

**MASTER AGREEMENT #071624****CATEGORY: Energy Savings Performance Contracting with Related Services****SUPPLIER: Veregy, LLC**

This Master Agreement (Agreement) is between Sourcewell, a Minnesota service cooperative located at 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Veregy, LLC, 3312 E Broadway Road, Phoenix, AZ 85040 (Supplier).

Sourcewell is a local government and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) offering a Cooperative Purchasing Program to eligible participating government entities.

Under this Master Agreement entered with Sourcewell, Supplier will provide Included Solutions to Participating Entities through Sourcewell's Cooperative Purchasing Program.

**Article 1:
General Terms**

The General Terms in this Article 1 control the operation of this Master Agreement between Sourcewell and Supplier and apply to all transactions entered by Supplier and Participating Entities. Subsequent Articles to this Master Agreement control the rights and obligations directly between Sourcewell and Supplier (Article 2), and between Supplier and Participating Entity (Article 3), respectively. These Article 1 General Terms control over any conflicting terms. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

- 1) **Purpose.** Pursuant to Minnesota law, the Sourcewell Board of Directors has authorized a Cooperative Purchasing Program designed to provide Participating Entities with access to competitively awarded cooperative purchasing agreements. To facilitate the Program, Sourcewell has awarded Supplier this cooperative purchasing Master Agreement following a competitive procurement process intended to meet compliance standards in accordance with Minnesota law and the requirements contained herein.
- 2) **Intent.** The intent of this Master Agreement is to define the roles of Sourcewell, Supplier, and Participating Entity as it relates to Sourcewell's Cooperative Purchasing Program.
- 3) **Participating Entity Access.** Sourcewell's Cooperative Purchasing Program Master Agreements are available to eligible public agencies (Participating Entities). A Participating Entity's authority to access Sourcewell's Cooperative Purchasing Program is determined through the laws of its respective jurisdiction.
- 4) **Supplier Access.** The Included Solutions offered under this Agreement may be made available to any Participating Entity. Supplier understands that a Participating Entity's use of this Agreement is at the Participating Entity's sole convenience. Supplier will educate its sales and service forces about Sourcewell eligibility requirements and required documentation. Supplier will be responsible for ensuring sales are with Participating Entities.

- 5) **Term.** This Agreement is effective upon the date of the final signature below. The term of this Agreement is four (4) years from the effective date. The Agreement expires at 11:59 P.M. Central Time on September 25, 2028, unless it is cancelled or extended as defined in this Agreement.
- a) **Extensions.** Sourcewell and Supplier may agree to up to three (3) additional one-year extensions beyond the original four-year term. The total possible length of this Agreement will be seven (7) years from the effective date.
- b) **Exceptional Circumstances.** Sourcewell retains the right to consider additional extensions as required under exceptional circumstances.
- 6) **Survival of Terms.** Notwithstanding the termination of this Agreement, the obligations of this Agreement will continue through the performance period of any transaction entered between Supplier and any Participating Entity before the termination date.
- 7) **Scope.** Supplier is awarded a Master Agreement to provide the solutions identified in RFP #071624 to Participating Entities. In Scope solutions include:
- a. Technical Energy Audit and Project Proposal Phase
- i. Development of a contract for the Technical Energy Audit with the selected Contractor.
 - ii. Conducting an investment-grade audit to identify and evaluate cost-saving measures.
 - iii. Defining the proposed project scope, cost, savings, and cash-flow over the proposed financing term.
 - iv. Preparation of a project proposal that presents aggregated measures which can be financed through guaranteed savings.
- b. Implementation/Commissioning and Financing Phase
- i. Negotiation of an Energy Performance Contract post-audit, establishing the project scope and costs.
 - ii. Provision for implementation and follow-up services to be provided during the financing term.
 - iii. Development of a separate financing agreement.
- c. Post-implementation Guarantee/Monitoring Phase
- i. Provision of a variety of services by the Contractor after implementation to ensure savings are met.
 - ii. Offering a savings guarantee.
 - iii. Providing staff training.
 - iv. Conducting follow-up monitoring.
 - v. Maintenance of the contract through various support services.
- 8) **Included Solutions.** Supplier's Proposal to the above referenced RFP is incorporated into this Master Agreement. Only those Solutions included within Supplier's Proposal and within Scope (Included Solutions) are included within the Agreement and may be offered to Participating Entities.

- 9) **Indefinite Quantity.** This Master Agreement defines an indefinite quantity of sales to eligible Participating Entities.
- 10) **Pricing.** Pricing information (including Pricing and Delivery and Pricing Offered tables) for all Included Solutions within Supplier's Proposal is incorporated into this Master Agreement.
- 11) **Not to Exceed Pricing.** Suppliers may not exceed the prices listed in the current Pricing List on file with Sourcwell when offering Included Solutions to Participating Entities. Participating Entities may request adjustments to pricing directly from Supplier during the negotiation and execution of any transaction.
- 12) **Open Market.** Supplier's open market pricing process is included within its Proposal.
- 13) Supplier Representations:**
- i) **Compliance.** Supplier represents and warrants it will provide all Included Solutions under this Agreement in full compliance with applicable federal, state, and local laws and regulations.
 - ii) **Licenses.** As applicable, Supplier will maintain a valid status on all required federal, state, and local licenses, bonds, and permits required for the operation of Supplier's business with Participating Entities. Participating Entities may request all relevant documentation directly from Supplier.
 - iii) **Supplier Warrants.** Supplier warrants that all Included Solutions furnished under this Agreement are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Solutions are suitable for and will perform in accordance with the ordinary use for which they are intended.
- 14) **Bankruptcy Notices.** Supplier certifies and warrants it is not currently in a bankruptcy proceeding. Supplier has disclosed all current and completed bankruptcy proceedings within the past seven years within its Proposal. Supplier must provide notice in writing to Sourcwell if it enters a bankruptcy proceeding at any time during the term of this Agreement.
- 15) **Debarment and Suspension.** Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota, the United States federal government, or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Agreement. Supplier further warrants that it will provide immediate written notice to Sourcwell if this certification changes at any time during the term of this Agreement.
- 16) **Provisions for non-United States federal entity procurements under United States federal awards or other awards (Appendix II to 2 C.F.R § 200).** Participating Entities that use United States federal grant or other federal funding to purchase solutions from this Agreement may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200.

Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Section, all references to “federal” should be interpreted to mean the United States federal government. The following list applies when a Participating Entity accesses Supplier’s Included Solutions with United States federal funds.

- i) **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all agreements that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.
- ii) **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must comply with all applicable Davis-Bacon Act provisions.
- iii) **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to

the purchases of supplies, materials, or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Agreement. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

iv) **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 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 C.F.R. § 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. Supplier certifies that during the term of an award for all Agreements by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

v) **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Contracts and subgrants of amounts in excess of \$150,000 require 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). Supplier certifies that during the term of this Agreement it will comply with applicable requirements as referenced above.

vi) **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

vii) **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Suppliers must file any required certifications. Suppliers must not have 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. Suppliers must 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. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

- viii) **RECORD RETENTION REQUIREMENTS.** To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.
- ix) **ENERGY POLICY AND CONSERVATION ACT COMPLIANCE.** To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.
- x) **BUY AMERICAN PROVISIONS COMPLIANCE.** To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.
- xi) **ACCESS TO RECORDS (2 C.F.R. § 200.336).** Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.
- xii) **PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322).** 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 C.F.R. § 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.
- xiii) **FEDERAL SEAL(S), LOGOS, AND FLAGS.** The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.
- xiv) **NO OBLIGATION BY FEDERAL GOVERNMENT.** The U.S. federal government is not a party to this Agreement or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Agreement or any purchase by an authorized user.
- xv) **PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.** The Contractor acknowledges that 31 U.S.C. § 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Agreement or any purchase by a Participating Entity.

xvi) **FEDERAL DEBT.** The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

xvii) **CONFLICTS OF INTEREST.** The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Agreement or any aspect related to the anticipated work under this Agreement raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

xviii) **U.S. EXECUTIVE ORDER 13224.** The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

xix) **PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.** To the extent applicable, Supplier certifies that during the term of this Agreement it will comply with applicable requirements of 2 C.F.R. § 200.216.

xx) **DOMESTIC PREFERENCES FOR PROCUREMENTS.** To the extent applicable, Supplier certifies that during the term of this Agreement, Supplier will comply with applicable requirements of 2 C.F.R. § 200.322.

Article 2: Sourcewell and Supplier Obligations

The Terms in this Article 2 relate specifically to Sourcewell and its administration of this Master Agreement with Supplier and Supplier's obligations thereunder.

- 1) **Authorized Sellers.** Supplier must provide Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers which may complete transactions of Included Solutions offered under this Agreement. Sourcewell may request updated information in its discretion, and Supplier agrees to provide requested information within a reasonable time.
- 2) **Product and Price Changes Requirements.** Supplier may request Included Solutions changes, additions, or deletions at any time. All requests must be made in writing by submitting a Sourcewell Price and Product Change Request Form to Sourcewell. At a minimum, the request must:
 - Identify the applicable Sourcewell Agreement number;
 - Clearly specify the requested change;
 - Provide sufficient detail to justify the requested change;
 - Individually list all Included Solutions affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
 - Include a complete restatement of Pricing List with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Included Solutions offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Agreement and will be incorporated by reference.

- 3) **Authorized Representative.** Supplier will assign an Authorized Representative to Sourcewell for this Agreement and must provide prompt notice to Sourcewell if that person is changed. The Authorized Representative will be responsible for:
- Maintenance and management of this Agreement;
 - Timely response to all Sourcewell and Participating Entity inquiries; and
 - Participation in reviews with Sourcewell.

Sourcewell's Authorized Representative is its Chief Procurement Officer.

- 4) **Performance Reviews.** Supplier will perform a minimum of one review with Sourcewell per agreement year. The review will cover transactions to Participating Entities, pricing and terms, administrative fees, sales data reports, performance issues, supply chain issues, customer issues, and any other necessary information.
- 5) **Sales Reporting Required.** Supplier is required as a material element to this Master Agreement to report all completed transactions with Participating Entities utilizing this Agreement. Failure to provide complete and accurate reports as defined herein will be a material breach of the Agreement and Sourcewell reserves the right to pursue all remedies available at law including cancellation of this Agreement.
- 6) **Reporting Requirements.** Supplier must provide Sourcewell an activity report of all transactions completed utilizing this Agreement. Reports are due at least once each calendar quarter (Reporting Period). Reports must be received no later than 45 calendar days after the end of each calendar quarter. Supplier may report on a more frequent basis in its discretion. Reports must be provided regardless of the amount of completed transactions during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Sourcewell Participating Entity Account Number;
- Transaction Description;
- Transaction Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Transaction was invoiced/sale was recognized as revenue by Supplier.

If collected by Supplier, the Report may include the following fields as available:

- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;

- 7) **Administrative Fee.** In consideration for the support and services provided by Sourcewell, Supplier will pay a 1.5% Administrative Fee to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. Supplier will include its Administrative Fee within its proposed pricing. Supplier may not directly charge Participating Entities to offset the Administrative Fee.
- 8) **Fee Calculation.** Supplier's Administrative Fee payable to Sourcewell will be calculated as a stated percentage (listed in Supplier's Proposal) of all completed transactions utilizing this Master Agreement within the preceding Reporting Period. For certain categories, a flat fee may be proposed. The Administrative Fee will be stated in Supplier's Proposal.
- 9) **Fee Remittance.** Supplier will remit fee to Sourcewell no later than 45 calendar days after the close of the preceding calendar quarter in conjunction with Supplier's Reporting Period obligations defined herein. Payments should note the Supplier's name and Sourcewell-assigned Agreement number in the memo; and must be either mailed to Sourcewell above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions.
- 10) **Noncompliance.** Sourcewell reserves the right to seek all remedies available at law for unpaid or underpaid Administrative Fees due under this Agreement. Failure to remit payment, delinquent payments, underpayments, or other deviations from the requirements of this Agreement may be deemed a material breach and may result in cancellation of this Agreement and disbarment from future Agreements.
- 11) **Audit Requirements.** Pursuant to Minn. Stat. § 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell and the Minnesota State Auditor for a minimum of six years from the end of this Agreement. Supplier agrees to fully cooperate with Sourcewell in auditing transactions under this Agreement to ensure compliance with pricing terms, correct calculation and remittance of Administrative Fees, and verification of transactions as may be requested by a Participating Entity or Sourcewell.
- 12) **Assignment, Transfer, and Administrative Changes.** Supplier may not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of Sourcewell. Such consent will not be unreasonably withheld. Sourcewell reserves the right to unilaterally assign all or portions of this Agreement within its sole discretion to address corporate restructurings, mergers, acquisitions, or other changes to the Responsible Party and named in the Agreement. Any prohibited assignment is invalid. Upon request Sourcewell may make administrative changes to agreement documentation such as name changes, address changes, and other non-material updates as determined within its sole discretion.
- 13) **Amendments.** Any material change to this Agreement must be executed in writing through an amendment and will not be effective until it has been duly executed by the parties.
- 14) **Waiver.** Failure by Sourcewell to enforce any right under this Agreement will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.

- 15) **Complete Agreement.** This Agreement represents the complete agreement between the parties for the scope as defined herein. Supplier and Sourcewell may enter into separate written agreements relating specifically to transactions outside of the scope of this Agreement.
- 16) **Relationship of Sourcewell and Supplier.** This Agreement does not create a partnership, joint venture, or any other relationship such as employee, independent contractor, master-servant, or principal-agent.
- 17) **Indemnification.** Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Agreement by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in design, condition, or performance of Included Solutions under this Agreement. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.
- 18) **Data Practices.** Supplier and Sourcewell acknowledge Sourcewell is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13. As it applies to all data created and maintained in performance of this Agreement, Supplier may be subject to the requirements of this chapter.
- 19) **Grant of License.**
- a) **During the term of this Agreement:**
 - i) **Supplier Promotion.** Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising, promotional materials, and informational sites for the purpose of marketing Sourcewell's Agreement with Supplier.
 - ii) **Sourcewell Promotion.** Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising, promotional materials, and informational sites for the purpose of marketing Supplier's Agreement with Sourcewell.
 - b) **Limited Right of Sublicense.** The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, partners, or agents (collectively "Permitted Sublicensees") in advertising, promotional, or informational materials for the purpose of marketing the Parties' relationship. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this section by any of their respective sublicensees.
 - c) **Use; Quality Control.**
 - i) Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
 - ii) Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Each party may make written notice to the other regarding misuse under

this section. The offending party will have 30 days of the date of the written notice to cure the issue or the license/sublicense will be terminated.

- d) **Termination.** Upon the termination of this Agreement for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

20) **Venue and Governing law between Sourcewell and Supplier Only.** The substantive and procedural laws of the State of Minnesota will govern this Agreement between Sourcewell and Supplier. Venue for all legal proceedings arising out of this Agreement between Sourcewell and Supplier will be in court of competent jurisdiction within the State of Minnesota. This section does not apply to any dispute between Supplier and Participating Entity. This Agreement reserves the right for Supplier and Participating Entity to negotiate this term to within any transaction documents.

21) **Severability.** If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Agreement is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

22) **Insurance Coverage.** At its own expense, Supplier must maintain valid insurance policy(ies) during the performance of this Agreement with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

- a) **Commercial General Liability Insurance.** Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Agreement.
- \$1,500,000 each occurrence Bodily Injury and Property Damage
 - \$1,500,000 Personal and Advertising Injury
 - \$2,000,000 aggregate for products liability-completed operations
 - \$2,000,000 general aggregate
- b) **Certificates of Insurance.** Prior to execution of this Agreement, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Agreement. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or provided to in an alternative manner as directed by Sourcewell. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf. Failure of Supplier to maintain the required insurance and documentation may constitute a material breach.

- c) **Additional Insured Endorsement and Primary and Non-contributory Insurance Clause.** Supplier agrees to list Sourcewell, including its officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.
- d) **Waiver of Subrogation.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Agreement or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.
- e) **Umbrella/Excess Liability/SELF-INSURED RETENTION.** The limits required by this Agreement can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.
- 23) **Termination for Convenience.** Sourcewell or Supplier may terminate this Agreement upon 60 calendar days' written notice to the other Party. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.
- 24) **Termination for Cause.** Sourcewell may terminate this Agreement upon providing written notice of material breach to Supplier. Notice must describe the breach in reasonable detail and state the intent to terminate the Agreement. Upon receipt of Notice, the Supplier will have 30 calendar days in which it must cure the breach. Termination pursuant to this section will not relieve the Supplier's obligations under this Agreement for any transactions entered with Participating Entities through the date of termination, including reporting and payment of applicable Administrative Fees.

**Article 3:
Supplier Obligations to Participating Entities**

The Terms in this Article 3 relate specifically to Supplier and a Participating Entity when entering transactions utilizing the General Terms established in this Master Agreement. Article 1 General Terms control over any conflict with this Article 3. Where this Master Agreement is silent on any subject, Participating Entity and Supplier retain the ability to negotiate mutually acceptable terms.

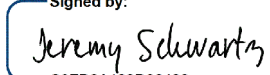
- 1) **Quotes to Participating Entities.** Suppliers are encouraged to provide all pricing information regarding the total cost of acquisition when quoting to a Participating Entity. Suppliers and Participating Entities are encouraged to include all cost specifically associated with or included within the Suppliers proposal and Included Solutions within transaction documents.
- 2) **Shipping, Delivery, Acceptance, Rejection, and Warranty.** Supplier's proposal may include proposed terms relating to shipping, delivery, inspection, and acceptance/rejection and other relevant terms

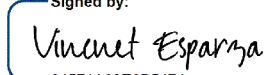
of tendered Solutions. Supplier and Participating Entity may negotiate final terms appropriate for the specific transaction relating to non-appropriation, shipping, delivery, inspection, acceptance/rejection of tendered Solutions, and warranty coverage for Included Solutions. Such terms may include, but are not limited to, costs, risk of loss, proper packaging, inspection rights and timelines, acceptance or rejection procedures, and remedies as mutually agreed include notice requirements, replacement, return or exchange procedures, and associated costs.

- 3) **Applicable Taxes.** Participating Entity is responsible for notifying supplier of its tax-exempt status and for providing Supplier with any valid tax-exemption certification(s) or related documentation.
- 4) **Ordering Process and Payment.** Supplier's ordering process and acceptable forms of payment are included within its Proposal. Participating Entities will be solely responsible for payment to Supplier and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.
- 5) **Transaction Documents.** Participating Entity may require the use of its own forms to complete transactions directly with Supplier utilizing the terms established in this Agreement. Supplier's standard form agreements may be offered as part of its Proposal. Supplier and Participating Entity may complete and document transactions utilizing any type of transaction documents as mutually agreed. In any transaction document entered utilizing this Agreement, Supplier and Participating Entity must include specific reference to this Master Agreement by number and to Participating Entity's unique Sourcewell account number.
- 6) **Additional Terms and Conditions Permitted.** Participating Entity and Supplier may negotiate and include additional terms and conditions within transaction documentation as mutually agreed. Such terms may supplant or supersede this Master Agreement when necessary and as solely determined by Participating Entity. Sourcewell has expressly reserved the right for Supplier and Participating Entity to address any necessary provisions within transaction documents not expressly included within this Master Agreement, including but not limited to transaction cancellation, dispute resolution, governing law and venue, non-appropriation, insurance, defense and indemnity, force majeure, and other material terms as mutually agreed.
- 7) **Subsequent Agreements and Survival.** Supplier and Participating Entity may enter into a separate agreement to facilitate long-term performance obligations utilizing the terms of this Master Agreement as mutually agreed. Such agreements may provide for a performance period extending beyond the full term of this Master Agreement as determined in the discretion of Participating Entity.
- 8) **Participating Addendums.** Supplier and Participating Entity may enter a Participating Addendum or similar document extending and supplementing the terms of this Master Agreement to facilitate adoption as may be required by a Participating Entity.

Sourcewell

Veregy, LLC

Signed by:

By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 9/23/2024 | 10:24 AM CDT

Signed by:

By: 64571A69E6B5474...
Vincent Esparza
Title: VP of Marketing and Communications
Date: 9/23/2024 | 8:11 AM PDT

RFP 071624 - Energy Savings Performance Contracting with Related Services

Vendor Details

Company Name: Veregy, LLC

Does your company conduct business under any other name? If yes, please state: Arizona

Address: 2222 West Pinnacle Peak Road
Suite 240
Phoenix, Arizona 85027

Contact: Madeline Urquhart

Email: murquhart@veregy.com

Phone: 208-305-8511

Fax: 208-305-8511

HST#:

Submission Details

Created On: Tuesday May 28, 2024 14:23:56

Submitted On: Tuesday July 16, 2024 10:15:47

Submitted By: Madeline Urquhart

Email: murquhart@veregy.com

Transaction #: 809b38e3-631b-430e-b46e-954e2dc9ceb5

Submitter's IP Address: 173.47.151.16

Specifications

Table 1: Proposer Qualifications

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Provide the legal name of the Proposer authorized to submit this Proposal.	Veregy, LLC
2	In the event of award, is this entity the Responsible Supplier that will execute the master agreement with Sourcewell?	Yes, Veregy, LLC is the responsible supplier that will execute the master agreement with Sourcewell.
3	Identify all subsidiaries, D.B.A., authorized affiliates, and any other entity that will be responsible for offering and performing delivery of Solutions within this Proposal (i.e. Responsible Supplier(s) that will execute a master agreement with Sourcewell).	DBA Veregy Veregy West, LLC Veregy Pacific, LLC Veregy Central, LLC Veregy East, LLC
4	Provide your CAGE code or Unique Entity Identifier (SAM):	G6WHAKASATQ9
5	Provide your NAICS code applicable to Solutions proposed.	236220, 238220, 238210, 541350, 541690, 541330
6	Proposer Physical Address:	Veregy's headquarters are located at 3312 E Broadway Road, Phoenix, AZ 85040.
7	Proposer website address (or addresses):	https://veregy.com/
8	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer):	Vincent Esparza, VP of Marketing and Communications, 2222 W Pinnacle Peak Road, Suite 240, Phoenix, AZ 85027, vesparza@veregy.com, 602.452.8746
9	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Vincent Esparza, VP of Marketing and Communications, vesparza@veregy.com, 602.452.8746
10	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Cory Scamihorn, Marketing Manager, 2222 W Pinnacle Peak Road, Suite 240, Phoenix, AZ 85027, cscamihorn@veregy.com, 623.210.9990
11	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity as an energy service company (ESCO).	<p>Veregy is an award-winning NAESCO-Accredited energy services company (ESCO) with the core philosophy of Accelerating and Simplifying the Energy Transition. We provide turnkey engineering and construction services designed to reduce our clients' energy and operating costs through the implementation of energy efficiency and infrastructure upgrades through performance contracting, smart building technology, fleet EV infrastructure, clean energy generation, and sustainability. We have been in business for 34 years as an ESCO.</p> <p>Veregy is an approved provider of energy services through the U.S. Department of Energy's Federal Energy Management Program (FEMP) and an accredited member of the National Association of Energy Service Companies (NAESCO). Veregy has been fully accredited by NAESCO since 2009. Companies seeking NAESCO-accredited status must apply to a committee of industry experts unaffiliated with any Energy Services Company (ESCO) or any other company under consideration for a thorough examination of core competencies and business practices.</p> <p>Through this process, Veregy has met the rigorous standards to become an accredited Energy Services Provider (ESP) through NAESCO. Through our membership, Veregy attends workshops, webinars, and conferences featuring industry innovation and business development. This gives us valuable insight into new and emerging energy conservation measures, market trends, and policy updates, adding value to our projects.</p> <p>Each year FEMP establishes the U.S. Department of Energy (DOE) Qualified List of ESCOs in accordance with the Energy Policy Act of 1992 and 10 C.F.R. 436. Qualified providers have met the test of demonstrating their ability to design, finance, and implement ESPC projects successfully. In addition, an ESCO's technical capabilities, staff, management, and experience are evaluated before becoming a DOE-qualified ESCO.</p> <p>Veregy's Purpose, Mission, and Values -We Win When Our Clients Win -We Deliver At Every Engagement -We Shape Our Communities And Protect Our Environment -We Create Rewarding Long-term Careers And Opportunities -We disrupt the energy efficiency and construction status quo to shape and create safe, clean, and sustainable environments for tomorrow.</p> <p>-We make complex solutions simple, cost effective, and tailored to the unique challenges of local markets, empowered by technology.</p>

12	<p>Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response. DO NOT PROVIDE ANY TAX INFORMATION OR PERSONALLY IDENTIFIABLE INFORMATION.</p>	<p>At Veregy, we provide the benefits of a local company and the financial structure and experience to take on large-scale projects at a national level. Our balance sheet and working capital positions are strong, and as a result, we have a bonding capacity of \$300 million. Veregy is in an excellent position to bond, perform and financially guarantee the savings for our clients' projects.</p> <p>Veregy is not a public company but a privately held company. As such, we do not publish such financial statements as part of an RFP response. Our policy pertaining to the attachment of sensitive financial and operating agreements to public documents such as this is to guard them closely, as we do not want our private financial information placed into the "public domain." We understand the desire to assure (client) that Veregy is a viable business. Hence, in lieu of submitting our financial records, we offer the following assurances to the to fulfill this request.</p> <p>Our bonding capacity is \$300 million. We will provide a surety bond for the project equal to 100% of the cost of the project. This bond will protect the from any deficiency or completion of the project.</p> <p>If being considered by the , Veregy can arrange a private meeting with our CPA firm to review our audited financial statements, operating documents, and lines of credit with the.</p> <p>Please see attachments for our bond rating letter and a bank reference letter that showcases our financial strength as a firm.</p>
13	<p>What is your US market share for the solutions that you are proposing?</p>	<p>Veregy's US market share is at approximately 6%.</p>
14	<p>What is your Canadian market share for the solutions that you are proposing?</p>	<p>Veregy does not do business in Canada.</p>
15	<p>Disclose all current and completed bankruptcy proceedings for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a bankruptcy proceeding at any time during the pendency of this RFP evaluation.</p>	<p>Veregy does not have any current or completed bankruptcy proceedings in the past seven years.</p>
16	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>Veregy is best described as a service provider. Our sales and service force are direct employees of Veregy. Our dealer network involves both direct from the manufacturer procurement as well as through wholesalers. Our size and national presence means we are able to leverage our buying power to procure equipment at the best possible price. As a completely vendor agonistic company we are not tied to any particular brand or wholesaler and seek to always procured the best products, for the best price, to suit our clients needs.</p>
17	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>For the services described in this proposal, required licenses vary by state. Typically, an energy services project would require some form of a general contractor license, whether it is project-based or state-based. Veregy holds all required general contractor, electrical, public works projects, professional design services, and construction service licenses required to conduct business outlined in this proposal. Please see attachments to see proof of these licenses.</p>
18	<p>Disclose all current and past debarments or suspensions for Proposer and any included possible Responsible Party within the past seven years. Proposer must provide notice in writing to Sourcewell if it enters a debarment or suspension status any time during the pendency of this RFP evaluation.</p>	<p>Veregy does not have any current or past debarments or suspensions within the past seven years.</p>

19	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>Veregy is proud to have received many national awards recognizing our excellence in energy efficiency projects, employee satisfaction, historic preservation and renewable energy contributions. Below is a list of recent awards:</p> <p>2024 Association of Energy Engineers (AEE), Institutional Energy Management Award for the Midwest Region. Metropolitan School District of Wayne County, IN Missouri Preservation Project of The Year – Adair County Courthouse Aviation Pros Sustainability Project of the Year – Abraham Lincoln Capital Airport National Association of Energy Service Companies (NAESCO), Accredited Energy Service Provider Top CEO, Wes Walker in the Middle Market – Grady Campbell Inc.</p> <p>2023 National Association of Energy Service Companies (NAESCO), Accredited Energy Service Provider Solar Builder Magazine C&I Ground Mount Project of the Year Green Technology Environmental Champion Leadership Award Best and Brightest Companies to Work for in the Nation 2023 IPAA Sustainability Award – Abraham Lincoln Capital Airport Solar Arrays Project Hermes Creative Award</p> <p>2022 National Association of Energy Service Companies (NAESCO), Accredited Energy Service Provider Arizona Capital Times, Top 100 Best Places to Work Solar Power World, Top 50 Commercial Solar Providers Best Buddies International, Annual Gold Award</p> <p>2021 National Association of Energy Service Companies (NAESCO), Accredited Energy Service Provider Arizona Central: Top 120 Best Places to Work Solar Power World, Top 50 Commercial Solar Providers NAAAE Great Lakes Project of the Year – Evansville Regional Airport Partners for Clean Air Award; John Glenn School Corp Solar Project Ohio School Board Association (OSBA) Business Honor Roll Airport Architectural Project of the Year Award – Indianapolis International Airport</p> <p>2020 National Association of Energy Service Companies (NAESCO), Accredited Energy Service Company Department of Energy Qualified Energy Service Companies EPA/Green Power Partnership Top 30 K-12 Schools; Largest Green Power User in the U.S. Top 100 Best Places to Work; USA Today Network Solar Power World, Top 50 Commercial Solar Providers Ameren Missouri 2020 Trade Ally Network Awards; Recognized for Most Outstanding Engineering Services Columbus Business First Top Engineering Firms in Columbus, Ohio Aviation Indiana Project of the Year – Evansville Regional Airport</p> <p>2019 Top 100 Best Place to Work; USA Today Network Columbus CEO Best Places to Work American Electrical Power Top of The List In Highest kWh Savings Arizona Association of School Board Officials (AASBO) Vendor of the Year Consulting-Specifying Magazine; Engineering Giants Survey Top 125 Engineers in the Country Business and Government Partnership Award; Missouri Association of Counties Prendergast Elementary School District Community Member Award</p>
20	What percentage of your sales are to the governmental sector in the past three years	Approximately 10% of sales have been in the governmental sector in the past three years.
21	What percentage of your sales are to the education sector in the past three years	Approximately 75% of sales have been in the governmental sector in the past three years.
22	List any state, or cooperative purchasing agreements that you hold. What is the annual sales volume for each of these agreements over the past three years?	We have cooperative purchasing agreements with 1GPA, TIPS, Equalis Group, OMNIA, Purchasing Cooperative of America, Buyboard, Axia, and META. These include agreements for services in energy performance contracting, work order systems, general contracting, solar, mechanical, plumbing, JOC, sports lighting, and electrical services. Annual sales volume through these cooperatives is roughly \$166M in the past three years.
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	<p>GSA Contract – 47QSWA20D003Z Total Sales 2021 - \$86,435 2022 - \$139,960 2023 - \$234,369 2024 - \$16,740 (Q1 &Q2 only)</p> <p>DOE Gen4 Contract – 89243423DDEE00031 Total Sales \$0 the past 3 years</p> <p>NOOA – 1305M221DNWWR003 Total Sales 2021 - \$94,184 2022 - \$208,963.15 2023 - \$149,868.85 2024 - \$16,740 YTD</p>

Table 2: Proposer Qualifications: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
JO Combs Unified School District	Gregory Wyman	480.987.5307
Montgomery County Missouri	Dave Teeter	573.564.8091
Jackson County	Michael Overton	517.768.6624

Table 3: Proposer Qualifications: Top Five Projects

Line Item 25. Provide a list of your top five government, education, or non-profit performance contracting projects your firm completed (entity name is optional).

Project Data	Project 1	Project 2	Project 3	Project 4	Project 5
Project Name	Cartwright Elementary School District	City of Mission	Sahuarita Unified School District	JO Combs Unified School District	City of Florissant
Facility Type and Use	K12 schools	State/Local Government	K12 schools	K12 schools	State/Local Government
Project Size -Number of Buildings -Total Square Footage	28 buildings and 2,160,196 square feet	3 buildings and 116,041 square feet	14 buildings and 64,331 square footage	7 buildings and 668,277 square footage	14 buildings and 157,775 square footage
Types of Measures	-High efficiency HVAC units -Energy Management System -LED Lighting Retrofit -Bipolar ionization -Plumbing -Solar installation	-Lighting & Lighting Controls -Mechanical System Upgrades -Destratification Fans -Pool Smart Pump Controller and VFD -Hypochlorite Generator -Weatherization -Wi-Fi Thermostat Control -LED Street Light Upgrade -LED Traffic Light Retrofit	-HVAC -Building Automation -Data Management -Controls -Solar -Water and Sewer Conservation Systems	-Interior and Exterior Lighting -Building Automation System -Weatherization -Mechanical and Domestic Water System Upgrades -Green Behavior Management -Solar	-Building Envelope -New Building Automation System -LED Lighting -Controls -HVAC -Electrical Upgrades -Partial demolition and replacement of roof
Project Cost: Installed Project Costs	\$40,367,347	\$3,241,555	\$16,653,704	\$12,319,180	\$7,436,482
Project Cost: Financed Amount	\$53,307,777	\$3,532,063	\$20,145,117	\$15,449,461	\$7,436,482
Guaranteed Annual Savings (\$)	\$1,877,392	\$112,799	\$924,276	\$719,046	\$119,993
Financing/Funding Source	Guaranteed Energy Savings Performance Contract (GESPC) / Municipal Lease	Guaranteed Energy Savings Performance Contract (GESPC) / Municipal Lease	Guaranteed Energy Savings Performance Contract (GESPC) / Municipal Lease	Guaranteed Energy Savings Performance Contract (GESPC) / Municipal Lease	Guaranteed Energy Savings Performance Contract (GESPC) / Municipal Lease
Project Schedule -Construction Start and End Dates -Guarantee Period Start and End Dates	Start Date: 2020-09-04 End Date: 2022-9-1 1 Year Post Construction End Date	Start Date: 2021-07-08 End Date: 2023-07-1 1 Year Post Construction End Date	Start Date: 2020-04-15 End Date: 2021-06-08 1 Year Post Construction End Date	Start Date: 2020-04-23 End Date: 2021-06-09 1 Year Post Construction End Date	Start Date: 2019-05-28 End Date: 2021-05-01 1 Year Post Construction End Date
Measurement and Verification Methods	IPMVP Option A	IPMVP Option A	IPMVP Option A	IPMVP Option A	IPMVP Option A
Term of financing agreement	20 years	15 years	15 years	15 years	15 years

Table 4: Proposer Qualifications: Ability to Sell and Deliver Solutions

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
26	Sales force.	Veregy's sales force is structured regionally across the country. Our three regions, West, Central, and East, include 5 sales managers and 55 sales representatives, individually focused on various vertical markets (i.e., K-12, State and Local Government, Airports, Healthcare, and Higher Education).
27	Describe the network of Authorized Sellers who will deliver Solutions, including dealers, distributors, resellers, and other distribution methods.	Veregy provides all services in-house and has an internal sales force. Therefore, authorized sellers outside our organization are not applicable.

28	Service force.	<p>Veregy has 42 members of our Service Team.</p> <p>Warranties provide a legally binding, guaranteed process for replacing or correcting issues associated with work provided by Veregy according to the terms stipulated in the installation contract or agreement. Often, Veregy pairs warranty services with additional ongoing service agreements (i.e., digital, mechanical, etc.) to create and maintain a long-standing customer relationship. To accommodate this, the warranty process comprises a dedicated Veregy Customer Success (CS) team (Service Force), depending on the scope included in the project. The goal of the CS team is to ensure the client always has clear lines of communication and accessibility to Veregy. The CS team answers questions, resolves issues, orders replacement parts, or schedules additional work as needed, whether service contract or warranty-related. At Veregy, warranty and service communications are funneled through a centralized communication system that provides a single entry point for the client and allows Veregy to track issue resolution and post-project client relationships.</p> <p>Entering the warranty and service fulfillment stages of a contract can be overwhelming. To ensure each customer's success, the CS team will inform our clients of Veregy's warranty and service processes prior to final completion. This ensures clients know what to expect before being formally onboarded by the CS team. Before or at substantial completion, Veregy should review each client's service and warranty coverage, how to access support, and applicable time frames. Warranty and additional service support begin at final completion.</p> <p>At final completion, Veregy shall complete the following: -Introduce and review the methods through which they will engage with Veregy's CS team (contact channels). -Review the documented workflow for warranty or service ticket submission, tracking, resolution, and escalation, checking for understanding. -If applicable, introduce the designated Account Manager assigned to support the client. This should be provided by, and coordinated with, any applicable service scope items included in the project.</p> <p>At final completion, assemble and deliver Veregy's Warranty Process document to the client, review the document, and field any questions the client may have.</p>
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>Issuing POs and subcontract requests is vital in construction project management as they establish formal procurement processes, control costs, mitigate risks, and ensure adherence to quality and safety standards. These documents facilitate clear communication, legal protection, and efficient resource allocation, contributing to on-time and on-budget project delivery.</p> <p>-Request for Quotation (RFQ): The project manager or other authorized personnel emails an RFQ to the project accountant/project coordinator or purchasing agent with the shipping address, site contact information, project number, phase code, and cost type. The project coordinator or purchasing agent sends an RFQ to multiple vendors for the best pricing and availability. This document includes the details of the required product or service, the quantity, the price, and any other terms and conditions. -Quotation Analysis: The vendor sends a quotation in response to the RFQ. The project manager, project accountant/project coordinator, and/or purchasing agent then analyzes the quotation received from the vendors, including evaluating the pricing, delivery terms, and any other factors that are relevant to the purchase decision. -PO Creation: After analyzing the quotations and selecting the vendor, the project accountant/project coordinator or purchasing agent creates a PO within Vista. The PO outlines the details of the purchase, including the product or service, quantity, price, delivery terms, payment terms, and any other relevant information. -PO Review and Approval: The PO is then reviewed and approved by the project manager. -PO Transmission: After approval, the PO is sent to the vendor electronically by the project accountant/project coordinator/purchasing agent or project manager.</p> <p>By following this process, the company can ensure that purchase orders are issued accurately and efficiently, allowing for the timely receipt of goods and services while staying within budget.</p>
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>Veregy's customer service program includes a documented quality guarantee promised to our client or end user. Warranties provide a legally binding, guaranteed process, ensuring that replacement or correction of issues associated with work provided by Veregy occurs according to the terms stipulated in the installation contract or agreement.</p> <p>Veregy provides a standardized documented workflow for warranty or service ticket submission, tracking, resolution, and escalation. At final completion of a project, a Veregy account manager will assemble and deliver Veregy's Warranty Process document to the client, review the document, and field any questions the client may have.</p> <p>The flow includes our clients reaching out by phone, email, or automated to a non-service representative who will immediately forward to our service team to respond per SLA or contract. The project manager will respond to the issue in 24 hours or less if the inquiry is non-service related, otherwise our service team of 7 full-time engineers will respond to the issue within 1-4 hours depending on the service level agreement.</p>
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities.	<p>Veregy is willing and capable of providing the services described in this proposal to Sourcewell participating entities. Purchasing Cooperatives are an efficient, streamlined procurement vehicle that benefit our clients. Veregy will advocate for using this vehicle because of the cost savings, increased bargaining power, improved supply chain efficiency, shared expertise and resources, enhanced quality control, and sustainable business practices.</p> <p>A large percentage of Veregy's business runs through cooperatives and we are intimately familiar with the process and requirements of the cooperative purchasing process. We have an internal team dedicated to ensuring contract compliance, reporting, and payment.</p> <p>Our Sales and Marketing teams are also well versed in how to sell cooperative purchasing to participating entities and also bringing new clients into the process.</p>
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	<p>Veregy does not currently service customers in Canada.</p>
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed agreement.	<p>Veregy is willing to work in any state in the continental United States, however it does not currently service customers in Canada.</p>

34	Identify any account type of Participating Entity which will not have full access to your Solutions if awarded an agreement, and the reasoning for this.	Veregy provides service to all public and private entities in the United States. We do not serve Canadian clients at this time. We are also unable to currently provide our services in Alaska or Hawaii given their remote nature and the requirements of working across such large distances.	*
35	Will Proposer extend terms of any awarded master agreement to nonprofit entities?	Yes, Veregy will extend terms of any awarded master agreement to nonprofit entities.	*

Table 5: Proposer Qualifications: Depth and Breadth of Solutions Offered

Line Item	Question	Response *
36	Provide a detailed description of all the Solutions offered, including used, offered in the proposal.	<p>Veregy provides energy efficiency, facility improvements, design-build, construction management, and ongoing managed services to our clients. We ensure cost-effective, ethical, reliable, and high-quality solutions of strategic value across a wide spectrum of energy conservation (ECM) and facility improvement (FIM) measures designed to accelerate your capital and sustainability goals.</p> <p>Veregy self-performs most of the professional services (survey, analysis, engineering, project management, control systems, commissioning, solar systems, training, etc.). We provide the full range of services necessary for a comprehensive energy-efficient project, including:</p> <ul style="list-style-type: none"> -Design-Bid-Build -Design-Assist -Design-Build -Construction Management -Engineering Design -Master Planning -Facility Assessments -Investment Grade Audits -Commissioning -Decarbonization Plans -Measurement & Verification -LED Lighting -Plumbing -HVAC -Renovations -Building Envelope -Chillers -Electrical -Digital Services -FMX -Building Automation -Lighting Controls -Occupancy Sensors -Air Filtration -Bi-Polar Ionization -Ultraviolet Germicidal -Irradiation (UVGI) -Fire & Security Systems -MEP Services -Preventative Maintenance -Renewable Service -EV Charger Service -Building Automation Service -Microgrid -Battery Storage -Geothermal -Wind -Solar -EV Buses -EV Chargers -Master Planning -Infrastructure (Electrical & Carports) -Grant Writing

<p>37</p>	<p>What is your process for measurement and verification?</p>	<p>Veregy has successfully developed and implemented thousands of ECMs utilizing the International Performance Measurement and Verification Protocol (IPMVP), a standard used to guide the M&V of energy efficiency and conservation projects. IPMVP provides a framework for evaluating and documenting the performance of energy-saving measures in buildings and other facilities. Four main IPMVP options describe the methods for measuring and verifying energy savings:</p> <p>Partially Measured Retrofit Isolation Project benefits are determined by partial field measurement of the energy use of the system(s) to which an improvement measure was applied, separate from the energy use of the rest of the facility. Measurements will be short-term, with only one-time measurements pre-and post-retrofit installation period. Stipulations will be shown in the M&V Plan, along with analysis of the significance of the error they may introduce.</p> <p>All Parameter Measurement Retrofit Isolation Project benefits are determined by field measurement of the energy use of the system(s) to which the improvement measure was applied, separate from the energy use of the rest of the facility. Short-term, long-term, or continuous measurements are taken throughout the pre- and post-retrofit period of the contract.</p> <p>Whole Facility Measurement It involves using utility meters or whole building sub-meters to assess the energy performance of an entire building, assessing the impact of any improvement measure, but not individually, if more than one is applied to an energy meter. This option determines the collective project benefits of all improvement measures applied to the part of the facility monitored by the energy meter. Also, since whole building meters are used, project benefits reported under this option include the impact of any other change made in facility energy use (positive or negative).</p> <p>Calibrated Simulation It involves the use of computer simulation software to predict energy use. Such a simulation model must be calibrated to predict an energy use and demand pattern that reasonably matches actual utility consumption and demand data from the base year of a post-retrofit year.</p> <p>Stipulated Option This approach is intended for measures where the key- and non-key-parameters are known in advance and used in a calculation or analysis method that will determine the outcome and when it is cost-prohibitive to perform intensive M&V. Key- and non-key-parameters can include but are not limited to, operational efficiency, manufacturer's measurements, industry-standard efficiencies, or operating hours.</p>
<p>38</p>	<p>Describe in detail the methodology your firm normally uses to compute baseline of energy and water use as well as performance.</p>	<p>Veregy is consistent with the Federal Energy Management Program (FEMP) document titled M&V Guidelines: Measurement and Verification for Federal Energy Projects, Version 4.0. Our recommended methodologies for each project balance the cost and benefit of long-term monitoring to demonstrate that guaranteed savings occur at the least cost possible.</p> <p>The general equation used to calculate energy savings is: Savings = \sum (Baseline Energy – Post-Installation Energy) \pm Adjustments</p> <p>This calculation differs in its application depending on the M&V methodology used. For options A and B, the baseline energy is determined as the sum of the baseline energy consumption calculated for each of the ECMs in the project. For example, for a project that includes a lighting upgrade only, the baseline energy would be determined solely by the lighting system calculated energy consumption. For such a situation, utility bills are collected and compiled primarily for benchmarking. Option C's baseline energy is determined directly from the utility bills since that is the essence of option C. Option D determines the baseline energy by creating an energy model using various inputs corresponding to the project ECMs. The following presents our approach for establishing baseline energy and calculating the Savings.</p> <p>Veregy has developed a multi-step process that incorporates all energy sources, energy uses, and independent variables, including but not limited to operating hours, equipment efficiencies, and weather. Through this process, we arrive at accurate baseline energy values essential for the savings calculations and agreed upon by the "client".</p> <p>Step 1 - Initial Interview Step 2 - Collect, Tabulate, & Correct Utility Bills Step 3 - Develop Multivariate Regression Model Step 4 - On-Site Data Collection Step 5 - BAS Trend Data Step 6 - Field Measurement and Data Loggers Step 7 - Non-Routine Adjustments</p>
<p>39</p>	<p>How is a performance guarantee provided (self-guarantee or third party)?</p>	<p>Veregy self-guarantees all of our guaranteed energy service contracts and typically conduct all M&V unless our client requests a 3rd party to review. Each year our clients are presented with a full breakdown of system performance. We then collaborate and review the results together and make sure that the client is satisfied and approves the results.</p>
<p>40</p>	<p>How is insurance provided (self-guarantee or third party)?</p>	<p>Veregy is insured through a third party. We maintain insurance to protect against claims that may arise during project implementation. The Commercial General Liability Insurance we purchase includes premises- operations (including explosion, collapse, and underground coverage), elevators, independent contractors, completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage.</p> <p>Veregy's Commercial General and Automobile Liability Insurance is written for not less than the limits of liability as shown below:</p> <p>Commercial General Liability Combined Single Limit \$1,000,000 each occurrence \$2,000,000 Product and Completed Operations Aggregate \$2,000,000 General Aggregate other than Product and Completed Operations \$1,000,000 Commercial Automobile Liability Combined Single Limit</p> <p>The customer shall purchase and maintain all risk full-cost replacement property insurance.</p> <p>Veregy always maintains Worker's Compensation Insurance in accordance with the laws of the State. Additional insurance coverage, if required, can be provided by Veregy.</p>

41	With guaranteed savings contracts, how do you handle a situation where a performance guarantee is not being met?	Veregy has a strong track-record of meeting our client's guarantee in energy savings. In the rare event that a performance guarantee is not met, Veregy will write a check to the client to make up the difference and then make any needed modifications to the system to ensure that shortfalls do not happen in the future.
42	How do you maintain transparency with clients regarding M&V results?	Maintaining transparency with clients through measurement and verification in construction involves systematic documentation, regular reporting, and clear communication. We provide our clients with a thorough M&V Report of a project conducted under a Guaranteed Savings Agreement. This report shows a breakdown of each site and the energy conservation measures implemented at those sites. We include the baseline energy, costs, and rates and the post-implementation verification performed. Veregy also offers various digital services that provide real-time reporting of energy consumption. This allows clients to monitor, analyze, and manage their facilities with transparent, accurate data.
43	State whether work is completed by the Contractor or by a subcontractor for each category of measure (auditing, design, procurement/supply of equipment from vendors and manufacturers, engineering, construction management services, lighting, HVAC, controls, monitoring & verification, etc.)	All of the listed services (auditing, design, procurement/supply of equipment from vendors and manufacturers, engineering, construction management services, lighting, HVAC, controls, monitoring & verification, etc.) are self-performed by Veregy staff. Some states will require that we subcontract the installation of certain ECMs such as lighting or HVAC.
44	Describe how subcontractors are selected. Also comment on your ability to competitively select subcontractors.	<p>Before selecting a subcontractor to work on a project with us, we use a pre-qualifying process that consists of the following points:</p> <ul style="list-style-type: none"> -Overall Expertise and Experience -Resources and Manpower to Perform the Work -Associates Within the Organization and Recruiting Practices -References Including the Scope of Work Performed, Schedule, and Costs -Company Financials -Safety Plan -Risk Mitigation Plan -Quality assurance Plan -Service and Product Guarantees -Years in the Industry -Insurance and Claim History -Experience Modification Rate (EMR) -SBE/MWBE/VBE Status <p>After being identified as a potential subcontractor, all subcontracting candidates must fill out a Contractor Qualification Statement and submit it to Veregy. This qualification form helps us to define and quantify subcontracting candidates' experience, ability, and stability. The next step would be do a thorough analysis of our top selected subcontractors.</p> <p>Our Multi-Step Competitive Subcontractor Selection Process can be outlined as follows:</p> <ul style="list-style-type: none"> -Veregy will prepare trade-specific bid packages to include the bid documents, scopes of work, project-specific requirements, and exhibits. -A pre-bid conference is held for subcontractors where the goals and rules for the project are discussed, bid date and time is announced, and bid packages are distributed. -Bidding subcontractors submit their pricing and any questions. -Bids are received within the given timeframe, or it is considered non-responsive. -Review of each bid for thoroughness, qualifications, and compliance, and the most competitive proposals are recommended for award. <p>Once established, our executive management team reviews and scores the potential subcontractors and moves forward with only the highest rated. While price is always a factor in choosing a subcontractor, our goal is to provide the best value to our clients, and that can only be done if the criteria listed above are met. We would never choose a subcontractor based on price alone. Once we begin the project with client, we can begin the subcontractor selection process with the client's approval and input.</p>
45	Since several efficiency measures are affected by weather, describe how you perform weather corrections.	<p>Veregy has developed a multi-step process that incorporates all energy sources, energy uses, and independent variables, including but not limited to weather, operating hours, and equipment efficiencies. When calculating a project we perform weather normalization utilizing a regression analysis to correct for fluctuations in temperature, humidity and other factors.</p> <p>Veregy utilizes a multivariate linear regression software, to develop the regression equations for heating and cooling degree days. These equations form the basis for routine weather adjustments to the baseline. A routine adjustment is made for factors affecting energy consumption that is expected to change. Normalizing the utility data for weather can accurately compare the baseline energy data against the post-installation data, even though the actual weather will differ annually. A Metrix model is independently prepared for each utility meter or submeter (electricity, natural gas, steam, chilled water, etc.)</p>
46	Do you measure equipment loads? If so, do you measure or stipulate, and what is the impact if they change?	<p>Veregy 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.</p> <p>Other solutions that reduce building loads will include extended evaluation of central plant impact, assessing if the reduced load is within the low operating limits of the existing central plant equipment. For example, a heating load reduction will include analysis of the central plant to determine if the boilers have the turn-down capability to operate at the reduced heating load. In addition, the energy savings calculations will take into account the efficiency of the central plant boilers. The corresponding reduction in natural gas due to a reduced heating load will be determined.</p> <p>We also have experience implementing Plug Load Management (PLM) solutions that can save money and improve efficiency. PLM helps users visualize and understand their plug load, down to the individual device. Users can see the number and types of loads in each building. More importantly, they are able to analyze energy usage patterns of devices, groups of devices and buildings. At the same time, PLM lowers energy expenses by automating plug load control. Instead of running 24/7, devices are powered off when buildings are empty.</p> <p>PLM is unique solution, but the following factors should be considered before use: Wi-Fi capabilities, Wi-Fi congestion, current Building Automation System integration and existing electrical infrastructure</p>

47	Who is responsible for initial and long-term equipment performance? How is this verified and what will be done if the equipment performance does not meet expectations?	<p>At Veregy, we take pride in our work and stand behind it 100%, so we offer our clients complete peace of mind with our warranty program. It guarantees that a construction project's workmanship, materials, and overall quality meet client's standards. If defects or issues arise within the warranty period, we will be there to rectify them at no additional cost to the customer during the warranty period.</p> <p>Manufacturer Warranties The manufacturer warranty is passed to the client upon project completion. The length of the standard warranty on installation and service is typically one (1) year.</p> <p>Equipment Warranties When the project is finished, we typically start the warranty period on all energy conservation measures (ECM) and facility improvement measures (FIM). Veregy will take the warranty risk during construction until the project is completed. The equipment manufacturer warranty is passed to the "client" upon the client's acceptance of the project.</p> <p>Standard Installation Warranty Our standard warranty is two (2) years on parts and two (2) years on workmanship. If the manufacturer has a longer warranty, that extension will be passed to the client.</p>
48	Describe how you verify project savings (e.g., equipment performance, operational factors, energy use) and the impact on M&V costs.	<p>Veregy 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.</p> <p>The International Performance Measurement and Verification Protocol (IPMVP) provides a standardized framework for measuring and verifying the energy savings and performance of energy efficiency projects. These guidelines ensure consistency, transparency, and accuracy in evaluating the impact of energy conservation measures.</p> <p>Here's an overview of the key components and principles of the IPMVP:</p> <p>Key Components of IPMVP:</p> <p>Option A: Retrofit Isolation with Key Parameter Measurement Description: Measures savings from specific equipment or system modifications. It uses measured data for key performance parameters while estimating others. Application: Suitable when energy savings can be attributed to a few key variables that are easily measured. Examples: Lighting retrofits, where the power consumption of new lights is measured, and operating hours are estimated.</p> <p>Option B: Retrofit Isolation with All Parameter Measurement Description: Measures all parameters affecting energy use before and after the retrofit. Application: Used when precise and comprehensive measurement of energy savings is required. Examples: HVAC system upgrades where all influencing factors (temperature, flow rates, etc.) are measured.</p> <p>Option C: Whole Facility Description: Uses utility meters or whole-building energy meters to measure savings by comparing energy use before and after implementation of energy-saving measures. Application: Appropriate for projects where energy savings are expected to impact the entire facility. Examples: Comprehensive energy efficiency programs involving multiple measures across a building.</p> <p>Option D: Calibrated Simulation Description: Uses computer simulation models of energy performance, calibrated with measured data, to estimate savings. Application: Used when direct measurement is impractical or cost-prohibitive. Examples: New construction projects or complex retrofits where baseline data is not available.</p> <p>Veregy will work with a client to select the best option for verifying their project savings. Price of M&V costs is pre-determined in the initial contract.</p>
49	Clarify how project delays are handled. For example, failure to implement a viable project in a timely manner costs the institution in the form of lost savings, and can add cost to the project (e.g., construction interest, re-mobilization).	<p>By combining these proactive measures and reactive strategies, Veregy can effectively manage project delays, minimize their impact, and improve the overall success of their projects. The following are steps Veregy takes to handle project delays:</p> <ol style="list-style-type: none"> 1. Identifying the Cause 2. Adjusting the Schedule 3. Negotiating with Stakeholders 4. Implementing Corrective Actions 5. Financial Management 6. Legal and Contractual Steps <p>Continuous Improvement -Conducting a thorough review of the project after completion. -Identifying what worked well and what didn't. -Documenting lessons learned for future projects.</p> <p>Training and Development: -Providing ongoing training for staff on project management and risk management. -Encouraging continuous improvement and innovation in project execution.</p>

50	<p>Clarify how you handle a premature facility closure, loss of funding, or other major change.</p>	<p>Handling a premature facility closure, loss of funding, or other major changes in during a project requires a strategic and systemic approach.</p> <p>The first step is to immediately assess the impact the issue may have on project, such as financial, operational, or timeline implications. Once the impact is identified, Veregy will notify key stakeholders through transparent reporting.</p> <p>The next steps include a contractual review and financial management. This would include seeking advice from legal professionals to navigate potential disputes, claims, or renegotiations. We will also check for force majeure or termination clauses that might provide relief or outline specific procedures for such situations.</p> <p>On the financial management side, Veregy will evaluate the current financial position of the project to determine the immediate and long-term financial impact with our client and stakeholders. We will also consider reallocating remaining funds to cover critical expenses and secure the project site or seek alternative funding sources.</p> <p>If needed, the project may require developing a suspension plan. If the project is to be temporarily halted, create a detailed suspension plan that includes securing the site, storing materials, and maintaining safety standards. Ideally, we can engage with clients to discuss potential solutions, such as project scaling, timeline adjustments, or additional funding. If we are able to come to a negotiated solution, mitigation strategies for identified risks, such as securing additional insurance, diversifying funding sources, and establishing more robust contractual terms will be determined.</p> <p>Overall, it is important to maintain detailed records of all communications and decisions made through these changes. Veregy values post-event analysis and learning to implement improvements in future project management practices.</p> <p>By following these steps, Veregy can effectively manage premature facility closures, loss of funding, or other major changes, minimizing the impact on the project and maintaining stakeholder trust.</p>
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<p>51</p>	<p>What is your approach to long-term preventative maintenance?</p>	<p>Preventative maintenance in construction involves regular and systematic inspection, detection, and correction of potential issues before they become significant problems. This approach helps to extend the lifespan of equipment, ensure safety, and improve efficiency. Here is a comprehensive approach to preventative maintenance in construction:</p> <p>ASSESSMENT AND PLANNING</p> <p>Inventory and Documentation: -List all equipment and machinery: Include details like make, model, serial numbers, and specifications. -Document maintenance History: Record past repairs, maintenance activities, and equipment performance. -Risk Assessment: Identify critical assets: Determine which equipment is crucial for operations. -Evaluate Potential Failure Points: Analyze which parts are most likely to fail and their impact on operations.</p> <p>SCHEDULED INSPECTIONS</p> <p>Routine Inspections: -Daily Checks: Quick inspections by operators before and after use. Weekly/Monthly inspections: More detailed checks by maintenance personnel. -Detailed Assessments: -Annual Inspections: Comprehensive evaluation by specialized technicians. -Seasonal Checks: Inspections based on weather-related wear and tear.</p> <p>MAINTENANCE TASKS</p> <p>Regular Maintenance: -Lubrication: Regular greasing and oiling of moving parts. -Cleaning: Removing dirt, debris, and other contaminants. -Adjustments: Fine-tuning equipment settings for optimal performance.</p> <p>Component Replacement: -Wear parts: Timely replacement of parts that are prone to wear (e.g., belts, hoses). -Upgrades: Installing newer, more efficient components when necessary.</p> <p>RECORD KEEPING</p> <p>Maintenance Logs: -Document All Maintenance Activities: Date, description, parts used, and personnel involved. -Track performance: Monitor equipment performance and downtime.</p> <p>Reporting: -Regular Reports: Provide summaries of maintenance activities and issues. -Incident Reports: Detailed reports on any failures or accidents.</p> <p>TRAINING AND SKILL DEVELOPMENT</p> <p>Operator Training: -Equipment Operation: Ensure operators are trained in the correct use and basic maintenance of equipment. -Safety Procedures: Training on safety protocols and emergency procedures.</p> <p>Maintenance Personnel Training: -Technical Skills: Ongoing training in the latest maintenance techniques and technologies. -Problem-Solving: Training in troubleshooting and diagnostic skills.</p> <p>USE OF TECHNOLOGY</p> <p>Maintenance Management Software: -CMMS (Computerized Maintenance Management System): Track maintenance schedules, work orders, and inventory. -Predictive Analytics: Use data to predict potential failures and schedule maintenance proactively.</p> <p>Sensors and IoT: -Condition Monitoring: Use sensors to monitor equipment conditions in real-time (e.g., temperature, vibration). -Alerts and Notifications: Automated alerts for abnormal conditions or required maintenance.</p> <p>CONTINUOUS IMPROVEMENT</p> <p>Feedback Loop: -Gather Feedback: From operators and maintenance personnel on equipment performance and maintenance procedures. -Analyze and Improve: Regularly review maintenance processes and implement improvements based on feedback and performance data.</p> <p>Benchmarking: -Compare with Industry Standards: Ensure maintenance practices meet or exceed industry norms. -Adopt Best Practices: Implement proven practices from other organizations or industries.</p> <p>BUDGETING AND RESOURCES</p> <p>Allocate Budget: -Maintenance Budget: Ensure adequate funds are allocated for preventative maintenance activities. -Contingency Funds: Set aside funds for unexpected repairs or replacements.</p> <p>Resource Management: -Spare Parts Inventory: Maintain an inventory of critical spare parts. -Tool Availability: Ensure necessary tools and equipment are available for maintenance tasks.</p> <p>By implementing these steps, construction companies can maintain their equipment in optimal condition, reduce downtime, and extend the lifespan of their assets, leading to more efficient and cost-effective operations.</p>
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Describe your capability to implement the following energy conservation measures (ECMs):

- a. Lighting
- b. Water and sewage
- c. Simple heating, ventilating, and air-conditioning (HVAC) controls
- d. HVAC packaged system replacement, boilers, and chillers
- e. Building envelope systems
- f. Other (please explain)

LIGHTING

LED Lighting Systems

During our audit process, our engineers will identify the existing lighting systems at the facilities and evaluate improvement opportunities. The typical retrofit will include LED applications, looking to replace current 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 manufacturer warranty. In the last two years, we have had two of North America's largest LED retrofit projects, Peoria Unified School District, IL, and Scottsdale Unified School District, AZ. Although much of the lighting in your facilities may have been upgraded from T12 to T8 over the years, there often remain opportunities for additional improvements. Veregy's proposed upgrades will reduce the facilities' overall energy footprint by installing new, high-efficiency LEDs and lighting controls.

Occupancy Controls

Occupancy-based controls and motion sensors for interior and exterior lights, vending machines, HVAC thermostats with wireless sensors, and the computer shut down/power-up software is a quick and cost-effective way to reduce energy. Even though a facility may employ some of the most energy-efficient lighting technologies, the potential for energy savings can be increased by implementing advanced lighting controls. Occupancy and vacancy sensors can significantly decrease run hours in parts of the building with variable occupancy. This includes offices, conference rooms, staff break areas, restrooms, storage areas, maintenance rooms, janitor closets, and corridors. While you may have these controls in some spaces, as a part of the detailed lighting audit, Veregy will determine additional areas that will produce the greatest opportunity for energy savings and develop a plan for implementing the appropriate strategy to add the most value to the space.

Daylighting and Daylighting Controls

During a detailed lighting audit, Veregy will identify the spaces that are candidates for daylighting control and perform a study to analyze the feasibility of implementing daylighting systems with photocell control to eliminate or reduce electrically powered lights when the desired light level can be achieved by natural light. Photocell controls can maintain minimum light levels with or without an electrically powered lighting system.

LED Street Lighting

Veregy will audit the lighting fixtures installed along your public roads and streets owned by client. The type of lighting retrofitted may vary depending on factors such as the lighting project's location, purpose, and budget. LED street lighting improves safety by reducing the risk of accidents, crime, and other incidents in poorly lit areas. It also helps to create a sense of community and can enhance the aesthetic appeal of public spaces. Additionally, LED street lighting can reduce operating costs by reducing the need to replace bulbs.

Network Controls, Motion, and Light Sensors

Street lighting network controls, motion sensors, and lighting sensors can provide several benefits for municipalities, including:

- Energy savings: Municipalities can reduce the energy used for street lighting using lighting controls and sensors. This can result in significant cost savings on energy bills.
- Reduce light pollution: Street lighting controls and sensors can reduce light pollution by dimming or turning off lights when unnecessary. This can improve the quality of life for residents and help preserve natural habitats for wildlife.
- Improved safety: Motion sensors can detect movement and turn on lights, making it easier for pedestrians and drivers to see and navigate in low-light conditions. This can help reduce the risk of accidents and improve overall safety.
- Longer lifespan for lighting fixtures: By reducing the time that lights are on, street lighting controls and sensors can extend the lifespan of lighting fixtures. This can result in cost savings on maintenance and replacement of lighting fixtures.
- Customized lighting schedules: Lighting controls and sensors can be programmed to turn on and off at specific times or under specific conditions, allowing municipalities to customize lighting schedules based on the community's needs. This can improve energy efficiency and reduce costs.

Solar Lighting

Veregy will investigate areas where solar lighting is appropriate and beneficial if applicable. Because solar lighting is flexible and versatile, it can be used in various settings and applications, including street lighting, parking lots, pathways, and outdoor areas where connecting to traditional electricity sources may be difficult or expensive.

Stadium Field Lighting

Our team has deep expertise and knowledge in installing and retrofitting LED stadium and sports field lighting. We have completed over 200 installations nationwide for higher education, K-12 school districts, park districts, and sporting complexes. The typical sports and stadium lighting on most fields is a 1500-watt Metal Halide. The savings of LED at 1050 watts on the light and the ballast can save 40 percent on energy, plus additional benefits like instant-on, no maintenance, and customized lighting sequencing. Veregy will complete an analysis for LED sports lighting if the client chooses to explore this conservation measure.

WATER AND SEWAGE

Plumbing

Veregy engineers have developed several plumbing retrofit projects that replace plumbing fixtures and flush valves with new lower-flow units, install low-flow aerators on faucets, and in some cases, automatic controls on the fixtures. Old diaphragm flush valves have a historically high maintenance cost to keep the rubber diaphragms from not leaking. Veregy replaces these valves with piston-style flushometers that require little maintenance over their life and dramatically reduce the leakage rate.

Wastewater Treatment Plants

Several energy efficiency solutions can be implemented at wastewater treatment plants to reduce energy consumption and lower operating costs. Veregy will investigate opportunities to upgrade to high-efficiency motors and drives, implement variable frequency drives, cogeneration, and energy management systems, and install energy recovery systems, such as biogas generated from anaerobic digesters. Veregy's engineers will investigate all traditional energy reduction measures such as lighting, building envelope, HVAC, etc. Wastewater treatment plants often use 60% of a municipality's budget and are ideal for solar applications.

Low-Flow Fixtures

Veregy has found significant opportunities for savings from water conservation upgrades that include

retrofitting and installing new plumbing fixtures and controls. This measure will provide greater equipment reliability, improve inventory uniformity, and reduce maintenance requirements. Typical we address domestic water consumption by:

- Replacing existing china, toilets, urinals, and 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 the client will also save energy costs.
- Updating kitchen equipment to include 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.

Sewer Systems

Veregy engineers have developed several projects for sewer collection systems, resulting in reduced operating costs. One of the cost drivers for a sewer treatment system is the inflow of stormwater into the sewer, resulting in higher lift station pumping costs and sewer treatment costs. Veregy can manage inflow and infiltration studies to determine the source of the water leakages.

Irrigation Systems

Veregy 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.

Water Meters

Replacement of aging water meters will increase water revenues. High non-revenue water (NRW) can indicate inaccurate water meters. Municipalities with 10% or greater NRW can achieve meter accuracy gains by replacing water meters that can be redistributed to help cover the project's cost. Veregy's turn-key water meter program includes replacement meters, Automatic Meter Reading (AMR), leak detection, and billing software.

Lift Stations, Pump Stations, and Wells

Veregy will investigate opportunities to increase energy efficiency, such as high-efficiency pumps, variable frequency drives, insulation to reduce heat loss, and control systems to regulate water flow and adjust pump speed based on demand. Flow valves, timers, and SCADA systems can improve efficiency at pump stations in several ways. Veregy engineers will investigate applications where applicable to help improve the efficiency of pump stations by optimizing flow rates, scheduling equipment operation, monitoring and controlling equipment, and analyzing data to identify areas for improvement. This can result in significant cost savings, improved system performance, and reduced energy consumption.

Leak Detection

Leak detection can provide significant benefits, including conservation of resources, cost savings, improved system performance, environmental protection, and public health protection. By investigating leak detection technologies and programs, Veregy can analyze and ensure that your systems operate efficiently, sustainably, and effectively. Leaks in water supply systems can result in significant water loss and increased operational costs. By identifying and repairing leaks quickly, leak detection can help reduce water loss and associated costs, resulting in cost savings for municipalities and customers.

Billing System Integration

Integrating a water meter billing system can provide several benefits for water utilities and customers, including accurate billing, timely billing, improved meter reading efficiency, better data analysis, and customer engagement. Investigating water meter billing systems, water utilities, and municipalities can improve their operations' efficiency and effectiveness while providing better customer service.

Pool Systems

Pools offer many opportunities for cost, water, and energy savings. Veregy engineers and project managers have applied various measures for our customers, including installing pool covers, leak repairs, and alternative heating methods.

SIMPLE HEATING, VENTILATING, AND AIR-CONDITIONING (HVAC) CONTROLS

HVAC Controls

Occupancy-based controls and motion sensors for interior and exterior lights, vending machines, HVAC thermostats with wireless sensors, and the computer shut down/power-up software is a quick and cost-effective way to reduce energy. Even though a facility may employ some of the most energy-efficient lighting technologies, the potential for energy savings can be increased by implementing advanced lighting controls. Occupancy and vacancy sensors can significantly decrease run hours in parts of the building with variable occupancy. This includes offices, conference rooms, staff break areas, restrooms, storage areas, maintenance rooms, janitor closets, and corridors. While you may have these controls in some spaces, as a part of the detailed lighting audit, Veregy will determine additional areas that will produce the greatest opportunity for energy savings and develop a plan for implementing the appropriate strategy to add the most value to the space.

HVAC PACKAGED SYSTEM REPLACEMENT, BOILERS, AND CHILLERS

Heating Systems, Central Plants, Fuel Switching

In Veregy's extensive experience, we have found most heating system retrofits (whole system) and modernizations will not pencil out an attractive payback without some support from other ECMs; however, we often find that component change out, or system recommissioning will yield a solution that is accretive to the project. The other opportunity that typically delivers 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 client's desired outcome is for the project to have a new central plant, Veregy has an extensive history of modernizing the heating plant system.

Ventilating Systems

Veregy has direct experience working with clients to ensure that these systems – particularly the fans/air distribution in these systems, are under control and functioning. This often includes the installation of variable frequency drives (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 meets all requirements for fresh air. Another attractive measure is to convert constant volume systems to variable air volume systems where possible.

Cooling Systems

Veregy has the experience to assess system performance, and with the clients, input makes decisions on the financial viability of modernization for the system or system replacement. We must understand more about the building than just this equation, as these are long payback items. The building lifecycle analysis must be considered when reviewing the cooling systems. Our approach is to remain vendor-neutral and understand the systems the client's team can support after completing the project. A common ECM isolates parts of a building that don't have to run or have different occupancy schedules from the larger central plant (auxiliary 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 downtime on building services. The new chiller plant configuration will provide a more reliable cooling system and reduce energy and operational costs. When replacing rooftop equipment and split systems, our team will focus on installing equipment with a higher seasonal energy efficiency ratio (SEER) rating and replacing existing fan systems with constant volume to variable air volume (VAV) or VFD systems on fan motors.

BUILDING ENVELOPE SYSTEMS

For many of our clients, a building envelope audit uncovers many opportunities for savings. A building envelope audit includes inspecting the building's exterior components, such as walls, roofs, windows, and doors, to enhance its energy efficiency, durability, and occupant comfort. Veregy will perform building thermographic images and site evaluations to determine the areas of air leakage before and after sealing and weather stripping. Caused by pressure differences due to wind, chimney (or stack) effect, and mechanical systems, air leakage has been shown to represent the single largest source of heat loss or gain through the building envelopes of nearly all types of buildings. Typical savings through this ECM tend to be in the 10% to 25% range. Beyond representing the potential for energy savings, uncontrolled air leakage can affect the thermal comfort of occupant's air quality through the ingress of contaminants from outside, the imbalance of mechanical systems, and the structural integrity of the building envelope through moisture migration.

<p>53</p>	<p>Describe how your approach to performance contracting delivers best value for the investment. This is an opportunity to point out how your company may be able to deliver a more cost-effective overall project due to corporate structure, relationships with vendors, depth of experience and expertise, knowledge of particular retrofits, etc. Also describe any utility rebates or other financial incentives or grants can potentially provide and/or facilitate.</p>	<p>Purchasing Buying Power As a national company, Veregy has established relationships with distributors throughout the U.S. to ensure the best cost savings, delivery times, and access to volume discounts. With Veregy's buying power, client can expect the best prices for products and equipment, leading to cost savings, which result in more scope or projects implemented. Additionally, Veregy's vendor-neutral approach makes choosing the best solution for client's specific needs possible rather than being limited to a single vendor's proprietary systems. Our clients benefit from access to the latest technologies and innovations from multiple vendors, leading to increased innovation and the best value.</p> <p>Equipment Selection Equipment selection follows a similar process to contractor selection. With over \$400 million dollars in annual projects, Veregy has the buying power to ensure the best pricing on all equipment. Some of the things that we analyze when selecting equipment are: Overall Stability of the Manufacturer History with the Manufacturer Meets the Design Intent of the Engineering Energy Efficiency Meets or Exceeds Project Requirements Serviceability of Equipment Availability and Timing of Replacement Parts or Additional Equipment Warranty and Guarantees Price Points and Payment Terms</p> <p>Once the project manager and project engineer make final equipment selections, the selections will be presented to your staff for review and comment. This process is collaborative; client input on preferred manufacturers will be discussed during the project development through the equipment selection process. Constant evaluation of all suppliers and manufacturers throughout a project enables Veregy to monitor performance and further assess equipment performance.</p> <p>Our strategy utilizes our advantages and can be summarized in five areas: -Buying Power - Veregy's national scale and large solar portfolio means we have impressive buying power. We use this to leverage the best price for our clients. -National Leverage - Veregy has a national presence that is valued by manufacturers and suppliers. They understand that providing competitive pricing and great customer service could open the door to a reliable national account. -Manufacturer Direct - Just a few years ago, most solar panels and their components were strictly purchased through the manufacturer. However, electrical wholesale distributors have recently pushed their way into the purchasing process. With this comes additional markups from those distributors. Many manufacturers no longer deal directly with contractors and have made sole agreements with different distributors. Veregy has maintained great relationships with major Tier 1 panel manufacturers and still buys directly from the manufacturer. -Payment Terms - Veregy can and will pay ahead of most contractors. Historically, we have been able to negotiate better pricing on products based on our willingness to pay faster. -Immediate Shipment and Storage - Pricing and availability are obstacles all solar contractors have dealt with over the last few years as tariffs have become a driving factor of supply and demand. Most solar module manufacturers cannot guarantee or forecast availability more than thirty days out, and pricing is rarely guaranteed for more than a week. Veregy has 60,000 square feet of storage available for the product. We have been able to procure and store modules for upcoming projects. This allows us to react quickly and procure and secure products when the time and price are right, regardless of whether or not the construction site is ready for the product to arrive.</p> <p>Veregy's in-house engineers and professional installers design and install solar systems. Our team has established several relationships with solar system manufacturers to provide our clients with the lowest installed cost for solar systems. This is a fast-moving industry, and our solar experts are always looking for new relationships to lower our installation costs and produce more electrical power for our clients.</p> <p>Vendor Neutrality Veregy is not a manufacturer of any equipment, nor are we owned by any equipment manufacturer. We are completely vendor-neutral and will identify the best systems at the best cost for the client. We will also work with the client to identify products and systems that have worked well for you in the past for possible inclusion in your project and products or product lines that have been unsuccessful in your past applications to ensure those are not used.</p> <p>However, Veregy has established many relationships with various manufacturers over our past hundreds of projects. These relationships give us a unique perspective into the performance and reliability of many systems, including HVAC, lighting, building automation, windows, building envelop, roofing materials, plumbing, security, video, card access, flooring, building insulation, pre-engineered buildings, and other systems.</p> <p>All successful projects are predicated on a partnership with the client and open, honest dialogue about the goals and methods desired to achieve the goals. Veregy will work closely with client to determine the project scope, design, cost, energy and operational cost avoidance, and the need for ongoing support services.</p>
<p>54</p>	<p>Who receives funds if there are excess savings?</p>	<p>Veregy's clients receive any and all funds resulting from a project's excess savings.</p>
<p>55</p>	<p>Sourcewell may seek to facilitate performance agreements aggregating one or more agencies within its service area. Describe your willingness to, or direct experience with, aggregating multiple facilities across in multiple locations within one performance agreement (i.e. are you willing to provide services to multiple smaller agencies (school districts, etc.) across multiple facilities through an aggregated performance agreement?).</p>	<p>Yes, Veregy would be willing to examine implementing one performance contract for multiple agencies. While this is not common practice in the ESCO and ESP industries, Veregy would analyze the benefits of two or more districts leveraging one performance contract. Implementing one contract would depend on multiple variables, including rules associated with state and local statutes, financing availability and options, timelines, and scope.</p>

Table 6: Proposer Qualifications: Depth and Breadth of Solutions Offered

Indicate below if the listed types solutions are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Solution	Offered *	Comments
56	Technical Energy Audit and Project Proposal Phase		<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
57		Development of a contract for the Technical Energy Audit with the selected Contractor.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
58		Conducting an investment-grade audit to identify and evaluate cost-saving measures.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
59		Defining the proposed project scope, cost, savings, and cash-flow over the proposed financing term.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
60		Preparation of a project proposal that presents aggregated measures which can be financed through guaranteed savings.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
61	Implementation/Commissioning and Financing Phase		<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
62		Negotiation of an Energy Performance Contract post-audit, establishing the project scope and costs.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
63		Provision for implementation and follow-up services to be provided during the financing term.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
64		Development of a separate financing agreement.	<input checked="" type="radio"/> Yes <input type="radio"/> No	We will work with clients finance company of choice and assist in any way legally permissible in the client jurisdiction. However, Veregy is not a tax or municipal advisor nor do we directly finance projects.
65	Post-implementation Guarantee/Monitoring Phase		<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
66		Provision of a variety of services by the Contractor after implementation to ensure savings are met.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
67		Offering a savings guarantee.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
68		Providing staff training.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
69		Conducting follow-up monitoring.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A
70		Maintenance of the contract through various support services.	<input checked="" type="radio"/> Yes <input type="radio"/> No	N/A

Table 7: Pricing

Provide detailed pricing information in the questions that follow below.

Line Item	Question	Response *
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<p>71</p>	<p>Describe and upload a detailed sample of your pricing model using a performance contracting project.</p>	<p>At Veregy, we offer an array of comprehensive building infrastructure solutions, including identifying, engineering, and implementing energy conservation measures, facility improvement measures, and operational savings through a savings-guaranteed contract vehicle (i.e., performance contracting).</p> <p>As a solutions-oriented company and not an Original Equipment Manufacturer (OEM), our pricing methodology is tailored to every client with a product-agnostic approach. Our methodology considers several variables and is formulated through a multi-step process detailed below:</p> <ol style="list-style-type: none"> 1. Energy Audit (Preliminary and Investment Grade Auditing): Veregy will conduct a detailed energy audit of the client's facilities to identify potential Energy Conservation Measures (ECMs) and Facility Improvement Measures (FIMs). This involves analyzing energy usage data, inspecting equipment, and assessing operational practices. 2. Savings Estimation: Our engineering team will estimate the potential energy and cost savings for each proposed ECM based on the audit findings. This includes calculating projected reductions in energy consumption, utility costs, and operational savings (if conducive to the project's state statutes). 3. Project Costs: Our engineering team determines the costs for implementing the proposed ECMs/FIMs, including equipment, installation, and ongoing maintenance. This involves detailed quotes from suppliers and subcontractors. As a leading ESCO in America, Veregy has established relationships and negotiated pricing contracts, providing more value, expense benefits, and efficiency to our client projects. 4. Financing Considerations: If the client requires assistance funding the project, Veregy's Account Executives and Engineers will rely on the client's trusted banking institutions to factor in estimated financing costs. This could include interest rates and terms for loans or lease agreements. 5. Guaranteed savings: Our engineering modeling calculates the guaranteed energy cost savings, which must be sufficient to cover all project costs over the contract term. This is a critical component of the GESPC model. 6. Performance Assurance: Veregy includes costs for ongoing measurement and verification of energy savings and any necessary adjustments or maintenance to ensure the guaranteed savings are achieved. 7. Risk Assessment: Our engineering and project development teams evaluate potential risks associated with the project and in many cases, build in a contingency budget to combat scope creep. 8. Contract Duration: Using the variables above, Veregy's engineering teams consider the expected lifespan of the implemented measures and determine an appropriate contract length, typically ranging from 7 to 22 years. 9. Proposal Development: Veregy compiles all this information into a comprehensive document (i.e., typically our Investment Grade Audit of 300-400 pages) that outlines the proposed ECMs/FIMs, projected savings, costs, and financial terms. 10. Overall, the final pricing structure is designed to be budget-neutral for the client, meaning that the guaranteed energy cost savings should equal or exceed the total project costs, including Veregy fees, over the contract term. This approach allows clients to implement energy-saving improvements without upfront capital expenditure, as the project is paid for through the realized energy savings. <p>SAMPLE CLIENT PRICING</p> <p>The following represents the projected first-year financial summary that will result from implementing the Performance Contract that includes multiple ECMs:</p> <ul style="list-style-type: none"> LED Lighting HVAC Upgrades Smart Buildings Solutions Energy Management Systems Indoor Air Quality Upgrades Water Efficiency Upgrades Photovoltaic Solar Arrays <p>The projected financial summary represents the projections during a typical 22-year contract term required to amortize the investment in the building infrastructure upgrades. First-year savings reflect year one after final construction.</p> <p>Project Total: \$40,768,026 Owner Contribution: \$0 Financed Amount: \$40,768,026</p> <p>Total First Year Savings: \$1,877,392 Potential Rebates: \$300,000 Total First Year Benefits: \$2,177,392 Contract Payback Period: 22 Years</p> <p>The financial summary is modeled using projected savings and an indicative investment rate for the supporting lease agreement. The intent is to model the transaction for illustrative purposes only.</p> <p>*Rebates are estimated based on the utility provider's/current Inflation Reduction Act guidelines and are not guaranteed.</p> <p>The performance contract proposed by Veregy West, LLC. guarantees that savings will equal program costs on an annual basis.</p>
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72	Describe and upload pricing for investment grade audit (IGA) services.	<p>Please find a standardized IGA pricing table in the uploads section.</p> <p>We appreciate your interest in knowing the cost per square foot for the energy audit that Veregy will conduct, and we'd like to clarify our approach to this aspect of our energy-saving projects.</p> <p>At Veregy, our focus is delivering comprehensive energy and operational savings solutions through performance contracting. A key part of this process is conducting a thorough investment-grade audit of your facilities and systems. This audit is essential for us to develop a detailed scope of work tailored to achieve specific energy savings and improved operational efficiencies for the "client".</p> <p>It's important to note that this audit is not a standalone service but an integral part of the overall energy-saving project we undertake. As such, we do not charge an upfront fee for this audit or separate its cost from the total project. We approach it this way because we are committed to providing you with a complete solution that is both cost-effective and efficient. Our pricing model is designed to ensure that you receive the full benefit of our expertise without the concern of additional, separate costs.</p> <p>The investment we make in conducting this audit is a testament to our confidence in the value and effectiveness of our overall energy-saving solutions. We believe this approach aligns better with our goal of delivering meaningful and sustainable improvements to your facilities rather than focusing on individual components of the project, like the audit.</p> <p>We hope this explanation helps clarify our methodology and reinforces our commitment to working closely with you to enhance your energy efficiency and operational performance.</p>
73	In the case where you cannot identify project(s) that meet the agency's pre-established financial guidelines, is there a cost to the agency for the audit?	<p>Veregy's Preliminary Energy (PEAs) are complimentary to a potential client.</p> <p>Additionally, if a more advanced audit (i.e., IGA - Investment Grade Audit) is requested and the client moves forward with a formal Guaranteed Savings Performance Contract, the audit is complimentary. Only when a full IGA is completed, followed by the client not executing a Guaranteed Savings Performance Contract, will the IGA become a client-invoiced expense. At which time we would use industry standard IGA pricing to determine the ultimate cost to the client based on their facility size.</p>
74	Describe and upload any standard agreements which may be proposed to a Participating Entity.	<p>Please see uploads for a Sample Agreements. We typically provide a Guaranteed Savings Agreement that outlines the scope of the project, M&V Plan, Program Cost, Required Project Forms, and Warranties. We have also included a Sample Installation Agreement that outlines energy conservation measures included in the scope and the installation of those measures.</p>

Table 8: Pricing: Payment Terms and Financing Options

Line Item	Question	Response *
75	Describe your payment terms and accepted payment methods.	<p>Veregy's payment terms are determined on a per contract basis. To streamline the expedite this process we offer our clients a service known as CorePay which allows them to select their preferred method of payment: ACH, Credit Card or Check. Using this system allows our clients the flexibility of choice in how they pay for our services.</p>
76	Describe any leasing or financing options available for use by educational or governmental entities.	<p>Veregy will work with the client to support any financing approach or preferred financial source beneficial to the client. Veregy has direct experience working with clients to assist them in securing the appropriate financing to support their projects. Our expertise includes relationships working with local and national lenders to ensure that our client's financing is structured to capture the lowest rate for a project compliant with legislative requirements. Where applicable, we will also explore opportunities for grants, rebates, and alternative financing vehicles.</p> <p>Veregy is not a financial advisor, nor does Veregy directly finance projects. However, Veregy understands these different funding choices and appreciates the number of options available because we know that each client finds the best value in other financing mechanisms. Therefore, Veregy has structured our prices and payment process in the most beneficial way for our clients, no matter how they choose to finance the project. Veregy does not make any money on the financing of a performance contract, so it is in the best interests of both Veregy and our clients to obtain the best rate available in the marketplace.</p> <p>Our services include the following:</p> <ul style="list-style-type: none"> -Identify the total project cost and annual savings. -Solicit multiple financing proposals. -Investigation and coordination of rebates, grants, and low-interest financing opportunities. -Work with qualified bank or bond counsel to develop financing. -Provide required performance and payment bond. -Set up an escrow account to retain funds and generate ongoing investment interest. -Set terms for pre-payment of financing or refinancing for improved interest rates. -Determine the draw schedule and work with the client to maximize investment interest. -The client will not pay on the financing until they have already started to achieve savings. <p>Mechanics of the Financing Arrangement</p> <p>The mechanics of the financing arrangement can vary, depending on the financial vehicle you choose; for example, a low-interest loan involves different steps and timing than a bond issue. We have several financing vehicles, and we will work with you and your financial partners to ensure the chosen structured financing is the best solution for your circumstances and project. Several options are described below.</p>

Bonds

School bonds are debt instruments that a school or other educational institution issues to raise capital for a specific project or purpose. Investors who purchase school bonds lend money to the school, and in exchange, the school promises to repay the bondholders, with interest, over a specified period of time. The interest paid on school bonds is generally exempt from federal and state income taxes, making them an attractive investment for many investors.

Tax Exempt Financing

Tax-exempt financing, also known as tax-exempt bonds, is a type of financing mechanism in which the interest earned on the bonds is exempt from federal and state income taxes. This makes the bonds more attractive to investors, as they can earn a higher rate of return compared to taxable bonds with similar credit ratings. Schools and other educational institutions often use tax-exempt financing to finance facilities' construction, renovation, or expansion.

Municipal Lease

With traditionally low interest rates, no early termination fees, and payments tailored to meet annual energy savings, a Municipal Lease Option should be considered. A Municipal Lease is a financing agreement between a local government (the lessor) and a third-party entity (the lessee) in which the lessee rents or leases equipment, facilities, or infrastructure from the government for a specified period of time in exchange for payments. Municipal Leases provide local governments with a flexible and cost-effective way to finance equipment, facilities, and infrastructure, allowing them to better serve their community's needs.

Equipment Lease

An equipment lease is a contractual agreement between a lessor (the owner of the equipment) and a lessee (the user of the equipment) in which the lessee rents the use of the equipment for a specified period of time in exchange for regular payments. The lessor retains ownership of the equipment, but the lessee has the right to use the equipment for the duration of the lease.

Equipment leases are commonly used for a wide range of capital equipment, including vehicles and HVAC equipment. Equipment leases can be structured so that they are treated as operating leases rather than capital leases, which can help lessees keep the equipment off their balance sheets. Equipment leases provide clients with a flexible and cost-effective way to access and use the equipment they need to operate efficiently.

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, clients 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 client knows what the power cost will be over the life of the PPA contract, usually 20 years.

Public-Private Partnerships (PPP or P3)

Public-Private Partnerships (PPP) come in various forms, and all PPP projects are different. In a P3, the government or public authority partners with a private sector entity to jointly undertake and finance a project or service. PPPs are typically used for large-scale infrastructure projects and involve a long-term contractual agreement. Both parties share the risks and rewards of the project.

Operations and Maintenance (O&M)

An Operations and Maintenance agreement allows the client (federal, state, or local government agency or authority) to contract with a private partner to provide or maintain a specific service. Under the private operation and maintenance option, the public partner retains ownership and management of the public facility or system.

Operations, Maintenance & Management (OMM)

An Operations and Maintenance agreement allows the client (federal, state, or local government agency or authority) to contract 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 capital in the facility or system. Any private investment is calculated in relation to its contributions to operational efficiencies and savings over the contract term. Generally, the longer the contract term, the greater the opportunity for increased private investment because more time is available to recoup any investment and earn a reasonable return. Many local governments use this contractual partnership to provide wastewater treatment services.

Design-Build (DB)

Design-Build is when the private partner provides a project's design and construction to the client. This partnership can reduce time, save money, offer 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 client owns the assets and is responsible for the operation and maintenance. Energy Savings Performance Contracts allow the client to use DB, benefiting from zero change orders and accelerated construction schedules.

Design-Build-Maintain (DBM)

Design-Build-Maintain is similar to DB except that the maintenance of the facility for some period of time becomes the responsibility of the private sector partner. The benefits are similar to DB, with maintenance risk allocated to the private sector partner and the guarantee expanded to include maintenance. The client owns and operates the assets.

Design-Build-Operate (DBO)

Design-Build-Operate is a single contract awarded for a capital improvement's design, construction, and operation. The title to the facility remains with the client unless the project is a design-build-operate-transfer or design-build-own-operate project.

A simple design-build approach creates a single point of responsibility for design and construction. It can speed up project completion by facilitating the overlap of the design and construction phases of the project. The operations phase is usually handled on a public project under a separate operations and maintenance agreement.

Design-Build-Operate-Maintain (DBOM)

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 sector in a single contract with financing secured by the client. The client maintains ownership and retains a significant oversight of the operations through terms defined in the contract.

Build-Own-Operate (BOO)

Using Build-Own-Operate (BOO), the contractor constructs and operates a facility without transferring ownership to the client. Legal title to the facility remains in the private sector, and the client is not obligated to purchase the facility or take the title. A BOO transaction may qualify for tax-exempt status as a service contract if all Internal Revenue Code requirements are satisfied.

Design-Build-Own-Operate-Maintain (DBOOM)

Design-Build-Own-Operate-Maintain (DBOOM) is a type of PPP model in which a private company builds a public infrastructure project, operates and maintains it for a specified period of time, and then transfers ownership back to the owner. Under a DBOOM model, the private company is responsible for financing, designing, constructing, and operating the project and receives revenue from the project over the life of the contract. DBOOM projects are often used for infrastructure projects such as schools, central plants, and hospitals. They are seen as a way to provide public services while leveraging private sector expertise and investment.

Design-Build-Finance-Operate-Maintain (DBFOM)

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 U.S., especially in the degree to which financial responsibilities are 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 are the most common revenue source. 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.

Design-Build-Finance-Operate-Maintain-Transfer (DBFOMT)

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. DBFOMT is only sometimes used in the U.S. today.

Build-Operate-Transfer (BOT)

Using Build-Operate-Transfer, the private partner builds a facility to the specifications agreed to by the client, operates the facility for a specified period under a contract or franchise agreement with the client, and then transfers the facility to the client at the end of the specified period. In most cases, the private partner will also provide some or all 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 client can assume operating responsibility for the facility, contact the operations to the original franchise holder, or award a new contract or franchise to a new private partner. The Build-Transfer-Operate (BTO) model is similar to the BOT model except that the transfer to the public owner occurs when construction is completed rather than at the end of the franchise period.

Energy as a Service (EaaS)

Energy as a Service is a business model in which a company provides energy-related services to clients, typically in exchange for a fee or subscription. Under an EaaS model, the company is responsible for financing, designing, installing, operating, and maintaining energy systems, such as solar panels, energy storage, and energy management systems. The company then sells or provides the energy generated or saved by these systems to clients directly or through the grid.

Infrastructure as a Service (IaaS)

Infrastructure as a Service (IaaS) is a cloud computing service that provides clients with virtualized computing resources over the Internet. IaaS enables clients to rent computing resources, such as virtual machines, storage, and networking, on an as-needed basis without investing in physical hardware and infrastructure.

IaaS is commonly used by government and public sector organizations. It provides a cost-effective and flexible alternative to traditional on-premises IT infrastructure. It is a key component of cloud computing and the broader digital transformation of businesses and organizations.

Controls as a Professional Service (CaaS)

Controls as a Professional Service is a type of outsourcing service offered by professional engineering and consulting firms. It involves providing services for designing, implementing, and maintaining control systems for facilities. The main

		<p>objective of CaaPS is to help clients improve their operations' performance, efficiency, and safety by implementing advanced control technologies.</p> <p>As a CaaPS provider, Veregy has a team of experts with extensive experience in control systems and industrial processes. We can offer a range of services to meet the specific needs of our clients. CaaPS aims to help our clients reduce the costs and risks associated with control systems while improving their overall performance and competitiveness.</p> <p>Shared Savings Under a Shared Savings model, the clients pay for a portion of the savings achieved and keep the remaining percentage for their use. Besides paying a percentage of all savings achieved, the client has no fixed payment obligation. The process works as follows:</p> <ul style="list-style-type: none"> -The bank forms a third-party, special-purpose entity for this transaction. -Client enters into a Shared Savings Agreement (SSA) with the third-party special purpose entity. -The third-party entity contracts with Veregy 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 client. <p>The third-party entity funds the ECMs and provides energy management and related services to the client under the SSA.</p> <p>This model has the potential to be off-book or off-credit. The disadvantage is that the split of the shared savings limits the project's scope. The more savings that go to the client, the smaller the project. The more savings that go to the project, the less back to the client.</p>
77	Describe any standard transaction documents that you propose to use in connection with an awarded agreement (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	<p>Please see the document uploads section for copies of standard transaction documents. We have included a sampling of a Service Level Agreement that includes standard terms and conditions. The document outlines our service offerings, pricing (changes per contract), ad-on options, digital services, service response times, HVAC preventative maintenance plan, etc. We have also included a Sample Installation Agreement that outlines energy conservation measures included in the scope and the installation of those measures.</p>

Table 9: Pricing: Audit and Administrative Fee

Line Item	Question	Response *
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<p>78</p>	<p>Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed agreement with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing.</p>	<p>Veregy's self-audit program to verify compliance with a Sourcewell agreement involves systematic checks and evaluations to ensure that all terms and conditions of the agreement are being met. Here is our structured approach to setting up such a program:</p> <ol style="list-style-type: none"> 1. Establish Objectives and Scope <p>Objectives: Define the purpose of the self-audit. This might include ensuring compliance with the cooperative agreement, identifying areas for improvement, and mitigating risks.</p> <p>Scope: Determine the extent of the audit, such as specific departments, processes, or time periods to be reviewed.</p> 2. Develop an Audit Plan <p>Timeline: Create a schedule for regular audits (e.g., quarterly, biannually). Audit Team: Assign responsible personnel to conduct the audit. Ensure they have the necessary training and understanding of the cooperative agreement. Checklist: Develop a comprehensive checklist based on the cooperative agreement's terms and conditions, including compliance requirements, financial transactions, quality standards, and reporting protocols.</p> 3. Gather Documentation and Data <p>Agreements and Contracts: Collect all relevant documents related to the cooperative agreement. Purchase Records: Compile records of purchases made through the cooperative, including invoices, purchase orders, and delivery receipts. Financial Statements: Review financial statements to verify the accuracy of transactions and rebates received. Supplier Communication: Document communications with suppliers to ensure adherence to agreed terms.</p> 4. Conduct the Audit <p>Document Review: Evaluate all collected documents against the checklist to identify discrepancies or non-compliance issues. Interviews: Conduct interviews with key personnel involved in the purchasing process to gain insights and verify processes. Site Visits: If applicable, visit sites to observe operations and verify compliance with physical and procedural standards.</p> 5. Analyze Findings <p>Compliance Verification: Compare audit findings against the cooperative agreement to ensure all terms are being met. Identify Issues: Highlight any areas of non-compliance, inefficiencies, or potential risks. Best Practices: Identify and document best practices observed during the audit.</p> 6. Report Results <p>Audit Report: Prepare a detailed audit report summarizing findings, including compliance status, identified issues, and areas for improvement. Recommendations: Provide actionable recommendations to address non-compliance and enhance adherence to the cooperative agreement. Presentation: Present the audit findings to senior management and relevant stakeholders.</p> 7. Implement Corrective Actions <p>Action Plan: Develop an action plan to address the recommendations from the audit report. Responsibility Assignment: Assign responsibilities for implementing corrective actions to specific individuals or departments. Timeline: Set deadlines for the implementation of corrective actions.</p> 8. Follow-Up <p>Monitor Progress: Regularly review the progress of implemented corrective actions. Re-Audit: Schedule follow-up audits to ensure that corrective actions have been effectively implemented and compliance is maintained. Continuous Improvement: Use insights from audits to continuously improve purchasing processes and compliance.</p> 9. Documentation and Record-Keeping <p>Audit Trail: Maintain a thorough audit trail with all documentation and records of the self-audit process. Updates: Regularly update the audit program based on changes in the cooperative agreement or internal processes.</p> 10. Training and Communication <p>Staff Training: Provide ongoing training to staff on the importance of compliance and updates to the cooperative agreement. Communication: Ensure clear communication of audit findings, corrective actions, and best practices across the organization. Implementing a structured self-audit program helps organizations ensure compliance with purchasing cooperative agreements, improve procurement practices, and mitigate risks.</p>
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79	If you are awarded a agreement, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the agreement.	Internal metrics are essential for measuring the success of a purchasing cooperative agreement. These metrics can provide insights into cost savings, efficiency improvements, compliance, and overall performance. Key metrics we consider are: -Cost savings and financial metrics such as ROI, rebate, and incentive tracking. -Procurement efficiency including process time and transaction accuracy. -Compliance and adherence with contracts and suppliers. -Client satisfaction and user engagement by measuring the level of participation of internal departments using the cooperative agreement. -Measurement and Verification are ultimately at the core of ensuring our projects are meeting our obligations to our client. Each year of the guarantee we compare the expected and contractually obligated savings to the real savings and, in the are event those target aren't met we make the client whole in the form of a payment.
80	Provide a proposed Administration Fee payable to Sourcewell. The Fee is in consideration for the support and services provided by Sourcewell. The propose an Administrative Fee will be payable to Sourcewell on all completed transactions to Participating Entities utilizing this Agreement. The Administrative Fee will be calculated as a stated percentage, or flat fee as may be applicable, of all completed transactions utilizing this Master Agreement within the preceding Reporting Period defined in the agreement.	Generally, the proposed fee is negotiable based on contract length, service offering, and volume associated with Sourcewell's value proposition. Based upon our other Nationwide Purchasing Cooperative Contracts, we typically propose a 1-2% Administration Fee payable to the Cooperatives. In some cases, we also request a breakpoint schedule to lower fees based on the volume of annualized contract revenue realized by Sourcewell and Veregy, LLC.

Table 10: Supplemental Factors

Line Item	Question	Response *
81	Describe your marketing strategy for promoting this opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>At Veregy, we look forward to developing a long-term relationship with the SOURCEWELL Cooperative and will begin the relationship by leveraging our internal marketing and sales talent to increase our partnership awareness in the marketplace. The following is a 90-day plan to announce and influence our existing clientele and notify our target audiences:</p> <ol style="list-style-type: none"> 1.) Meet with Sourcewell management for a discovery meeting reaffirming various attributes, key stakeholders, and partnership goals for our organizations. 2.) Request an SOURCEWELL representative to speak with our national sales and marketing teams delivering a presentation on the intricacies and benefits of partnering with Sourcewell. 3.) Determine what current marketing efforts are underway by Sourcewell and determine how we can assist with efforts, resources, or offer expertise. 4.) Develop and distribute National and Local Press Releases containing quotes from both Veregy and Sourcewell executive management. 5.) Begin an ongoing strategic marketing and communication plan with existing Sourcewell clientele and Veregy's co-clientele notifying them of the benefits of partnering with the Sourcewell cooperative. 6.) Begin endorsing Sourcewell at local and national industry conferences while partnering with joint group events, including educational sessions, entertainment/meals, and philanthropy. <p>We will start with the steps initially mentioned above and expand to other marketing mediums, such as our communication platforms, tradeshow, digital media, and national collateral.</p>
82	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Veregy has a large database of 20,000+ marketing contacts that include both our clients and prospects that we regularly maintain in our marketing automation platform (Hubspot). We utilize this platform to target market through the use of social media, website, landing pages, email campaigns, webinars, newsletters, and event promotion. Our marketing team are experts in website management and SEO, resulting in a highly visited website that performs on search engines such as Google. We also have 11,000+ followers on LinkedIn and a strong network to effectively market our services and use of purchasing cooperative agreements through tradeshow events.
83	In your view, what is Sourcewell's role in promoting agreements arising out of this RFP? How will you integrate a Sourcewell-awarded agreements into your sales process?	As we develop our newly formed partnership with Sourcewell and understand all the benefits of your services, we can begin touting Sourcewell as a viable Cooperative option in the marketplace. It will be critical that Sourcewell showcases the power of its partnership with our sales and marketing teams. Once our sale team becomes comfortable delivering Sourcewell's value proposition and new projects arise, we will work with our clientele and Sourcewell to ensure we are forging the right partnership with a long-term outlook. Sourcewell's role in this partnership will be to market this agreement to current members, work to increase membership, educate or sales and marketing team on Sourcewell's process, and be available to educate our clients on the process.
84	Are your Solutions available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Veregy does not offer solutions through an e-procurement ordering process. Our solutions are provided through a contractual agreement.

<p>85</p>	<p>Describe any training programs related to this proposal such as OSHA training, safety training, electrical safety, etc. Define if the training is offered in-person or virtually. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.</p>	<p>CLIENT TRAINING The key to the success of any project lies in implementing an effective training and development program specifically customized for your facility and staff. Training, often in conjunction with our service offering, is designed to protect our client's investment while maximizing the efficiency of their operations. Training is offered on everything we install and included in the total project cost.</p> <p>It is critical that training occurs at defined intervals throughout the course of the project, facilitating proper communication between the Veregy team and the "client" staff regarding how buildings will operate throughout the installation period and the entire term of our agreement. Refresher seminars will be available from year to year, as requested, to maintain the degree of training necessary for staff to perform efficiently. Each training session will review the fundamental practices and introduce new technology and procedures as they become available.</p> <p>Veregy will work with solution providers, vendors, subcontractors, and your team to develop a customized training program that will ensure the proper operation and maintenance of the systems and enhance the operators' skill sets. All training can be customized for the client's needs and held on-site or at a convenient location in the area. Training session videos may also be provided for future use by your staff. Equipment orientation during system start-up is included in our base scope of work.</p> <p>To achieve the utility and operational savings targets set for the project, everyone should clearly understand his or her role in reaching those targets. The manufacturer provides instruction during the final phase of project commissioning on-site. The training typically includes the following:</p> <ul style="list-style-type: none"> • Start-up and shutdown procedures, operation under all modes of operation, and correct procedures under emergency or abnormal conditions. • A description of the system's capabilities and limitations. • Procedures necessary for effective operational monitoring and alarming. • Analysis of helpful information from monitored data and why the information is important in analyzing the system operation. • Inspection, service, and maintenance requirements for each system. • Safety training on all equipment • Instruction in the use of all O&M documentation included. This includes awareness and understanding of documentation contents, how to find what is needed, how to use it, and how to keep it up to date. <p>Our goal is to be your trusted energy services provider. We view our clients as long-term partners, so our services go beyond the project implementation itself. We are flexible to provide a training program that is right for you. We offer both online and in-person training depending on the client's needs.</p> <p>OSHA TRAINING REQUIREMENT Veregy's safety software provides all project stakeholders 24-7 access to project data. All project management staff at Veregy must acquire their OSHA 30 training within 60 days from hire, and all field staff must receive their OSHA 10 training. The safety software also provides online and in-person training options in group and individual settings, providing the flexibility and knowledge necessary to keep your "client" staff informed.</p>
<p>86</p>	<p>Describe any technological advances that your proposed Solutions offer.</p>	<p>Veregy's Technology Services are designed to overcome your facility systems overload and address your daily facility challenges. Our technology advances have had an immense impact on our client's facility maintenance and offer a variety of service applications that offer complete, organized facilities control in the palm of your hand.</p> <p>VEREGY'S DIGITAL SERVICES IMPACT ON EXISTING CLIENTS Day-to-day operations are complicated, involve a delicate balance, and require a high level of analysis to maintain budgets while keeping occupants comfortable and happy. Facilities are confronted with many issues, such as:</p> <ul style="list-style-type: none"> • Aging Infrastructure and Deferred Maintenance • Aging Workforce and Staff Shortages • Rising Energy and Operational Costs • Reactive Maintenance and Increasing Repair Costs • Data and Systems Complexity • Future Environmental and Market Challenges <p>Unify your complex, fragmented, labor-intensive facility management systems into a collaborative, user-friendly platform with Veregy's Digital Services listed below:</p> <p>Orchestrate Integrate disparate facility systems into a single, user-friendly platform to drive greater operational efficiencies and savings.</p> <p>More than 8,000 users in more than 250 buildings use Orchestrate to remove workflow barriers from disparate and disconnected technologies. Bringing all your systems together, Orchestrate lets you set up and remotely manage a truly integrated smart building through a single pane of glass.</p> <p>Simplify facility management with our state-of-the-art software integration platform, Orchestrate. Orchestrate is cloud-based, resilient, expandable, and customizable to align with your unique needs. The intuitive and user-friendly interface makes adding, adjusting, or removing automated workflows easy to help you achieve your operational outcomes.</p> <p>Automation Composer Implement vendor-neutral building automation systems that are easy to use, maintain, and expand. Allow our team to fine-tune existing building automation systems.</p> <p>Facility Conductor Leverage Veregy's virtual engineering support to monitor your systems remotely, automate tedious tasks, and continuously reduce energy and operational expenditures.</p> <p>Energy Master Monitor, analyze, and manage energy consumption. Gain timely insights into which systems are consuming excess energy, take action, and watch your energy bills decline.</p> <p>Master Systems Integration Engage with Veregy to evaluate your operational systems, efficiency, and goals to determine which systems should be tied together to help you operate at maximum efficiency. The Veregy team designs and implements workflows to streamline your operations. Examples of systems that may be integrated and included in automated workflows include:</p> <ul style="list-style-type: none"> • Building Automation

		<ul style="list-style-type: none"> • HVAC Equipment • Lighting Systems • Access Controls • Automated Electrical • Demand Management • Computerized Maintenance Management Systems • Real-Time Energy Dashboard • Utility Management System • Solar Systems and Monitoring <p>LEVERAGE SYSTEM INTEGRATIONS TO CREATE BUILDING HARMONY</p> <p>Building Automation Veregy engineers design and install vendor-neutral building automation systems with the end user in mind. We work with equipment and software from various manufacturers to ensure that you can expand, manage, and service equipment without being trapped by proprietary controls.</p> <p>Retro-Commissioning Trust Veregy's energy engineers to thoroughly evaluate your existing building automation systems. We identify and program strategies for operational and energy-efficient improvements during this process. This includes items such as advanced scheduling, air and hydronic resets, chiller plant optimization, fault detection and diagnostics, and sequence optimization.</p> <p>Facility Conductor Monitoring-Based Commissioning Veregy engineers monitor your facility's systems virtually and remotely respond to comfort complaints, HVAC alarms, work orders, and more. We continuously uncover and implement strategies to boost operational efficiency and energy savings.</p> <p>Preventative Maintenance Veregy assists clients in scheduling and managing preventative maintenance for HVAC and building automation systems to keep equipment running and extend its useful life. We manage work orders and can deploy subcontractors to complete maintenance on-site.</p> <p>Predictive Maintenance Predictive maintenance is a data-driven approach to delivering proactive maintenance. Veregy accomplishes this by constantly monitoring and analyzing the performance of your mechanical systems to determine the appropriate time to complete maintenance for each specific piece of HVAC equipment. A predictive maintenance queue adds and manages predictive maintenance tasks and work orders, freeing your in-house personnel to focus on mission-critical issues.</p> <p>Energy Master Monitor, analyze, and manage energy consumption utilizing one of Veregy's energy management software offerings or tie in other preferred software systems. Gain timely insights into which systems are consuming excess energy, take action, and watch your energy bills decline.</p> <p>Utility Monitoring and Analytics Simplify utility usage tracking and spending using a single application to aggregate, organize, and analyze monthly billing data from multiple utility companies. EnergyTracer is designed for building managers and engineers to oversee multiple facilities with multiple utility accounts easily. Analyze real data, such as usage, spending, and greenhouse gas emissions, to measure, verify, and optimize your facilities.</p> <p>Automated Electrical Demand Management Engage Veregy engineers to monitor your building's operation in real-time and determine the most effective building automation strategies to reduce electrical demand. Our demand-saving algorithms are fine-tuned and customized to automatically shed load to control electric expenditures without affecting occupant comfort. Live energy dashboards are included to enable you to monitor, analyze, and visualize savings in real-time.</p> <p>Solar Asset Management Monitor performance and analyze energy data from your solar system with LightLevel. From the LightLevel dashboard, you can learn how much energy has been generated and expended across your solar-powered facilities.</p>
87	<p>Please describe which memberships/certifications your company may have relevant to this RFP:</p> <ul style="list-style-type: none"> -National Association of Energy Service Companies (NAESCO) -Department of Energy (DOE) qualified list of energy service companies (ESCOs) -Other (list) 	<p>Veregy is an approved provider of energy services through the U.S. Department of Energy's Federal Energy Management Program (FEMP) and an accredited Energy Services Provider (ESP), by the National Association of Energy Service Companies (NAESCO). Veregy has been fully accredited by NAESCO since 2009. Companies seeking NAESCO-accredited status must apply to a committee of industry experts unaffiliated with any Energy Services Company (ESCO) or any other company under consideration for a thorough examination of core competencies and business practices. Veregy is also on the Department of Energy's (DOE) qualified list of Energy Service Companies and also holds an IDIQ with the DOE for ESCO services.</p> <p>Detailed documentation submitted to the committee includes reviewing the following criteria:</p> <ul style="list-style-type: none"> • The precise nature of the applicant's business. • The range of measures and services offered to clients. • The availability of a performance-based project approach. • The ESCO's ethical business practice commitment. • Project engineering and design capabilities. • Financing, project management, operations, and maintenance capabilities. • Commit to standardized processes for measuring and verifying guaranteed energy cost savings. <p>Through this process, Veregy has met the rigorous standards to become an accredited Energy Services Provider (ESP) through NAESCO. Through our membership, Veregy attends workshops, webinars, and conferences featuring industry innovation and business development. This gives us valuable insight into new and emerging energy conservation measures, market trends, and policy updates, adding value to our projects.</p>
88	<p>Describe any "green" initiatives that relate to your company or to your Solutions, and include a list of the certifying agency for each.</p>	<p>Veregy is an Energy Star Partner, showing our energy efficiency commitment. If the client requests it, we can input facility data into the Energy Star Portfolio manager to compare your buildings to similar buildings in your region. We have received Energy Star Building Certification for numerous clients and can identify if any of client's facilities are eligible. Several of our clients have achieved Energy Star Ratings. Veregy has also led our clients to reaching LEED certification status, a globally recognized rating system that measures the sustainability of facilities. In general, services are considered "green". Our model is based on accelerating the energy transition, which has a major impact on our environment. In total, our company has helped the planet become greener by saving 8B in kWh of energy, 20B gallons of water, and reduced CO2 emissions by 12B pounds.</p>

89	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the Solutions included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>Veregy licensed professionals maintain an array of certifications and licenses, including Certified Energy Manager (CEM) certifications and LEED professional designations, to name a few. Veregy currently has over 450+ employees nationwide, allowing us to self-perform a vast majority of the deliverables associated with a comprehensive project. This includes:</p> <ul style="list-style-type: none"> • 352 Construction and Implementation Specialists • Credentialed In-house Engineers • Certified Project Management Professionals <p>PROFESSIONAL ENGINEERING STATS Veregy strives for success in everything we do, and talented individuals are required to succeed. We are proud to say that within our ranks are:</p> <ul style="list-style-type: none"> • 22 Professional Engineers (Many licensed in multiple states) • 16 LEED/LEED AP Certified Professionals • 30 Certified Energy Managers (CEM) • 1 Certified Energy Auditor • 1 Green Globe Professional • 4 Record Holders of the National Council of Examiners for Engineering and Surveying Certification
90	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>Veregy does not have any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications. In certain states that require a percentage of our project to be conducted by a Historically Underutilized Business (HUB), we will certainly insure that we meet that requirement.</p>

<p>91</p>	<p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p>	<p>PURCHASING – BUYING POWER As a national company, Veregy has established relationships with distributors throughout the U.S. to ensure the best cost savings, delivery times, and access to volume discounts. With Veregy's buying power, client can expect the best prices for products and equipment, leading to cost savings, which result in more scope or projects implemented. Additionally, Veregy's vendor-neutral approach makes choosing the best solution for client's specific needs possible rather than being limited to a single vendor's proprietary systems. Our clients benefit from access to the latest technologies and innovations from multiple vendors, leading to increased innovation and the best value.</p> <p>NET PROMOTER SCORE (NPS) A Net Promoter Score (NPS) is a measurement tool used by major companies across the U.S. to evaluate client experience and gauge satisfaction. The simple, one-question survey (How likely are you to recommend Veregy?) is distributed to clients and voted on a 1-10 scale.</p> <p>Veregy puts our clients first, and our NPS results from this commitment. In 2024, we received an NPS of 92. To put this in context, according to industry studies, an NPS higher than 30 indicates a "company that has far more happy clients than unhappy ones." This score is a metric that should be important to you, as it provides insights into our clients, their loyalty, experience with Veregy, and willingness to come back for multiple phases of work, something we are certain client values as well.</p> <p>DIVERSITY, EQUITY, AND INCLUSION AT VEREGY Veregy is committed to advancing diversity, equity, and inclusion within our organization and through our relationships with consultants, subcontractors, and suppliers.</p> <p>PARTNERING WITH DIVERSE FIRMS We are committed to supporting the success and advancement of organizations that qualify as small business enterprises (SBE), minority business enterprises (MBE), women business enterprises/female business enterprises (WBE/FBE), veteran-owned small businesses/service-disabled veteran-owned small businesses (VOSB/SDVOSB), and disadvantaged business enterprises (DBE). In alignment with each client's goals, we seek qualified, diverse subcontractors and consultants who complement our firm's strengths while cultivating and growing their organizations. We believe that communities, economies, industries, and projects are strengthened when diverse perspectives are represented. Encouragement of diversity, equity, and inclusion helps Veregy employees better reflect and connect with the communities they serve.</p> <p>EQUAL EMPLOYMENT OPPORTUNITY We are an Equal Opportunity Employer and consider all qualified candidates regardless of race, color, religion, sex, gender identity, sexual orientation, national origin, age, marital status, genetic information, disability, protected veteran status, or any other legally protected status.</p> <p>DIVERSITY, EQUITY, AND INCLUSION COUNCIL In 2021, Veregy formed a company-wide Diversity, Equity, and Inclusion (DE&I) Council comprised of one national council and three regional councils. Our vision is to create a safe, respectful, fair, and inclusive culture for all employees. Our mission is to address, explore, educate, and respond to the diversity of the human experience. Employees on each council meet regularly and are allocated company time and financial resources to advance this vital work. Coordinated sample activities that advance this critical work, including guest speakers, training seminars, event sponsorships, book clubs, and more.</p> <p>MARKETING CAPABILITIES (client) will have Veregy's marketing department at your disposal to support the education, communication, and development of all promotional support you need to showcase and celebrate the (client)'s project.</p> <p>Veregy's full-service marketing department is staffed with public relations and social media marketing professionals to make your ribbon cutting a success. As a value add to all our projects, our marketing department is available to you pre- and post-construction to collaborate on media campaigns and co-branded or co-sponsored events.</p> <p>Some of what we have to offer:</p> <ul style="list-style-type: none"> • Advertising • Signage • Ribbon Cutting • Community Events • Community Relations • Media Relations • Social Media • Video Production • Photography • Merchandise and Apparel • Event and Tradeshow Marketing • Brochures and Collateral • Web Design • Copywriting/Editing <p>Veregy is committed to giving back to our clients and continually look for creative ways to impact the classroom beyond the built environments we change. Below are a few examples of what we have done with our clients:</p> <ul style="list-style-type: none"> • Solar Car Competitions • Lesson Plans Integrating Your Project and Technology • STEM Energy Curriculum <p>MANUFACTURERS AGREEMENTS Veregy is not a manufacturer of any equipment, nor are we owned by any equipment manufacturer. We are completely vendor-neutral and will identify the best systems for the (client) at the best cost. We will also work with the (client) to identify products and systems that have worked well for you in the past for possible inclusion in your project and products or product lines that have been unsuccessful in your past applications to ensure those are not used.</p>
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Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."
 - [Pricing](#) - Veregy IGA Pricing.pdf - Wednesday July 10, 2024 10:30:25
 - [Financial Strength and Stability](#) - Veregy Financial Strength.pdf - Thursday July 11, 2024 16:30:48
 - [Marketing Plan/Samples](#) - Veregy Sample Marketing Material.pdf - Monday July 15, 2024 10:53:52
 - WMBE/MBE/SBE or Related Certificates (optional)
 - [Standard Transaction Document Samples](#) - Veregy Standard Transaction Document Samples.zip - Tuesday July 16, 2024 10:11:53
 - Requested Exceptions (optional)
 - [Upload Additional Document](#) - Veregy Company Licenses.pdf - Wednesday July 10, 2024 10:32:27

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT OF COMPLIANCE

I certify that I am an authorized representative of Proposer and have authority to submit the foregoing Proposal:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for award.
3. The Proposer certifies that:
 - (1) The prices in this Proposal have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Proposer or competitor relating to-
 - (i) Those prices;
 - (ii) The intention to submit an offer; or
 - (iii) The methods or factors used to calculate the prices offered.
 - (2) The prices in this Proposal have not been and will not be knowingly disclosed by the Proposer, directly or indirectly, to any other Proposer or competitor before award unless otherwise required by law; and
 - (3) No attempt has been made or will be made by Proposer to induce any other concern to submit or not to submit a Proposal for the purpose of restricting competition.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest is created when a current or prospective supplier is unable to render impartial service to Sourcewell due to the supplier's: a. creation of evaluation criteria during performance of a prior agreement which potentially influences future competitive opportunities to its favor; b. access to nonpublic and material information that may provide for a competitive advantage in a later procurement competition; c. impaired objectivity in providing advice to Sourcewell.
5. Proposer will provide to Sourcewell Participating Entities Solutions in accordance with the terms, conditions, and scope of a resulting master agreement.
6. The Proposer possesses, or will possess all applicable licenses or certifications necessary to deliver Solutions under any resulting master agreement.
7. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
8. Proposer its employees, agents, and subcontractors are not:

Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;

Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Vincent Esparza, VP of Marketing & Communications, Veregy, LLC

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the obligations contemplated in the solicitation proposal.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_7_RFP_071624_Energy_Savings_Performance_Contracting Mon July 8 2024 03:50 PM	☑	-
Addendum_6_RFP_071624_Energy_Savings Fri July 5 2024 02:55 PM	☑	-
Addendum_5_RFP_071624_Energy_Savings_Performance_Contracting Wed July 3 2024 09:12 AM	☑	1
Addendum_4_RFP_071624_Energy_Savings_Performance_Contracting Mon July 1 2024 02:50 PM	☑	1
Addendum_3_RFP_071624_Energy_Savings_Performance_Contracting Thu June 13 2024 02:02 PM	☑	1
Addendum_2_RFP_071624_Energy_Savings_Performance_Contracting Wed June 5 2024 09:38 AM	☑	1
Addendum_1_RFP_071624_Energy_Savings_Performance_Contracting Tue June 4 2024 11:55 AM	☑	1