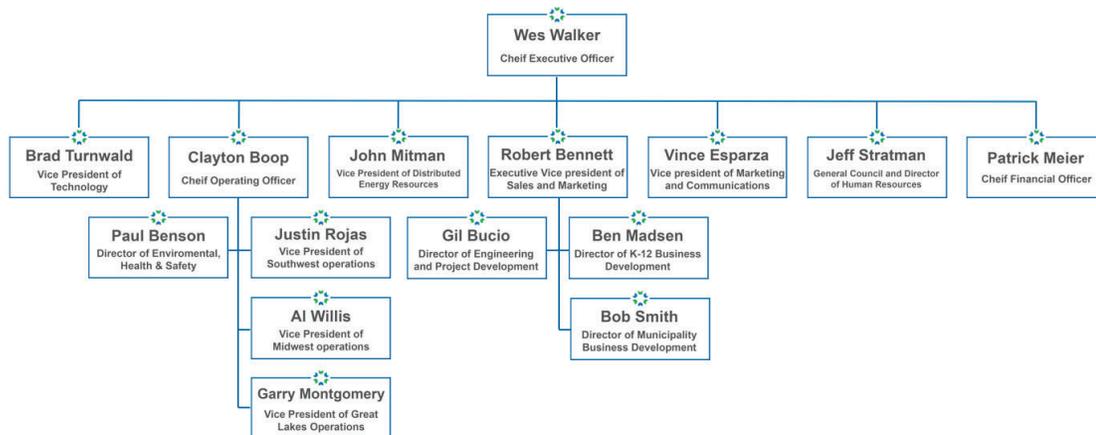
Veregy strives for success in everything that we do and to succeed talented individuals are required. We are proud to say that within our ranks are:

- 23 professional Engineers (Many licensed in multiple states)
- 27 LEED/LEED AP certified professionals
- 21 CEMs
- 3 Certified Energy Auditors
- 3 Certified Plumbing Designers
- 5 Green Globe Professionals
- 4 NCEES Record Holders



Our Organization

The organization chart below details a high-level representation of the Veregy management team and their respective divisions. The divisions include operations, human resources, accounting, operations, marketing, communications, engineering and project development. When a TIPS members contracts with us, we will carve out a team of specialists based upon their individual needs.



WES WALKER

Chief Executive Officer

Wes Walker is the Chief Executive Officer of Veregy, LLC, a leading energy services company headquartered in Phoenix, Arizona. As Veregy’s CEO, he has created a dynamic scalable culture of associate collaboration, innovation and process improvement leading to year-over-year record growth and the development of outstanding client relationships.



For the last twelve years, Wes has served multiple roles at Siemens, from operations to sales to general management, and ultimately to executive leadership, as the Head of National Energy & Performance and Services headquartered in the Chicago area. Additionally, he is a board member with the National Association of Energy Service Companies (NAESCO.org) and the Alliance to Save Energy (ase.org).

CLAYTON BOOP

Chief Financial Officer

Veregy Controller With several years’ experience in the performance contracting industry, Clayton’s rich understanding of market cycles, staffing, technology, and financial opportunities, positions him well as the CFO of Veregy. He is responsible for managing Veregy’s financial planning, forecasting, reporting, IT and Human Resources. Clayton is a graduate of the University of Denver.





DOUG SMITH, PE, CEM, LEED AP, BD+C, GGP
Mechanical Engineering

Doug Smith is a registered professional engineer in 10 state and maintains credentials with the NCEES. He has been involved in multiple construction and markets including healthcare, higher ed and government. He has worked in this industry for over 20 years. He holds a Bachelor of Science in Mechanical Engineering from The Ohio State University and his MBA from Keller Graduate School.



BOB BENNETT
Executive VP of Sales

Bob's career has been spent working with public school districts, higher education, state and local government clients throughout the Midwest. He successfully launched the start-up of Veregy in 2000 with partner Scott Ririe. Veregy clients have engaged Veregy to perform multiple projects ranging from energy performance contracts, building additions, and the construction of new buildings. Bob's role as a managing partner of Veregy gives his customers a direct line of communication with one of the owners of the company, resulting in customers knowing that Veregy is committed to meeting their building objectives. Bob holds a Bachelor of General Studies, University of Kansas



JUSTIN ROJAS
VP, Southwest Region

Justin Rojas is the Southwest Regional Vice President. He works out of our Urban Energy Solutions office in Tempe, AZ. As one of Veregy's VP's, Justin leads responsibilities for sales and project delivery in the Southwest. He works with our divisional teams on various aspects of the business. Justin excels at building leaders and client relationships. Justin holds Lighting and Lighting Protection Certifications and a Bachelor of Science degree in Biology from Grand Canyon University. Advanced Data Collection/Metering Technologies are also a part of his expertise.



GARRY MONTGOMERY
VP, Great Lakes Region

Garry brings more than twenty-five years of experience in the industry, focusing on Energy Solutions, Electrical & Technology Engineering, Business Development and Client Relations. Garry leads the direction for Veregy Energy Services, guides innovative energy solutions for clients and provides technology systems leadership for key projects. Garry has extensive experience in lighting systems as well as technology including data, voice, video, security, and varied communication systems. He has led projects across a wide spectrum of market sectors





from educational to healthcare, including large projects of over 2 million square feet.

VINCE ESPARZA

VP, Marketing and Communications

After two decades with Fortune 100 companies, Vince brings vast marketing, management and IT experience to Veregy. Managing Veregy's nationwide marketing team, he is responsible for the planning, development and implementation of the organization's comprehensive marketing and communication strategies.



He holds a Bachelor of Science in Information Technology Management from American University and is currently obtaining a Master's in Sustainability Management from Harvard University.

AL WILLIS

Director of Operations, Midwest

Al leads the construction group and directs the work of the project management team. He assures availability and resources with proper expertise and tools for the implementation of projects. He directs administration of implementation personnel assuring schedules are met and that the resulting project execution is successful.



Al works directly with the Veregy sales and engineering teams and clients designing projects to meet clients' goals and optimize energy savings while driving long-term customer value. He has developed projects from simple control and mechanical system recommissioning, all the way to complete building renovations and additions.

PATRICK MEIER

Controller

Patrick Meier is the Controller for Veregy. As a financial leader, Patrick's responsibilities include development of accounting practices, policies, and procedures, as well as oversight of project analysis and internal systems. His approach to accounting and finance is one of collaboration with both internal and external partners. of Science from the Stat of University of New York.



TOM EMANUELSON

Director Project Development

Tom Emanuelson is responsible for business growth and development and local support for pre- and post-construction projects. Tom is a Professional Engineer (PE) with more than 30 years of experience in designing and constructing mechanical systems.



He holds a Bachelor of Science in Mechanical Engineering from the University of Minnesota.



JOHN MITMAN

Director of Distributed Energy

John brings 12 years of sustainability industry experience to the project, He is responsible for managing, directing and coordinating design disciplines in the development and active project stages Veregy’s corporate, non-profit and municipal clients.



He holds a Bachelor of Science in Mechanical Engineering and a Professional Science Masters in Solar Engineering and Commercialization from Arizona State University.

SCOTT CONNER

Operations Manager

Scott Conner has been assigned as Colorado’s General Manager. As the Veregy Operations Manager, his responsibilities include construction management, field coordination and negotiating contracts with subcontractors. He has 34 years of experience in HVAC and electrical construction services, including project management, field coordination and quality control program implementation.



Scott holds the Universal CFC License, OSHA 510 certification and multiple professional contracting licenses. He attended the State University of New York at Oswego.

TIM MCCARTHY

M & V Leader

Tim utilizes his engineering and energy background to lead the development of comprehensive smart building technology systems that are unique to each project. The solutions are designed to collect and analyze building and system performance which improve comfort, energy efficiency and operational performance to reduce cost for customers. Tim’s extensive engineering, sales, and managerial experience in the building automation and HVAC industries provide the insight and skills to lead the design and implementation of smart building technology. Tim earned a Bachelor of Science from the University of Missouri- Rolla.



Financial strength/ Bonding Capacity.

Demonstrable ability to bond savings through third party surety.



Marsh & McLennan Agency LLC
825 Maryville Centre Drive, Suite 200
St. Louis, MO 63017
+1 314 594 2700
MarshMMA.com

January 12, 2022

RE: **The Veregy Companies**

To Whom It May Concern,

Marsh & McLennan Agency LLC is pleased to provide surety credit for The Veregy Companies. During our relationship with The Veregy Companies we have never had a question as to respects to workmanship or their ability to perform.

The current surety for The Veregy Companies is Argonaut Insurance Company. Argonaut Insurance Company has a Best rating of A- with a financial strength of XIV. The Veregy Companies has the technical expertise, equipment, labor force to successfully perform projects at the \$125,000,000 single /\$325,000,000 aggregate bonding program.

Should a project be awarded to and accepted by The Veregy Companies, we are prepared to consider providing the required bonds on their behalf. Any bonds are subject to acceptable review of the contract terms and conditions, bond forms, confirmation of financing, and any other underwriting considerations at the time of the request. It should be understood that any arrangement for bonds is strictly a matter between The Veregy Companies and Argonaut Insurance Company. We assume no liability to third parties or to you if for any reason we do not execute said bonds.

Please feel free to contact me if you have any questions regarding The Veregy Companies or their surety bond programs.

Sincerely,

Andrew P. Thome, CEO

WORLD CLASS. LOCAL TOUCH.



Appendix A - Letter of Recommendation

Dysart Unified School District



February 24, 2019

Here is a letter of support.

As school districts are increasingly asked to review the expenditures happening each year and to try to make the resources and budget allocations stretch farther one area that schools should start with is utilities. MidState Energy met with me to discuss the various strategies and to design a solution to those issues.

The focus was to maximize our resources to achieve a bigger bang for the buck. I was pleased with the no cost no commitment results guaranteed evaluation that we received. With the lack of capital funding performance contracting allowed Peoria USD to upgrade lighting systems throughout the district. The energy savings obtained were used to cover the project costs. This was a win in many ways, first the lighting was upgraded, second the district reduced its energy consumption and finally, the district received a warranty on the systems and rebates from the utility companies.

The partnership that was created was real, genuine and beneficial. That was over five years ago and I continue to work with MidState Energy in various capacities.

Sincerely,

Ken Hicks

Ken Hicks

Current Assistant Superintendent for Business Services at Dysart Unified School District
Former Chief Financial Officer at Peoria Unified School District



Pendergast Elementary School District



February 20, 2019

Dr. Lily Matos DeBlieux
Superintendent

It is with great pleasure that I write this letter of recommendation for Midstate Energy LLC, a partner and service provider with Pendergast District.

GOVERNING BOARD
Susan Serin
President

We have partnered with Midstate beginning in the school year 2017/18 and have worked together to accomplish significant energy savings districtwide. During November 2018, Pendergast decreased electricity use by 330,535 kWh (36%) and decreased costs by \$30,629 (32%), compared to November 2017. During October 2018, Pendergast decreased electricity use by 270,837 kWh (23%) and decreased costs by \$26,816 (19%), compared to October 2017. District decrease in electricity use and energy costs is proof solid that Midstate has worked tirelessly to insure savings for the District.

Hilda Ortega-Rosales
Vice-President

Jose Arenas
Member

Senator Martin Quezada
Member

Midstate Energy has shown excellence and dedication to Pendergast District. Their employees work in the best interest of the District. Midstate has completed all mechanical work in a safe and timely manner. Midstate provides the District with an energy savings checklist and materials with information on how the District can communicate best practices with all staff. They have made available sustainability activities for the classrooms to help conserve energy. They also communicate exceptionally well, sending out daily emails and keeping the District updated on all projects.

Jete White
Member

EXECUTIVE CABINET
Joanne Fimbres
Chief Financial Officer

Midstate employees are proactive and thorough problem-solvers in all projects. Midstate's leadership and experience exemplifies the exceptional quality of work they provide. They deliver great customer service and are great to work with.

Patti Tussey
Chief Human Resource Officer

Midstate Energy is not just a vendor. They are a valued partner to Pendergast engaging with us in vital efforts to help our students achieve and succeed. They recently demonstrated this by generously supporting the Speak Up, Stand Up, Save a Life Conference to help save the lives of youth in our state. I cannot say enough wonderful things about this company and highly recommend them to be a part of your organization's efforts to improve efficiency and cost savings to your bottom line. Please feel free to contact me for any further information.

Sincerely,

Dr. Lily Matos DeBlieux
Pendergast District Superintendent

3802 North 91st Avenue • Phoenix, Arizona 85037 • (623) 772-2200 • www.pesd92.org

EMPOWERING EXCELLENCE AND SUCCESS



Dr. Betsy Hargrove
Superintendent

Mr. William Santiago
Assistant Superintendent

Mrs. Jill Barragan
Executive Director of Business Services

To Whom It May Concern:

Since 2015, the Avondale Elementary School District and Midstate have worked together to provide efficient energy to the district. We began by engaging in a \$5,500,000 project that provided new HVAC, interior lighting, exterior lighting and plumbing efficiencies throughout our nine school campuses and three district buildings. Part of the project was for the district to receive energy rebates from various utilities. We were estimated to receive approximately \$250,000 in rebates. Through Midstate's efforts, we actually received over \$450,000 in rebates.

Over a ten-year timeframe, these efficiencies will pay for themselves through energy cost savings. In the first full year of savings alone, the district experienced nearly \$30,000 beyond the guaranteed annual savings of \$475,000.

In addition to providing the district with the ability to fund equipment upgrades it may not otherwise have been able to afford to do, Midstate has been a responsive and thoughtful ongoing service partner to the district. They continue to hold up their end of the agreement in providing the district with the required service and repairs, as necessary.

Midstate has been truly wonderful to work with. I find them to be a company of integrity, with people who care about they work they do and the relationships they cultivate with our district.

Sincerely,

Jill Barragan
Executive Director of Business Services



Passion and Commitment for Educational Excellence

Phone (623) 772-5000 295 West Western Avenue Avondale, Arizona 85323 Fax (623) 772-5001
www.avondale.k12.az.us

Avondale Elementary School District



Nogales Unified School District No. 1



February 20, 2019

To Whom It May Concern:

We have been in partnership with MidState Energy for the past four years. I first had the opportunity to work and partner with MidState Energy and representatives as an Assistant Superintendent when our District explored and studied the idea of an Energy Savings Project. I appreciated their professionalism, their personal approach and their perspective and education provided on energy savings for our District's understanding. MidState Energy has been effective, efficient and transparent. Our partnership has flourished and they have been very attentive to our needs or any concerns we have had since our Energy Savings Project has been in place.

Over the past four years, our District has seen tremendous savings to our utility costs. Our District also has an Energy Savings Plan in place that includes a green team, composed of students, teachers and staff district-wide as well as ongoing energy savings education and energy savings training.

MidState is always available to assist and support with any mechanical needs that are needed including providing technical advice and guidance. More importantly, MidState has been available and has presented personally to our Governing Board the End of the Year Energy Savings Data Report to better understand the savings to the District and highlight areas of concern that need to be addressed.

If there are any questions or additional information you need, please do not hesitate to contact me directly at 520-397-7917.

Sincerely,

Fernando Parra
Superintendent

PO BOX 5000 * NOGALES * ARIZONA * 85628

Nogales Unified School District



GLENDALE
ELEMENTARY SCHOOL DISTRICT

- District Office**
7301 N. 58th Avenue
Glendale, AZ 85301
(623) 237-7100
- Support Services**
7015 W. Maryland
(623) 237-4050
- Bicentennial North**
7237 W. Missouri
(623) 237-4009
- Bicentennial South**
7240 W. Colter
(623) 237-4012
- Challenger**
6905 W. Maryland
(623) 237-4011
- Coyote Ridge**
7677 W. Bethany Home
(623) 237-4015
- Desert Garden**
7020 W. Ocotillo
(623) 237-4014
- Desert Spirit**
7355 W. Orangewood
(623) 237-4016
- Discovery**
7910 W. Maryland
(623) 237-4013
- Don Mensendick**
5535 N 67th Avenue
(623) 237-4006
- Glendale American**
8530 N. 55th Avenue
(623) 237-4008
- Glendale Landmark**
5730 W. Myrtle
(623) 237-4001
- Glenn F. Burton**
4801 W. Maryland
(623) 237-4007
- Harold W. Smith**
6534 N 63rd Avenue
(623) 237-4003
- Horizon**
8520 N. 47th Avenue
(623) 237-4010
- Isaac E. Imes**
6625 N 56th Avenue
(623) 237-4002
- Melvin E. Sine**
4932 W. Myrtle
(623) 237-4004
- Sunset Vista**
7775 W. Orangewood
(623) 237-4017
- William C. Jack**
6600 W. Missouri
(623) 237-4005

To Whom It May Concern:

I would recommend Midstate Energy to any Arizona school district that is interested in reducing its energy consumption and/or is seeking to make capital improvements. Midstate Energy has and is working closely with our key district staff to establish long-term sustainable solutions that align with our goals.

Like many Arizona schools, we have seen a significant reduction in our capital allocation(s) and as a result we decided to maximize our resources by using our bond fund and the financing method to address our capital deficiencies. Our projects with Midstate Energy consisted of two phases which included mechanical, building energy management, lighting and water conservation upgrades as well as an extensive energy behavioral program. Recently, three of our schools were recognized for being Energy Star efficient and that can be attributed to Midstate Energy's support.

I firmly believe that Midstate Energy is an asset, supportive and a true partner to Glendale Elementary School District. Because of these reasons I would not hesitate to recommend Midstate Energy to any Arizona school district.

If you have any questions or would like to further discuss Midstate Energy, please do not hesitate to call me at 623.237.7110.

Sincerely,

Mike Barragan
Assistant Superintendent for Finance & Auxiliary Services
Glendale Elementary School District # 40

Inspiring Learners as Leaders
Engage • Explore • Enrich • Empower

Glendale Elementary School District



Appendix B – Case Studies

Pendergast Elementary School District



Pendergast Elementary School District

Phoenix, AZ

ANNUAL PROJECT SAVINGS

1,168,282



Miles driven by an average passenger vehicle

19,780



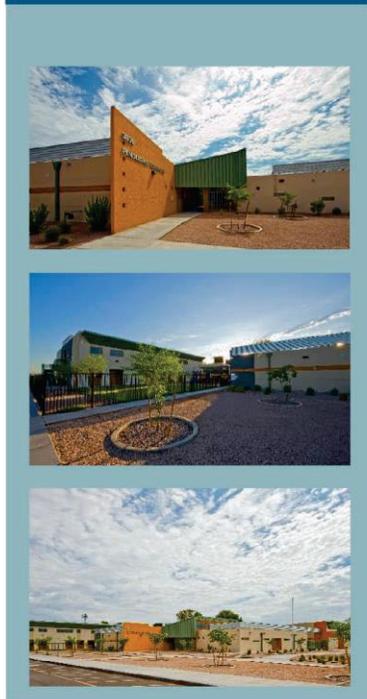
Trash bags of waste recycled instead of landfilled

570



Acres of US forest in one year

DECARBONIZATION



PROJECT OVERVIEW

Pendergast Elementary School District’s motto is “We Bee-lieve in you”. They believed in Veregy’s ability to save them money in energy dollars over a 15-year term. Veregy worked with the district over 3 different phases to optimize their energy savings. Upgrading the energy management system to be WEB based was one of the first priorities for the Pendergast School District, as well as retro- fitting air conditioning systems for high-efficient units to reduce kWh used and demand. During October of 2018, electricity use decreased by 270,837 kWh and decreased costs by \$26,816, when compared to October of 2017. Lighting modifications were also retrofitted with LED lamps and drivers. Water modifications included upgrading fixtures, valves and drains to reduce the water required for proper flushing, washing and cleaning services.

PROJECT HIGHLIGHTS

- Energy Management System
- HVAC
- LED Lighting
- Water Modifications
- Project Cost- \$11,882,880
- Annual Savings- \$650,703
- Contract Term- 15-year
- Number of Sites- 17

“Veregy is not just a vendor, they are a valued partner to Pendergast, engaging with us in vital efforts to help our students achieve and succeed.”

- Dr. Lily DeBlieux, Superintendent



www.veregy.com
800-460-0995



Peoria Unified School District



Peoria Unified School District

Peoria, AZ

PROJECT SAVINGS

DECARBONIZATION

<p style="font-size: 18px; margin: 0;">2,634,482</p> <p style="font-size: 10px; margin: 0;">Miles driven by an average passenger vehicle</p>	<p style="font-size: 18px; margin: 0;">44,603</p> <p style="font-size: 10px; margin: 0;">Trash bags of waste recycled instead of landfilled</p>	<p style="font-size: 18px; margin: 0;">1,284</p> <p style="font-size: 10px; margin: 0;">Acres of US forest in one year</p>
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PROJECT OVERVIEW

With the district schools aging, Peoria Unified School District opted to make energy efficient modernization efforts in three phases over five years at 52 sites. Amongst the modernization efforts that occurred were updates of the HVAC Central Plan, as well as updates to the domestic water system. In addition, interior and exterior lighting were modernized to make a safer and more cost-effective impact on the lighting system. Control systems were updated and replaced where necessary. Peoria Unified School District made and continues to make these modernization improvements to their district school buildings and administration buildings. These improvements save thousands in energy costs on a monthly basis. Additional savings were also realized for operational and maintenance costs, and reduced water usage. The total first year savings exceeded the total project savings projected. Peoria Unified School District is a proud partner of Veregy.

PROJECT HIGHLIGHTS

- Total of 40 Sites
- HVAC
- LED Lighting
- Control Systems replaced
- Reduced Water Usage



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Cape Girardeau County, MO Phase 2



Cape Girardeau Justice Center Phase II

Jackson, MO



PROJECT SAVINGS	<p style="font-size: 18px; font-weight: bold;">22,656,369</p>  <p style="font-size: 10px;">Miles driven by an average passenger vehicle</p>	<p style="font-size: 18px; font-weight: bold;">383,582</p>  <p style="font-size: 10px;">Trash bags of waste recycled instead of landfilled</p>	<p style="font-size: 18px; font-weight: bold;">11,045</p>  <p style="font-size: 10px;">Acres of US forest in one year</p>	DECARBONIZATION
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PROJECT OVERVIEW

Following a successful Phase 1 project implemented at the County's Administration Building, the County selected CTS Group, a Veregy company, for their Phase 2 project at the Sheriff's Office and County Justice Center. The Justice Center opened in 2001 and houses 152 inmates. The facility is a pod style jail complete with touch-screen computer terminals to control elevators and doors. After 18 years of service, updates and improvements were needed in the areas of energy savings, safety, maintenance, and water conservation. With CTS's years of experience and team approach, energy savings will be realized in upgrades to HVAC and retrofits. Safety and maintenance upgrades will also be occurring in cell door replacement and repairs. Many areas of water conservation include showers, toilets, and laundry upgrades.

PROJECT HIGHLIGHTS

- HVAC Retrofits
- Building Automation System
- Water Conservation Measures
- Rooftop Units
- VAV Boxes
- Building automation system
- Valve Retrofits

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Tucson Unified School District



Tucson Unified School District

Tucson, AZ

ANNUAL PROJECT SAVINGS

5,134,010

Miles driven by an average passenger vehicle

86,921

Trash bags of waste recycled instead of landfilled

2,503

Acres of US forest in one year

DECARBONIZATION

TUSD

PROJECT OVERVIEW

Veregy has 33 years of experience working with municipalities, as well as school districts. We have been working with TUSD since 2014 in a performance contract. It was determined that a solar array would be an additional installation. The Veregy solar team is comprised entirely of solar industry experts, from project development and finance, to design and engineering. We have recently been recognized not only as one of the leading solar providers in the state of Arizona, but also one of its fastest-growing private companies. Since 1986, we have implemented hundreds of successful energy projects in the state of Arizona. any challenges were presented during the 5-year three phase, solar project for TUSD. This included legal and regulatory challenges, Property constraints (IGA's), unforeseen electrical conditions, collapsing or 'hard dig' soil conditions, and many more. Veregy met everyone to deliver an award-winning solution. Veregy provided complete turnkey PV systems to 81 District sites inclusive of Solar Service Agreement financing, engineering, procurement, installation, operation & maintenance, and utility interconnection. TUSD received the highly prestigious EPA Green Power Partner of the Year award for this project (prior winners include Apple, Inc. and Google, Inc.) and the Governor's Award for Energy & Technology Innovation for Southern Arizona (Arizona Forward).

PROJECT HIGHLIGHTS

- 81 District Sites
- 73,000 panels installed
- 12.4 MW (48 sites) Phases 1 + 2
- 11.2 MW (33 sites) Phase 3
- 48 (Phase 1), 33 (phase 3 interconnections with TEP, 5 with Trico Co-op servicing utilities)

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Alhambra Elementary School District





Alhambra Elementary School District Energy Project

Phoenix, AZ



"Veregy has again impressed us with their ability to provide project management for installation of the energy conservation measures."

-Alhambra's Bond Project Manager

PROJECT OVERVIEW

Veregy completed an Investment Grade Audit for Alhambra Elementary School District (K-8) and assessed whether the lighting, water, and HVAC systems would be updated or modified in order to serve the 14,000 students in this district. Due to the American Recovery Reinvestment Act, this school district was able to use QZAB dollars to finance this energy saving project. Existing lighting was retrofitted with new LED lamps and drivers. Water modifications included retrofitting the existing plumbing system with upgraded fixtures, valves and drains to reduce water usage. And 108 pieces of old HVAC equipment was replaced with new high efficiency equipment. This started as a one-phase job, but because of Veregy's attention to detail and cost efficiencies, Alhambra has turned to Veregy for additional phases to update and reenergize the school district's older buildings. One of the benefits of performing these projects is that the equipment will perform better and use less electricity. These updates not only saved the district close to four hundred thousand in energy costs every month, it also offered the latest in energy technologies for an aging district.

PROJECT HIGHLIGHTS

- LED Lighting
- QZAB Funding
- Retrofitted Plumbing
- HVAC
- Water Usage
- Investment Grade Audit
- \$412,100 Annual Savings



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Rising Sun Ohio County Schools



Rising Sun County Community School Corporation

Rising Sun, IN



PROJECT SAVINGS	<p>302,023</p>  <p>Miles driven by an average passenger vehicle</p>	<p>5,113</p>  <p>Trash bags of waste recycled instead of landfilled</p>	<p>147</p>  <p>Acres of US forest in one year</p>	DECARBONIZATION
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PROJECT OVERVIEW

To collaborate with the Rising Sun Ohio County Community School Corporation to ensure the solar system produces energy while reducing costs and eliminating excess charges for peak demand. With this, Veregy will help Rising Sun Schools stabilize one of the most variable items in their budget - the cost of energy by installing a roof mounted solar array, along with roof restoration. Also, Veregy has included remote monitoring to make it easier for faculty to conserve energy during school hours. Lastly, Veregy installed new HVAC systems to increase the efficiency air conditioning throughout the campus.

PROJECT HIGHLIGHTS

- Roof Mounted Solar Array
- Solar Maintenance
- Roof Restoration
- Remote Monitoring
- Building Envelope Upgrade
- HVAC Upgrade
- 168.96 kW Roof Mounted



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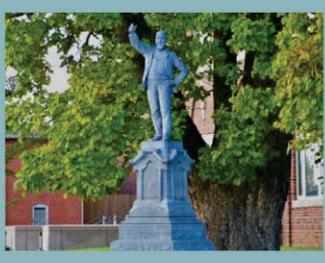
Laclede County Courthouse



Laclede County Courthouse

Laclede, MO

PROJECT SAVINGS	<p>22,656,369</p> <p>Miles driven by an average passenger vehicle</p>	<p>383,582</p> <p>Trash bags of waste recycled instead of landfilled</p>	<p>11,045</p> <p>Acres of US forest in one year</p>	DECARBONIZATION
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PROJECT OVERVIEW

Located in south central Missouri, Laclede County serves over 35,000 residents. The 1924 courthouse was rebuilt in 1998 with traditional roof top air handling units. Even though the systems were only thirteen years old, utility costs were extremely high at \$4.51 per sq. ft. and escalating. Additionally, comfort in many areas was an issue, and increased maintenance costs were causing maintenance to be deferred. The commission knew that improvements were needed for fiscal responsibility and comfort of the occupants. Efficiencies were recommended and accepted by Laclede County. An automation system was recommended so that the mechanical equipment could be controlled remotely, this also helped to allow for conservation when the building was not occupied. After extensive analysis of the existing systems, Veregy was able to develop an improvement plan which would pay for itself with energy savings alone. Factoring in annual operations and maintenance savings at a very conservative level of \$45,238 results in positive cashflow.

PROJECT HIGHLIGHTS

- Hybrid Geothermal VAV HVAC System
- Temperature Control
- Web-based Automation System
- CO2 Demand Control Ventilation
- Lighting and Control Upgrades
- Fire Alarm System Replacement
- Domestic Hot Water Plant
- Water softener upgrades

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Avondale Elementary School District



Avondale Elementary School District

Phoenix, AZ

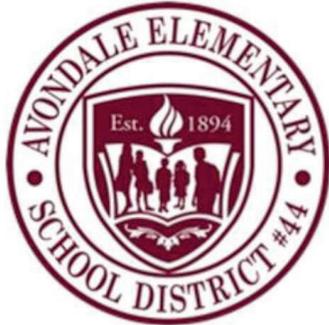


PROJECT OVERVIEW

Midstate Energy, A Veregy Company, has been working with the Avondale Elementary School District since 2016. Avondale was concerned with saving money on energy expenditures, while reducing their carbon footprint. Midstate Energy added in energy efficient controls and systems that impacted all eleven buildings in the district, including district offices. Because this district was an older aging district, upgrades to water, lights and HVAC were required. Avondale also implemented a transparent energy saving program allowing anyone to see the energy savings on a month-to-month basis by visiting Avondale Elementary School District's website. Avondale Elementary School District was so interested in the Energy Savings process that Midstate Energy implemented, they made it a part of their curriculum. Students are now encouraged through learning in the classroom to participate in measures to lower energy and water usage themselves. Adding STEM education opportunities for students, is another way that Midstate Energy impacts students and school districts nationwide.

PROJECT HIGHLIGHTS

- HVAC
- LED Lighting
- Water System Maintenance
- Energy Savings Program
- Multiple Buildings



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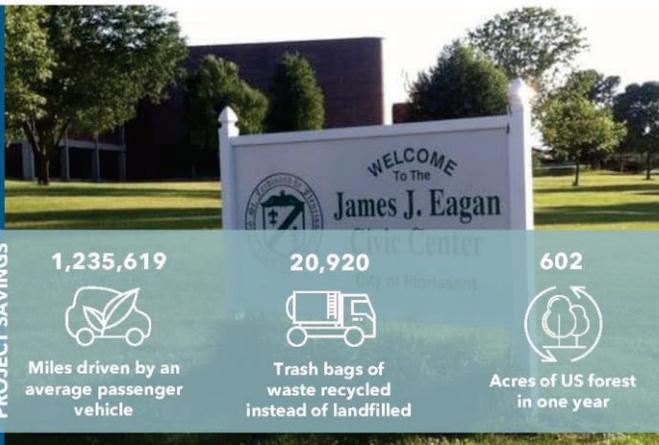


The James J. Eagan Community Center



The James J. Eagan Community Center: Energy Project

Florissant, MO



PROJECT OVERVIEW

This would be a roof to ground floor project. The roof construction was comprised of several types, including, but not limited to, a concrete paver covered area over the natatorium that supports the solar array. The roofing systems were in varying degrees of conditions and the air-handling equipment was operating beyond its typically anticipated service life. The ground floor had efficiency issues to, especially in the community pool area. To succeed the aging heating and cooling system, massive cooling units were installed with variable speed drives that only work as hard as necessary, increasing comfort in all areas of the facility, while saving the taxpayers' money with lower utility bills. Additional introductions to the pool area included inflatable duct work to evenly distribute air, and a pool dehumidification system to improve indoor air quality with heat recovery for pool water. A new twenty-year white roof reduced heat gain and increased insulation, while new doors improved operation, safety, and efficiency. New lighting was installed throughout, making for a more pleasant atmosphere.

PROJECT HIGHLIGHTS

- Variable Speed drives
- Cooling Units
- Roof Restoration
- LED Lighting
- New Doors
- \$59,712 in Annual Energy Savings

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