

**City of Portland, Maine**  
**Joint City/School Finance Committee Meeting**

**Thursday, October 12th, 2017**

**5:30 p.m., Room 209**

1. Finance Committee Meeting Agenda

Documents:

[JOINT CITY\\_SCHOOL FINANCE COMMITTEE AGENDA\\_10.12.2017.PDF](#)

1.I. Finance Committee Meeting Agenda Back-Up (1)

Documents:

[PPS MEMO 09-27-17.PDF](#)

1.I.i. Finance Committee Meeting Agenda Back-Up (1.5)

Documents:

[FINANCE OPTIONS MEMO 10-12-2017.PDF](#)

1.II. Finance Committee Meeting Agenda Back-Up (2)

Documents:

[STREETLIGHT FINANCING MEMO - 9-22-17.PDF](#)

1.II.i. Finance Committee Meeting Agenda Back-Up (2.25)

Documents:

[ADDITIONAL BACK-UP CHARTER REFERENDUM REQUIREMENTS.PDF](#)

1.II.ii. Finance Committee Meeting Agenda Back-Up (2.5)

Documents:

[ADDITIONAL STREET LIGHTING BACK-UP.PDF](#)

**City of Portland, Maine**  
**Joint City/School Finance Committee Meeting**  
**Thursday, October 12th, 2017**  
**5:30 p.m., Room 209**

**AGENDA**

- 1. PPS School Funding**
  
- 2. Streetlight Financing**



To: City Finance Committee, School Finance Committee  
From: Alicia Gardiner, Executive Director of Budget & Finance  
Date: September 27, 2017  
Subject: FY2018 Supplemental Budget

Portland Public Schools received an additional \$1,712,351 in education subsidy over the budgeted amount from the State as a result of the final enacted state budget. City of Portland voters voted to approve three options for additional revenue, or any combination thereof, including spending the new revenue, creating a reserve, or using the funds for tax relief.

The Superintendent recommended to the Finance Committee to use the funds in the following way:

|                                 |           |
|---------------------------------|-----------|
| Reserve/Tax Relief              | 1,000,000 |
| Health Centers                  | 145,000   |
| Capital                         | 131,331   |
| Make it Happen Site Coordinator | 42,165    |
| Mentoring Coordinator - Deering | 42,165    |
| Americorp                       | 19,000    |
| 0.50 ELL Teacher - Lincoln      | 32,500    |
| 1.0 ELL Ed Tech - Moore         | 40,000    |
| 1.0 ELL Ed Tech - King          | 40,000    |
| 0.20 Social Worker              | 9,768     |
| Seal of Biliteracy              | 15,000    |
| Restore 10% allocation          | 95,422    |
| Proficiency Grant               | 100,000   |
|                                 | 1,712,351 |

The School Finance Committee recommends the creation of a reserve fund to be used in upcoming budget years to offset any fluctuation in state funding or to offset borrowing for capital needs. The funds will be placed in the Superintendent's Contingency account until the creation of the reserve is finalized. The proposed reserve language will be discussed jointly by



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the two finance committees during this fiscal year and will go to the Board of Education for approval prior to going to the City Council for approval.

The remaining \$712,351 will be used for one time expenditures, ongoing programming, and restoration of cuts. The one time funds will be used to assist the school based health centers with their funding deficit and to make facility and capital upgrades. New investments include two mentoring positions, staffing for the New Arrivals Center, and testing for the Seal of Biliteracy. These are new programs and will be ongoing expenses in future budgets. Finally, the 10% cut to the school allocation was restored and will be dependent on student enrollment going forward.

**Portland Public Schools**  
**FY2018 Summary Revenue Budget**  
**General, Adult Ed, and Food Services Funds**  
**Amended Budget**  
**August 31, 2017**

|                                |                              | FY17<br>Budget        | FY18 Supt<br>Proposed | FY18 Finance<br>Committee<br>Recommended | FY18 Board of<br>Education<br>Recommended | FY18 City Council<br>Approved | FY18<br>Supplemental<br>Budget | FY18 Amended          | \$ +/-              | % +/-       |
|--------------------------------|------------------------------|-----------------------|-----------------------|------------------------------------------|-------------------------------------------|-------------------------------|--------------------------------|-----------------------|---------------------|-------------|
| <b>Local Revenue (non-tax)</b> | General                      | \$ 2,470,651          | \$ 2,614,857          | \$ 2,614,857                             | \$ 2,614,857                              | \$ 2,614,857                  | \$ -                           | \$ 2,614,857          |                     |             |
|                                | Adult Ed                     | 205,000               | 190,000               | 190,000                                  | 190,000                                   | 190,000                       | -                              | 190,000               |                     |             |
|                                | Food Services                | 453,244               | 426,006               | 426,006                                  | 426,006                                   | 426,006                       | -                              | 426,006               |                     |             |
|                                | <b>Total Local Revenue</b>   | <b>3,128,895</b>      | <b>3,230,863</b>      | <b>3,230,863</b>                         | <b>3,230,863</b>                          | <b>3,230,863</b>              | <b>-</b>                       | <b>3,230,863</b>      | <b>\$ 101,968</b>   | <b>3.3%</b> |
| <b>State Revenue</b>           | EPS                          | 13,481,328            | 11,401,332            | 12,401,332                               | 12,401,332                                | 12,401,332                    | 1,712,351                      | 14,113,683            |                     |             |
|                                | Debt Service Reimb           | 1,725,393             | 1,686,134             | 1,686,134                                | 1,686,134                                 | 1,686,134                     | -                              | 1,686,134             |                     |             |
|                                | Other                        | 375,600               | 370,350               | 370,350                                  | 370,350                                   | 370,350                       | -                              | 370,350               |                     |             |
|                                | Adult Ed                     | 453,680               | 431,864               | 431,864                                  | 431,864                                   | 431,864                       | -                              | 431,864               |                     |             |
|                                | Food Services                | 28,016                | 33,848                | 33,848                                   | 33,848                                    | 33,848                        | -                              | 33,848                |                     |             |
|                                | <b>Total State Revenue</b>   | <b>16,064,017</b>     | <b>13,923,528</b>     | <b>14,923,528</b>                        | <b>14,923,528</b>                         | <b>14,923,528</b>             | <b>1,712,351</b>               | <b>16,635,879</b>     | <b>571,862</b>      | <b>3.6%</b> |
| <b>Federal Revenue</b>         | General                      | 589,406               | 540,000               | 540,000                                  | 540,000                                   | 540,000                       | -                              | 540,000               |                     |             |
|                                | Food Services                | 2,739,190             | 2,803,926             | 2,803,926                                | 2,803,926                                 | 2,803,926                     | -                              | 2,803,926             |                     |             |
|                                | <b>Total Federal Revenue</b> | <b>3,328,596</b>      | <b>3,343,926</b>      | <b>3,343,926</b>                         | <b>3,343,926</b>                          | <b>3,343,926</b>              | <b>-</b>                       | <b>3,343,926</b>      | <b>15,330</b>       | <b>0.5%</b> |
| <b>Total Non-tax Revenue</b>   |                              | <b>\$ 22,521,508</b>  | <b>\$ 20,498,317</b>  | <b>\$ 21,498,317</b>                     | <b>\$ 21,498,317</b>                      | <b>\$ 21,498,317</b>          | <b>\$ 1,712,351</b>            | <b>\$ 23,210,668</b>  | <b>\$ 689,160</b>   | <b>3.1%</b> |
| <b>Use of Fund Balance</b>     | General                      | 500,000               | 500,000               | 500,000                                  | 500,000                                   | 500,000                       | -                              | 500,000               |                     |             |
|                                | Food Services                | 250,000               | 250,000               | 250,000                                  | 250,000                                   | 250,000                       | -                              | 250,000               |                     |             |
| <b>Property Taxes</b>          | General Education            | 79,013,267            | 84,355,987            | 81,256,771                               | 81,456,771                                | 81,456,771                    | -                              | 81,456,771            |                     |             |
|                                | Adult Education              | 1,149,033             | 1,300,113             | 1,297,914                                | 1,297,914                                 | 1,297,914                     | -                              | 1,297,914             |                     |             |
|                                | Food Services                | 169,076               | 137,121               | 33,236                                   | 33,236                                    | 33,236                        | -                              | 33,236                |                     |             |
|                                | <b>Total Property Tax</b>    | <b>80,331,376</b>     | <b>85,793,221</b>     | <b>82,587,921</b>                        | <b>82,787,921</b>                         | <b>82,787,921</b>             | <b>-</b>                       | <b>82,787,921</b>     | <b>2,456,545</b>    | <b>3.1%</b> |
| <b>Total Revenue</b>           |                              | <b>\$ 103,602,884</b> | <b>\$ 107,041,538</b> | <b>\$ 104,836,238</b>                    | <b>\$ 105,036,238</b>                     | <b>\$ 105,036,238</b>         | <b>\$ 1,712,351</b>            | <b>\$ 106,748,589</b> | <b>\$ 3,145,705</b> | <b>3.0%</b> |

**Portland Public Schools**  
**FY2018 Summary Expenditure Budget\***  
**General, Adult Ed, and Food Services Funds**  
**Amended Budget**  
**August 31, 2017**

|                            |                                  | FY17<br>Budget        | FY18<br>Superintendent<br>Proposed | FY18 Finance<br>Committee<br>Recommended | FY18 Board of<br>Education<br>Recommended | FY18<br>City Council<br>Approved | FY18<br>Supplemental<br>Budget | FY18<br>Amended       | \$ +/-              | % +/-       |
|----------------------------|----------------------------------|-----------------------|------------------------------------|------------------------------------------|-------------------------------------------|----------------------------------|--------------------------------|-----------------------|---------------------|-------------|
| <b>Wages</b>               | Regular                          | \$ 61,194,466         | \$ 62,721,845                      | \$ 61,882,456                            | \$ 61,882,456                             | \$ 61,882,456                    | \$ 154,038                     | \$ 62,036,494         |                     |             |
|                            | Temp/Sub/Tutor/OT                | 1,670,319             | 1,917,454                          | 1,912,454                                | 1,912,454                                 | 1,912,454                        | -                              | 1,912,454             |                     |             |
|                            | Add pay/Stipends/Sick payout     | 2,241,021             | 2,395,453                          | 2,282,547                                | 2,282,547                                 | 2,282,547                        | 842                            | 2,283,389             |                     |             |
|                            | <i>Total Wages</i>               | 65,105,806            | 67,034,752                         | 66,077,457                               | 66,077,457                                | 66,077,457                       | 154,880                        | 66,232,337            | \$ 1,126,531        | 1.7%        |
|                            |                                  |                       |                                    |                                          |                                           |                                  |                                |                       |                     |             |
| <b>Benefits</b>            | Health                           | 11,751,447            | 12,748,642                         | 12,661,822                               | 12,661,822                                | 12,661,822                       | 42,051                         | 12,703,873            |                     |             |
|                            | Pension--Teacher                 | 1,738,459             | 1,919,648                          | 1,898,443                                | 1,898,443                                 | 1,898,443                        | 4,896                          | 1,903,339             |                     |             |
|                            | Pension--all other               | 1,092,072             | 1,341,146                          | 1,316,961                                | 1,316,961                                 | 1,316,961                        | 1,220                          | 1,318,181             |                     |             |
|                            | Workers Comp                     | 737,664               | 711,200                            | 711,200                                  | 711,200                                   | 711,200                          | -                              | 711,200               |                     |             |
|                            | Medicare                         | 895,573               | 933,585                            | 919,811                                  | 919,829                                   | 919,829                          | 2,233                          | 922,062               |                     |             |
|                            | All other                        | 838,618               | 689,568                            | 686,927                                  | 686,909                                   | 686,909                          | 2,160                          | 689,069               |                     |             |
|                            | <i>Total Benefits</i>            | 17,053,833            | 18,343,789                         | 18,195,164                               | 18,195,164                                | 18,195,164                       | 52,560                         | 18,247,724            | 1,193,891           | 7.0%        |
|                            |                                  |                       |                                    |                                          |                                           |                                  |                                |                       |                     |             |
| <b>Contracted Services</b> | Professional & Technical Svcs    | 1,228,233             | 1,404,462                          | 1,155,202                                | 1,355,202                                 | 1,355,202                        | 181,990                        | 1,537,192             |                     |             |
|                            | Employee Training/Dev            | 350,573               | 373,145                            | 369,905                                  | 369,905                                   | 369,905                          | 102,740                        | 472,645               |                     |             |
|                            | SPED Contracted Svcs             | 306,800               | 231,242                            | 231,242                                  | 231,242                                   | 231,242                          | -                              | 231,242               |                     |             |
|                            | Student Transportation           | 235,448               | 361,269                            | 361,269                                  | 361,269                                   | 361,269                          | -                              | 361,269               |                     |             |
|                            | Homeless Student Transportation  | 34,000                | 68,000                             | 68,000                                   | 68,000                                    | 68,000                           | -                              | 68,000                |                     |             |
|                            | SPED Student Transportation      | 80,000                | 90,000                             | 90,000                                   | 90,000                                    | 90,000                           | -                              | 90,000                |                     |             |
|                            | SPED Tuition                     | 836,613               | 686,613                            | 686,613                                  | 686,613                                   | 686,613                          | -                              | 686,613               |                     |             |
|                            | Legal Services                   | 180,000               | 140,000                            | 140,000                                  | 140,000                                   | 140,000                          | -                              | 140,000               |                     |             |
|                            | Utilities                        | 2,328,124             | 2,368,229                          | 2,304,338                                | 2,304,338                                 | 2,304,338                        | -                              | 2,304,338             |                     |             |
|                            | Repair & Maintenance             | 2,830,111             | 2,987,930                          | 2,822,567                                | 2,822,567                                 | 2,822,567                        | 8,243                          | 2,830,810             |                     |             |
|                            | Rentals & Leases                 | 352,755               | 374,644                            | 374,644                                  | 374,644                                   | 374,644                          | -                              | 374,644               |                     |             |
|                            | Liability Insurance              | 379,479               | 358,250                            | 358,250                                  | 358,250                                   | 358,250                          | -                              | 358,250               |                     |             |
|                            | Other Services                   | 640,884               | 668,302                            | 661,165                                  | 661,165                                   | 661,165                          | 5,137                          | 666,302               |                     |             |
|                            | <i>Total Contracted Services</i> | 9,783,020             | 10,112,086                         | 9,623,195                                | 9,823,195                                 | 9,823,195                        | 298,110                        | 10,121,305            | 338,285             | 3.5%        |
|                            |                                  |                       |                                    |                                          |                                           |                                  |                                |                       |                     |             |
|                            |                                  |                       |                                    |                                          |                                           |                                  |                                |                       |                     |             |
| <b>Supplies</b>            | Education Supplies               | 1,257,439             | 1,112,006                          | 962,547                                  | 962,547                                   | 962,547                          | 46,459                         | 1,009,006             |                     |             |
|                            | Tech Related Supplies            | 163,129               | 144,946                            | 136,906                                  | 136,906                                   | 136,906                          | 3,040                          | 139,946               |                     |             |
|                            | General Supplies                 | 401,550               | 399,572                            | 371,017                                  | 371,017                                   | 371,017                          | 20,129                         | 391,146               |                     |             |
|                            | Custodial Supplies               | 228,000               | 236,767                            | 236,767                                  | 236,767                                   | 236,767                          | -                              | 236,767               |                     |             |
|                            | Software Licenses                | 419,897               | 621,928                            | 614,017                                  | 614,017                                   | 614,017                          | 2,263                          | 616,280               |                     |             |
|                            | Gasoline                         | 161,888               | 141,211                            | 140,681                                  | 140,681                                   | 140,681                          | -                              | 140,681               |                     |             |
|                            | Food/Non-food supplies           | 1,743,050             | 1,683,599                          | 1,613,599                                | 1,613,599                                 | 1,613,599                        | -                              | 1,613,599             |                     |             |
|                            | <i>Total Supplies</i>            | 4,374,953             | 4,340,029                          | 4,075,534                                | 4,075,534                                 | 4,075,534                        | 71,891                         | 4,147,425             | (227,528)           | -5.2%       |
| <b>Other Costs</b>         | Field Trip Transportation        | 304,595               | 322,571                            | 322,571                                  | 322,571                                   | 322,571                          | -                              | 322,571               |                     |             |
|                            | Miscellaneous                    | 380,538               | 412,862                            | 396,868                                  | 396,868                                   | 396,868                          | 1,003,579                      | 1,400,447             |                     |             |
|                            | Capital                          | 71,864                | 423,892                            | 93,892                                   | 93,892                                    | 93,892                           | 131,331                        | 225,223               |                     |             |
|                            | <i>Total Other Costs</i>         | 756,997               | 1,159,325                          | 813,331                                  | 813,331                                   | 813,331                          | 1,134,910                      | 1,948,241             | 1,191,244           | 157.4%      |
| <b>Debt Service</b>        | Bond DS                          | 6,473,107             | 6,012,572                          | 6,012,572                                | 6,012,572                                 | 6,012,572                        | -                              | 6,012,572             |                     |             |
|                            | Loans/Leases                     | 55,168                | 38,985                             | 38,985                                   | 38,985                                    | 38,985                           | -                              | 38,985                |                     |             |
|                            | <i>Total Debt Service</i>        | 6,528,275             | 6,051,557                          | 6,051,557                                | 6,051,557                                 | 6,051,557                        | -                              | 6,051,557             | (476,718)           | -7.3%       |
| <b>Total Expenditures</b>  |                                  | <b>\$ 103,602,884</b> | <b>\$ 107,041,538</b>              | <b>\$ 104,836,238</b>                    | <b>\$ 105,036,238</b>                     | <b>\$ 105,036,238</b>            | <b>\$ 1,712,351</b>            | <b>\$ 106,748,589</b> | <b>\$ 3,145,705</b> | <b>3.0%</b> |

\* Categories listed are combined for presentation and not all by MEDMS coding



## MEMORANDUM

**TO:** Members of the Finance Committee

**FROM:** Brendan T. O'Connell – Finance Director

**DATE:** October 12, 2017

**SUBJECT:** Tax Relief Options for Additional School Subsidy – FY18 and FY19

### Executive Summary

Portland Public Schools received an additional \$1,712,351 in education subsidy above and beyond their FY18 budgeted amount as a result of the final enacted State of Maine budget. The School Board will recommend using \$1M of this subsidy as a reserve for future tax relief (complete recommendation on all \$1.7M from the School Board is below). The purpose of this memo is to address a question from the City Finance Committee on how this \$1M can be utilized to ease the property tax burden on City of Portland taxpayers. Two options are presented discussing the advantages and disadvantages of using the \$1M surplus in either FY18 or FY19. While reviewing these options it is important to also consider that the amount of tax relief which will be received by an average homeowner as a result of this additional education subsidy is approximately \$30.76.

|                                 |                    |
|---------------------------------|--------------------|
| <i>Reserve/Tax Relief</i>       | <i>\$1,000,000</i> |
| Health Centers                  | 145,000            |
| Capital                         | 131,331            |
| Make it Happen Site Coordinator | 42,165             |
| Mentoring Coordinator - Deering | 42,165             |
| Americorp                       | 19,000             |
| 0.50 ELL Teacher - Lincoln      | 32,500             |
| 1.0 ELL Ed Tech - Moore         | 40,000             |
| 1.0 ELL Ed Tech - King          | 40,000             |
| 0.20 Social Worker              | 9,768              |
| Seal of Biliteracy              | 15,000             |
| Restore 10% allocation          | 95,422             |
| Proficiency Grant               | 100,000            |
| <b>TOTAL</b>                    | <b>\$1,712,351</b> |

### Additional Analysis – Alternatives for Reserve/Tax Relief

**Option #1 – FY18 Tax Relief – Refund of Property Taxes Paid** - One potential alternative which would provide the most immediate tax relief would be a refund of FY18 property taxes paid. The

City of Portland Tax Assessor typically does the fiscal year tax commitment in early July after the budget has been approved by City Council. The tax commitment is then communicated to the State Tax Assessor. City staff then begins the tax billing process, with design, calculation and delivery of the fiscal year tax bills. Owners of record as of April 1st receive an annual tax bill which is due in semiannual payments (September 8, 2017 and March 9, 2018). Although most municipalities only send a single tax bill for the full year (it is the responsibility of the taxpayer to make note of each semiannual payment due dates), the City of Portland provides our taxpayers with the additional convenience of a second tax billing notice as a reminder of the second payment due date.

Although the taxes for FY18 have already been committed and many taxpayers have already been paid, a refund payment could be made to each taxpayer at some point during the second half of FY18. A somewhat similar refund process was performed by the City several years ago, when refund checks were issued after the tax commitment date. However, the former City Finance Director described the previous the tax refund process as “a mess” and warned of the significant operational complexities which arose unexpectedly. In the current year, a majority of tax payments are automated via escrow and mortgage companies so communication / and payment of the refunded amounts would have additional operational complexity above and beyond what was seen previously. There would be staff time required to calculate the refunds on a property by property basis, time required to determine where the refunds should be sent (including consideration of any ownership changes during the year), staff time required to answer resident Q&A on the difference in process, and additional costs incurred related to the refund check mailing.

**Option #2 – FY19 Tax Relief – Set up a Reserve / Tax Relief Account** – An alternative which would create FY19 tax relief would be to set up a reserve account and to hold the \$1M for future use. The reserve could either be applied directly to reduce the FY19 tax levy (i.e. similar to use of general fund balance within a budget year) or could be reserved to pay for future expenses which otherwise would have been funded by the taxpayers (for example capital expenditures).

The major problem with using the reserve to directly reduce the FY19 tax levy is that it creates a budget hole for future tax years. The \$1M of additional FY18 subsidy is a one-time revenue receipt and can only be applied to a single tax year (in this option it would be applied in FY19). In FY20 the tax levy would increase by \$1M unless expenditures were reduced accordingly.

One alternative which could be used to address this problem would be to specify that the \$1M should only be programmed into either the operating budget or capital improvement plan to offset one time capital expenditures. With over \$300M+ of capital needs identified by Sebago Technics / Lavallee Brensinger in their recent “Facilities Assessment of School Buildings” and two questions on the November ballot which could potentially obligate the City to either \$46M or \$92M of future debt service payments, there is certainly no shortage of potential need for capital funds. If the \$1M is used to pay immediately for a capital need which otherwise would have been funded via general obligation bonds there is an additional advantage as the total tax relief impact to taxpayers is even greater. \$1M borrowed over 10 years at 3.1% interest would cost local taxpayers approximately \$1.2M in debt service payments so the total tax relief is approximately 20% greater when the \$1M is used to offset general obligation debt.



Finance Department  
Brendan T. O'Connell, Director

## **MEMORANDUM**

**TO:** Finance Committee (FC)

**FROM:** Brendan T. O'Connell - Finance Director,  
Troy Moon – Sustainability Coordinator

**DATE:** September 22, 2017

**SUBJECT:** **Financing Recommendation – City Streetlights LED Conversion**

### **Executive Summary**

In 2016 one of the City Council Common Goals for the Energy and Sustainability Committee was a plan to convert street lights to LED. City Council allocated funding (\$100,000 in FY17, \$500,000 in FY18) in each of the previous two rounds of Capital Improvement Plan project funding towards the conversion. In October, 2016 City staff released a request for proposals for LED streetlight conversion and selected The Efficiency Network Connected Solutions (“TCS”) to assist with the overall project. According to TCS, the overall project cost will be approximately \$8.6M. Furthermore, once all streetlights have been repurchased from Central Maine Power (“CMP”) and converted to LED the City will realize a savings of over \$900,000 per year – a combined reduction in kilowatt hours usage and removal of the lease/maintenance charges from our CMP bills.

To fund the project a total capital outlay of \$8.6M is required. A phased implementation approach is being recommended by City staff and the City Manager, with two \$4M phases in each of the next two years. This will help stagger the debt burden across multiple fiscal years and will also hedge against future replacement of all the LED lights being required at generally the same time. A 10-year, 2.05% municipal lease with Banc of America Public Capital Corp is being recommended for the financing. The interest rate is competitive, the lease will be subject to an annual appropriation clause by City Council, and the annual debt service costs from the lease will be more than offset if the savings projected by TCS are realized.

### **Additional Analysis - Cost of Streetlight Project**

City staff has worked with TCS to develop a scope of work for the streetlight project that incorporates a variety of related lighting and smart cities projects to be implemented during the two phases of the project. The work assigned to each phase and its cost is highlighted below:

**Preliminary work:**

Purchase of CMP owned streetlight assets \$590,000 (predominantly already allocated CIP Funds)

**Project Part 1:**

|                                                     |             |
|-----------------------------------------------------|-------------|
| CMP cobra head LED upgrade (new fixtures)           | \$1,757,017 |
| CMP flood and shoebox LED upgrade (new fixtures)    | \$208,703   |
| Fusing for CMP cobra heads, floods, and shoeboxes   | \$343,901   |
| Controls for CMP cobra heads, floods, and shoeboxes | \$544,694   |
| Convert lighting in two parking garages to LED      | \$62,633    |
| Selected Smart City and lighting projects           | \$1,083,052 |

These could include:

- Public Wi-Fi (approximately 100 locations)
- City Hall exterior lighting
- Athletic field lighting improvements
- Riverside GC solar charging station for golf carts
- Pilot project for decorative lighting
- Pilot emergency alert system using lights
- Tree trimming, pole painting, project contingency

**Total Cost – Phase 1** **\$4,000,000**

**Project Part 2:**

|                                                            |             |
|------------------------------------------------------------|-------------|
| CMP Holophane LED upgrade (50/50 retrofit/new)             | \$421,077   |
| CMP GE Town and Country LED upgrades (70/30 retrofit/new)  | \$967,842   |
| Portland decorative LED upgrades (50/50 retrofit/new)      | \$602,422   |
| Fusing for CMP Holophane and GE (not currently City owned) | \$71,998    |
| Controls for all decorative lights                         | \$245,065   |
| Selected Smart City and lighting projects                  | \$1,691,596 |

These could include:

- Public WiFi (between 150 – 300 additional locations)
- Athletic field lighting upgrades
- Intelligent traffic controls (Woodford Corner, Allen Corner)
- Electric vehicle charging stations
- Environmental sensors
- Tree trimming, pole painting, project contingency

**Total Cost – Phase 2:** **\$4,000,000**

**Additional Analysis – Savings from Streetlight Project**

TCS projects significant annual savings for the City of Portland once this project is completed. These savings result from a significant reduction in kilowatt hours used annually (i.e. the “generation” costs), a small

reduction in delivery costs (the cost charged by CMP to get their electricity to our locations) and a complete removal of the “equipment maintenance charge.” See Exhibit A below for complete breakdown.

## Exhibit A – City of Portland Cost Savings Calculation as Provided by TCS

### City of Portland - savings calculations

|                         | kWh used prior to upgrade | cost breakdown | Old Rate (per kWh) | Old Cost to City (per yr) | New kWh post upgrade | New Rate (per kWh) | Post upgrade cost (/yr) |
|-------------------------|---------------------------|----------------|--------------------|---------------------------|----------------------|--------------------|-------------------------|
| Portland CMP cobraheads | 3,328,675                 | generation     | \$0.05263          | \$175,188                 | 972,423              | \$0.05263          | \$51,179                |
|                         |                           | delivery       | -                  | \$952,408                 |                      | \$0.055332         | \$53,806                |
|                         |                           | equip, maintnc |                    |                           |                      | -                  | 0                       |
| Portland decoratives    | 398,906                   | generation     | \$0.05263          | \$20,994                  | 189,214              | \$0.05263          | \$9,958                 |
|                         |                           | delivery       | \$ 0.05529         | \$22,057                  |                      | \$0.055332         | \$ 10,470               |
| Portland Garages (2)    | 369,757                   | generation     | \$0.05263          | \$19,460                  | 191,071              | \$0.05263          | \$10,056                |
|                         |                           | delivery       | \$ 0.06            | \$22,185                  |                      | \$0.06             | \$11,464                |
| TOTALS:                 | 4,097,338                 |                |                    | \$1,212,293               | 1,352,708            |                    | \$146,933               |

Note: the \$0.05263/kWh rate is a blended rate, averaging the rates from Streetlight "A" (\$0.05835 from NextEra Energy) and "B" (\$0.469 from Constellation)

Potential Savings: **\$1,065,360**

- the \$0.055293 per kWh is from CMP rate SL, section 2, 'Delivery only'
- the \$0.055332 per kWh is the new CPM tariff rate, effective July 1, 2017 from CMP rate SL, section 2, 'Delivery only'
- the parking garage rate of "\$0.06" rate is estimated; TBD by CMP

As the Finance Director for the City and a practicing CPA professional skepticism must always be used over information provided by third parties. The reduction in kilowatt hours post-conversion to LED streetlights is backed up by a) our existing data from CMP, b) statistical / manufacturer information from the streetlight hardware chosen by TEN and City staff and, c) a full 10 year manufacturer's warranty for the street lights to be installed. In relation to the overall annual savings the total generation costs are relatively minor and we are confident they will be realized. Although the savings in dollars related to generation is relatively minor, the total reduction in kilowatt hours is incredibly significant and should be highlighted as a major potential success of the project as this helps the City achieve its stated goal of conserving energy and reducing greenhouse gas emissions.

The major savings from this project hinges on the total elimination of the nearly \$1M annual “lighting equipment” charge being levied on the City of Portland by CMP. According to TEN and our Sustainability Coordinator Troy Moon, the approximately \$952k annual charge will no longer appear on City utility bills from CMP after the City repurchases all of our own streetlights from CMP. The savings will be easy to measure as it is separately stated on all of our utility bills (see Exhibit B below for example).

Although the City will no longer receive the “lighting equipment charge” on our utility bills, the City will also no longer receive “equipment maintenance” services from CMP and will be required to maintain our own streetlights. This may require a contract with a third-party vendor but after the initial conversion failure rate of LED streetlights is projected by TCS to be very low. Finally, it is worth noting that CMP is a utility, which may set their charges to offset their cost of doing business. Although the City will no longer be paying the \$952k in “equipment maintenance charges” the loss of that revenue at CMP will need to be incorporated into their future charges and the City may see their share of increases. Without consideration of these additional costs, TCS has projected the City will see an annual operating savings of \$1,065,320.

## Exhibit B – Sample City of Portland CMP Bill

| ST LIGHTS                                                       | 12/30/16 | 11/28/16 | 32 |                                   |                   |
|-----------------------------------------------------------------|----------|----------|----|-----------------------------------|-------------------|
| <b>Account Summary</b>                                          |          |          |    |                                   |                   |
| Prior balance                                                   |          |          |    |                                   | \$0.00            |
| Payments received through 01/04/17                              |          |          |    | \$0.00+                           | \$0.00            |
| Balance forward                                                 |          |          |    |                                   |                   |
| New charges                                                     |          |          |    |                                   |                   |
| Electricity Delivery: Central Maine Power (see detail below)    |          |          |    | \$2,552.26+                       |                   |
| Electricity Supply: NextEra Energy Services ME LLC (see page 3) |          |          |    | \$637.42+ - Electricity           | \$3,189.68        |
| Total new charges                                               |          |          |    |                                   |                   |
| <b>Current Account Balance:</b>                                 |          |          |    | <b>Please pay before 01/31/17</b> | <b>\$3,189.68</b> |

### Central Maine Power Delivery Service Account Detail

|                                                |             |         |  |                         |            |
|------------------------------------------------|-------------|---------|--|-------------------------|------------|
| Prior balance for Central Maine Power delivery |             |         |  | \$0.00                  |            |
| Payments received                              |             |         |  | \$0.00+                 | \$0.00     |
| Balance forward                                |             |         |  |                         |            |
| Current delivery charges                       |             |         |  |                         |            |
| Delivery Charges: Street Lights                |             |         |  |                         |            |
| Sodium Enclosed 70W                            | 222 units @ | \$10.20 |  |                         |            |
| Delivery Service                               | 222 units @ | \$1.88  |  | \$417.36+               |            |
| Lighting Equipment                             | 222 units @ | \$8.32  |  | \$1,847.04+             |            |
| Sodium Enclosed 100W                           | 2 units @   | \$11.28 |  |                         |            |
| Delivery Service                               | 2 units @   | \$2.54  |  | \$5.08+                 |            |
| Lighting Equipment                             | 2 units @   | \$8.74  |  | \$17.48+                |            |
| Sodium Flood 250W                              | 2 units @   | \$17.99 |  |                         |            |
| Delivery Service                               | 2 units @   | \$5.92  |  | \$11.84+                |            |
| Lighting Equipment                             | 2 units @   | \$12.07 |  | \$24.14+                |            |
| Sodium Cut Off 70W                             | 21 units @  | \$10.92 |  |                         |            |
| Delivery Service                               | 21 units @  | \$1.88  |  | \$39.48+                |            |
| Lighting Equipment                             | 21 units @  | \$9.04  |  | \$189.84+               |            |
| Delivery Service Charge                        |             |         |  | \$473.76+ - Delivery    |            |
| Lighting Equipment Charge                      |             |         |  | \$2,078.50+ - Equipment |            |
| Total current delivery charges                 |             |         |  |                         | \$2,552.26 |
| Central Maine Power account balance            |             |         |  |                         | \$2,552.26 |

As demonstrated on the example bill, the lighting equipment charge of \$2,078.50 accounts for about 65% of the monthly streetlighting cost. This cost will no longer be assessed once the City purchases the existing lighting equipment.

### Specifics – Municipal Lease Finance Recommendation and Annual Debt Service Costs

City staff solicited financing proposals from several different vendors and Bank of America had the lowest interest rate proposal for the project – 10 years at a fixed 2.05%. Under the scenario as provided to the vendor, the City would finance the first \$4M of the project in October 2017, with the first annual lease payments not due until FY19, subject to approval of the FY19 budget by City Council. The total cost of the first \$4M lease in the FY19 through FY28 operating budgets would only be approximately \$446k annually, significantly less than the overall \$1.065M project savings projections from TEN. Keep in mind, due to the phased approach of this project, a second \$4M lease would be brought to City Council in FY19, and that lease would add an additional \$450-\$550k in annual debt service costs to future City budgets (depending on interest rates). In

total, it is estimated that the \$8M of leases would add between \$900k and \$1M to the City operating budgets for each of the next 10 years. However, these lease payments are less than the projected annual savings from TEN.

Bank of America has provided a term sheet for the finance package with the following amortization plan for repayment over the course of ten years. Please note that it calls for semi-annual payments so there would be two payments per year. (Total of 20)

#### Sample 10 Year Amortization

|                                     |                     |
|-------------------------------------|---------------------|
| <b>Total Project Costs</b>          | <b>4,000,000.00</b> |
| <b>Repayment Term (semi-annual)</b> | <b>20</b>           |
| <b>Interest Rate</b>                | <b>2.050%</b>       |
| <b>Closing/Funding Date (est.)</b>  | <b>10/20/17</b>     |
| <b>Average Life</b>                 | <b>5.679</b>        |

| <b>Pmt. No.</b> | <b>Year No.</b> | <b>Payment Date</b> | <b>Funding Amount</b> | <b>Payment Amount</b> | <b>Interest Portion</b> | <b>Principal Portion</b> | <b>Outstanding Balance</b> |
|-----------------|-----------------|---------------------|-----------------------|-----------------------|-------------------------|--------------------------|----------------------------|
| 0               |                 | 10/20/2017          | 4,000,000.00          |                       |                         |                          | 4,000,000.00               |
| 1               | 1               | 7/15/2018           |                       | 223,284.32            | 60,361.11               | 162,923.21               | 3,837,076.79               |
| 2               | 1               | 1/15/2019           |                       | 223,284.32            | 39,330.04               | 183,954.28               | 3,653,122.51               |
| 3               | 2               | 7/15/2019           |                       | 223,284.32            | 37,444.51               | 185,839.81               | 3,467,282.70               |
| 4               | 2               | 1/15/2020           |                       | 223,284.32            | 35,539.65               | 187,744.67               | 3,279,538.03               |
| 5               | 3               | 7/15/2020           |                       | 223,284.32            | 33,615.26               | 189,669.05               | 3,089,868.98               |
| 6               | 3               | 1/15/2021           |                       | 223,284.32            | 31,671.16               | 191,613.16               | 2,898,255.81               |
| 7               | 4               | 7/15/2021           |                       | 223,284.32            | 29,707.12               | 193,577.20               | 2,704,678.62               |
| 8               | 4               | 1/15/2022           |                       | 223,284.32            | 27,722.96               | 195,561.36               | 2,509,117.26               |
| 9               | 5               | 7/15/2022           |                       | 223,284.32            | 25,718.45               | 197,565.87               | 2,311,551.39               |
| 10              | 5               | 1/15/2023           |                       | 223,284.32            | 23,693.40               | 199,590.92               | 2,111,960.47               |
| 11              | 6               | 7/15/2023           |                       | 223,284.32            | 21,647.59               | 201,636.72               | 1,910,323.75               |
| 12              | 6               | 1/15/2024           |                       | 223,284.32            | 19,580.82               | 203,703.50               | 1,706,620.25               |
| 13              | 7               | 7/15/2024           |                       | 223,284.32            | 17,492.86               | 205,791.46               | 1,500,828.79               |
| 14              | 7               | 1/15/2025           |                       | 223,284.32            | 15,383.50               | 207,900.82               | 1,292,927.97               |
| 15              | 8               | 7/15/2025           |                       | 223,284.32            | 13,252.51               | 210,031.81               | 1,082,896.16               |
| 16              | 8               | 1/15/2026           |                       | 223,284.32            | 11,099.69               | 212,184.63               | 870,711.53                 |
| 17              | 9               | 7/15/2026           |                       | 223,284.32            | 8,924.79                | 214,359.53               | 656,352.00                 |
| 18              | 9               | 1/15/2027           |                       | 223,284.32            | 6,727.61                | 216,556.71               | 439,795.29                 |
| 19              | 10              | 7/15/2027           |                       | 223,284.32            | 4,507.90                | 218,776.42               | 221,018.87                 |
| 20              | 10              | 1/15/2028           |                       | 223,284.32            | 2,265.44                | 221,018.87               | 0.00                       |
|                 |                 |                     |                       | 4,465,686.36          | 465,686.36              | 4,000,000.00             |                            |

## Cash Flow Analysis:

As indicated, project savings will cover the annual finance costs and should allow some additional savings in the operational budget during the life of the lease agreement. TCS ran a cash flow analysis which demonstrates a comparison of savings versus financing costs. The financing scenario assumes phase two projects would be financed over nine years instead of ten so that the entire project is paid off in ten years and that the interest rate for Phase 2 is comparable to the 2.05% offered by Bank of America for Phase 1.

| YEAR         | PROJECT SAVINGS    |                    |                        |                                    | PROJECT FINANCING COSTS |                      |                      | NET CASHFLOW       |
|--------------|--------------------|--------------------|------------------------|------------------------------------|-------------------------|----------------------|----------------------|--------------------|
|              | UTILITY SAVINGS    | UTILITY SAVINGS    | TRANSFER OF OWNERSHIP  | GUARANTEE D DOLLAR SAVINGS AMOUNTS | DEBT SERVICE PHASE 1    | DEBT SERVICE PHASE 2 | TOTAL DEBT SERVICE   |                    |
|              | PART 1             | PART 2             | SAVINGS <sup>(2)</sup> |                                    |                         |                      |                      |                    |
| Year 1       | \$210,983          | \$0                | \$738,439              | \$949,422                          | (\$446,472)             | 0                    | (\$446,472)          | \$502,950          |
| Year 2       | \$215,202          | \$107,601          | \$753,208              | \$1,076,011                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$138,308          |
| Year 3       | \$219,506          | \$109,753          | \$768,272              | \$1,097,532                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$159,828          |
| Year 4       | \$223,896          | \$111,948          | \$783,638              | \$1,119,482                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$181,779          |
| Year 5       | \$228,374          | \$114,187          | \$799,310              | \$1,141,872                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$204,168          |
| Year 6       | \$232,942          | \$116,471          | \$815,297              | \$1,164,709                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$227,006          |
| Year 7       | \$237,601          | \$118,800          | \$831,603              | \$1,188,004                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$250,300          |
| Year 8       | \$242,353          | \$121,176          | \$848,235              | \$1,211,764                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$274,060          |
| Year 9       | \$247,200          | \$123,600          | \$865,199              | \$1,235,999                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$298,295          |
| Year 10      | \$252,144          | \$126,072          | \$882,503              | \$1,260,719                        | (\$446,472)             | (\$491,232)          | (\$937,704)          | \$323,015          |
| <b>TOTAL</b> | <b>\$2,310,201</b> | <b>\$1,049,609</b> | <b>\$8,085,704</b>     | <b>\$11,445,514</b>                | <b>(\$4,464,719)</b>    | <b>(\$4,421,087)</b> | <b>(\$8,885,806)</b> | <b>\$2,559,709</b> |

As indicated, project savings exceed costs by over \$2.5 million over the life of the lease. If the savings attributed to the project fail to materialize, TCS has agreed to reimburse the City for the amount of the shortfall as part of its guaranteed savings contract.

This project offers the City an excellent opportunity to improve public safety by improving the overall quality of light in the City while conserving energy and financial resources. We would be happy to answer any questions you may have about it.

**MEMORANDUM**

**TO:** Members of the City Council

**FROM:** Brendan T. O'Connell – Finance Director

**DATE:** October 12, 2017

**SUBJECT: RE: LED Streetlight Project and City Charter Referendum Requirements**

The City Charter has two instances where voter referendum is required for certain City Council actions.

***Section 16. Voter referendum required for certain city council actions.***

*(a) The city council shall submit the following to voter referendum:*

*(1) Orders or resolves authorizing the issuance of general obligation securities of the city in a principal amount greater than five one-hundredths of one (1) percent of the last certified state valuation of the city for a single capital improvement or item of capital equipment; or*

*(2) Orders or resolves directly or indirectly obligating the city to expend, over a term greater than one (1) municipal year, municipal tax funds in excess of an amount greater than seven and one-half one-hundredths of one (1) percent of the last certified state valuation of the city for a single capital improvement or item of capital equipment*

Per discussion with Jim Saffian, the external bond counsel of the City of Portland, neither of these requirements would be triggered by approval of a contract with TEN Connected Solutions for LED streetlight implementation (Order 73-17/18) or approval for the City to enter into a municipal lease with Banc of America for financing (Order 74-17/18). In regards to Section 16(a)(1), no general obligation securities are being issued in relation to the projects so that subsection is not applicable in this instance.

In regards to 16(a)(2), the contracts under consideration for approval by the City Council will not obligate the City to expend municipal tax funds in excess of seven and one-half one hundredths of one percent of the last qualified state valuation of the City. The City has a termination for convenience clause within the contract with TEN Connected Solutions and thus may exit the agreement with TEN at any time with 30 days prior written notice. The municipal lease with Banc of America is also subject to an annual appropriation clause, which permits the City to exit the arrangement in any given fiscal year if funds are not appropriated by City Council within the municipal budget.



## Tax-Exempt Lease/Purchase Financing Proposal For City of Portland, Maine August 14, 2017

Bank of America has increased its current environmental business initiative from \$50 billion to \$125 billion in low-carbon business by 2025 through lending, investing, capital raising, advisory services and developing financing solutions for clients around the world. Bank of America has provided more than \$39 billion in financing for low-carbon activities since 2007.



**Holly Andreozzi**  
Senior Vice President  
Energy Services

Banc of America Public Capital Corp  
100 Federal street  
Boston, MA 02110  
Holly.Andreozzi@baml.com  
Tel: (617) 434-7760

August 31, 2017

VIA ELECTRONIC MAIL

Mr. Ted Edgar  
Director of Finance  
Energy Systems Group  
.

Re: Tax-Exempt Lease Purchase Agreement with the City of Portland, Maine

Dear Mr. Edgar:

Banc of America Public Capital Corp ("BAPCC") is pleased to submit to the City of Portland, Maine (the "Lessee") or ("CITY") the Equipment Lease/Purchase Agreement proposal (the "*Proposed Transaction*") as described in the attached Summary of Terms and Conditions (the "*Term Sheet*").

BAPCC offers unique financing features and qualifications that can be leveraged on behalf of the CITY to complete this transaction at a low interest cost and in a smooth and efficient manner. These features and qualifications include:

1. TAX-EXEMPT PRIVATE PLACEMENT EXPERIENCE: BAPCC is a leading provider of private placement capital to the state government, municipal local government, K-12, housing authority, and higher education tax-exempt markets. Our team is highly experienced in documenting and closing tax-exempt lease purchase transactions;
2. ENERGY EFFICIENCY FINANCING EXPERIENCE: BAPCC's Energy Services group is a leading provider of financial solutions for energy efficiency, renewable energy, water system, and energy generation equipment and assets;
3. PRIVATE PLACEMENT: The proposed transaction is a private placement that will not require (i) any additional public ongoing disclosure requirements, (ii) any additional public offering document generation requirements, or (iii) any underwriting or related fees.

Please understand that this Proposal is not a commitment or offer to purchase, and does not create any obligation for the Lessor. All prospective transactions must meet internal approval requirements for funding.

This proposal must be accepted within ten business days from the date of this letter in order for the Lessor to proceed with its consideration of the Proposed Transaction. To accept this Proposal, please sign the enclosed copy of this Proposal Letter and return it to my attention at [holly.andreozzi@baml.com](mailto:holly.andreozzi@baml.com) or fax it to me at 404.532.3026. Thank you for allowing us the opportunity to prepare this proposal for the CITY.

Very truly yours,

**Banc of America Public Capital Corp**



By: Holly Andreozzi  
Title: Senior Vice President

The undersigned, by its authorized representative below, accepts the above Proposal, agrees to furnish the Lessor, its successors and assigns, any information relating to the business or financial condition of the Lessee or its affiliates, and authorizes the Lessor, Bank of America, N.A. and their affiliates to disclose to, discuss with and distribute such information (and any information they may already have) to any other affiliates or proposed assignees or successors of the Lessor.

**City of Portland, Maine**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Tax-ID #: \_\_\_\_\_

"Bank of America Merrill Lynch" is the marketing name for the global banking and global markets businesses of Bank of America Corporation. Lending, derivatives, leasing, equipment finance, and other commercial banking activities are performed globally by banking affiliates of Bank of America Corporation, including Bank of America, N.A., Member FDIC. Securities, strategic advisory, and other investment banking activities are performed globally by investment banking affiliates of Bank of America Corporation ("Investment Banking Affiliates"), including, in the United States, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Professional Clearing Corp., both of which are registered broker-dealers and Members of [SIPC](#), and, in other jurisdictions, by locally registered entities. Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Professional Clearing Corp. are registered as futures commission merchants with the CFTC and are members of the NFA. BAPCC is not a municipal advisor and is not subject to the fiduciary duty established in Section 15B(c)(1) of the Securities Exchange Act of 1934, as amended, with respect to any municipal financial product or issuance of municipal securities. The information provided in this document is not intended to be and should not be construed as "advice" with the meaning Section 15B of the Securities Exchange Act of 1934 and the municipal advisor rules of the SEC. Investment products offered by Investment Banking Affiliates: Are Not FDIC Insured • May Lose Value • Are Not Bank Guaranteed

## SUMMARY OF TERMS AND CONDITIONS

### I. Lessee, Lessor and Project Information - Introduction

**Lessee:** City of Portland, Maine ("City")

**Lessor:** Banc of America Public Capital Corp or its affiliate or designee

**Lessor Background:** Our Energy Services team has extensive experience in funding tax-exempt equipment lease transactions for energy efficiency projects that benefit governmental entities, K-12, and public higher education institutions throughout the country.

Commitment to energy efficiency and the environment: Bank of America is a proud supporter of energy efficiency and initiatives that have a positive impact on the environment.

Some of our 2017 experience in Maine includes RSU #6 and RSU #22.

Financial profile and strength: As mentioned, Bank of America is one of the nation's largest financial holding companies. Our annual report can be found on the following internet link:

<http://investor.bankofamerica.com/phoenix.zhtml?c=71595&p=irol-reportsannual>

### II. Lease Structure, Project Description

**Purpose:** The purpose of this transaction is to provide financing for the acquisition, construction and installation of energy efficiency improvements (collectively, the "Equipment") by The Efficiency Network ("Vendor") under an energy performance contract with the City.

**Structure:** This transaction will be structured as a tax-exempt equipment lease purchase agreement ("*Lease/Purchase*") between Lessee and Lessor. Repayments under the Lease/Purchase shall be absolute and unconditional, subject only to annual appropriation of funds by the Lessee's governing body and in accordance with the laws of the State of Maine. The lease will be a net financial lease, and all expenses, including but not limited to insurance, maintenance, and taxes, will be for the account of Lessee.

**Security:** Upon acceptance of the Equipment, title to the Equipment shall be vested in Lessee. Lessee's obligations under the Lease/Purchase shall be secured by, among other things, a first priority security interest in the Equipment, evidenced by the filing of UCC financing statements and fixture filings and thus legal descriptions (as applicable) for the property locations at which the Equipment will be installed will be required. At maturity of the Lease/Purchase, upon payment of all outstanding amounts under the Lease/Purchase, Lessor's security interest in the

Equipment shall be released and Lessee shall retain the Equipment. Lessee shall be required to maintain the Equipment free and clear of other liens, to insure the Equipment (public liability and property damage insurance), to promptly repair or replace any damaged or destroyed Equipment and to pay any applicable taxes.

**Proceeds:** Approximately \$4,000,000

### **III. Funding, Interest Rate, Closing**

**Funding:** Proceeds from the Lease will be deposited into an Escrow fund account ("Escrow Fund") acceptable to Lessor. Lessee will be required to direct investments in the Escrow Fund and any interest earned will be for the benefit of Lessee. Disbursements will be made from the Escrow Fund to pay for project costs upon delivery by Lessee of a disbursement request and related documents and approval by Lessor. The Escrow Fund is subject to compliance by Lessee with all applicable regulations under the Internal Revenue Code, including but not limited to arbitrage reporting.

During the installation period, the Lessee will requisition funds in the manner outlined in the Escrow Agreement. No funds will be disbursed without the written approval of the Lessee and approval of the Lessor. As described in the Agreement, funds will only be disbursed upon "Equipment Acceptance", which requires that each portion of the Equipment operates as a separate and independent functional unit, that the Equipment constituting such portion has been acquired and installed is operating in a manner consistent with the manufacturer's intended use and has been inspected and finally accepted by Lessee for all purposes of the Agreement.

**Anticipated Escrow Agent:** Bank of America National Association

**Closing Date:** ~ Late October 2017

**Indicative Interest Rates:**  
**10 year term – 2.05%**  
**15 year term – 2.33%**

The calculation for the Indicative Fixed Interest Rate is:

*Bloomberg Treasury SWAP Rate\* X 65% + Applicable Spread*

| Term | Swap Term | Swap Rate * | x 65% | Spread | Indicative Rate |
|------|-----------|-------------|-------|--------|-----------------|
| 10   | 6         | 1.93%       | 1.25% | 0.796% | 2.050%          |
| 15   | 9         | 2.13%       | 1.38% | 0.946% | 2.330%          |

\* Rate taken from Bloomberg on August 14, 2017

**PLEASE BE ADVISED THAT THE INDICATIVE INTEREST RATES AND THE PROPOSED PRICING SET FORTH ABOVE AND IN EXHIBIT A HERETO ARE ONLY AVAILABLE FOR TRANSACTIONS THAT HAVE BEEN CONSUMMATED WITHIN 180 DAYS HEREOF. THEREAFTER, LESSOR MAY AT ITS DISCRETION ADJUST ITS PRICING TO REFLECT ADVERSE**

**CHANGES IN ITS COST OF FUNDS OR CHANGES GENERALLY IN MARKET CREDIT MARGINS.**

**Rate Lock  
Procedure:**

If this proposal is signed and returned to Lender within ten (10) business days:

Lender will hold the tax-exempt rate for the selected tax-exempt option for a period of 90 days from the date of this proposal.

If closing of the transaction occurs after such rate lock expiration, the respective Indicative Fixed Interest Rate for the transaction is subject to repricing at the discretion of Lender 15 business days prior to the scheduled closing date in accordance with the selected option formula above.

IF BORROWER ASKS LENDER TO LOCK THE RESPECTIVE INTEREST RATE ABOVE FOR FUNDING, BORROWER AGREES NOT TO SEEK FUNDING FOR THE PROJECT WITH ANOTHER LENDER FOR A PERIOD OF SIX MONTHS AS A MEANS TO CIRCUMVENT THE RATE THAT BORROWER HAS ASKED LENDER TO HOLD.

PLEASE BE ADVISED THAT THE PROPOSED INDICATIVE PRICING INDEX SET FORTH ABOVE IS ONLY AVAILABLE FOR A TRANSACTION THAT IS FULLY FUNDED OR FOR SPECIFIC EQUIPMENT THAT HAS COMMENCED FUNDING UNDER A LEASE AGREEMENT PURSUANT TO THIS PROPOSAL WITHIN 180 DAYS. THEREAFTER, LENDER MAY AT ITS DISCRETION ADJUST ITS PRICING TO REFLECT ADVERSE CHANGES IN ITS COST OF FUNDS OR CHANGES GENERALLY IN MARKET CREDIT MARGINS.

PLEASE NOTE THAT THE PRICING AND RATE ABOVE ARE BASED ON THE AVERAGE LIFE OF THE ATTACHED DRAFT AMORTIZATION SCHEDULES. TO THE EXTENT THAT THE AVERAGE LIFE OF THE FINAL SELECTED AMORTIZATION SCHEDULE CHANGES FROM THE ATTACHED, THE RESPECTIVE RATE ABOVE IS SUBJECT TO MODIFICATION BY LENDER TO ACCOUNT FOR ANY LENGTHENING OF THE AVERAGE LIFE OF THE FINAL SCHEDULE.

**Closing Costs:** Lessee will be responsible for its own closing costs, including its own legal costs for providing the validity opinion required for the transaction.

**IV. Repayment, Prepayment and Other Terms**

**Payments:** Lessee shall make semi-annual rental payments consisting of principal and interest on the Proceeds.

**Prepayment:** On any periodic rental payment date and following 30 days advance written notice, Lessee shall have the option to prepay its obligations in whole and not in part under the Lease/Purchase upon payment of the then-applicable Purchase Price, which will be calculated as 102% of the outstanding principal balance.

**Documentation:** Lessor will use its standard form of lease documentation.

**Payment and  
Performance  
Bonds:**

Lessor will be named as dual obligee on the payment and performance bond provided by Vendor.

**Bank Qualification:** This proposal assumes the transaction will **NOT** be deemed “Bank Qualified” for federal tax purposes.

**Opinion of Counsel:** Counsel to Lessee shall deliver an opinion to Lessor at closing in form and substance satisfactory to Lessor. The opinion of counsel will provide, among other matters:

- (a) counsel has examined, approved and attached the text of the enabling resolution of Lessee’s governing body authorizing Lessee to enter into the Lease/Purchase; and
- (b) the Lease/Purchase has been duly executed by Lessee and is a valid, binding and enforceable obligation against Lessee.

**Tax Exempt Lease/Purchase:** The rental payments have been calculated on the following assumptions and representations by Lessee that Lessee:

- 1. is a state or political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code (the “Code”) and duly created and validly existing under the laws of the State of Maine;
- 2. is authorized under the laws of the State of Maine to enter into the Lease/Purchase and the transactions contemplated thereby and to perform all of Lessee’s obligations thereunder; and
- 3. has duly authorized the execution and delivery of the Lease/Purchase under the terms of a resolution of its governing body or by other appropriate official approval, and all requirements and procedures have been satisfied in order to ensure the enforceability of the Lease/Purchase, and Lessee has complied with all applicable public bidding requirements; and

Lessee shall provide Lessor with such evidence as Lessor may request to substantiate and maintain such tax status, and shall make such further representations and certifications as are customary in tax exempt transactions.

In the event Lessor suffers a loss of Federal income tax exemption of the interest portion of the rental payments, Lessee will indemnify Lessor against any loss of Federal income tax exemption of the interest portion of the rental payments and against any penalties and interest imposed by the Internal Revenue Service in connection therewith on a lump-sum basis, and Lessee shall comply with the filing requirements of Section 149(e) of the Code. Lessee will pay Lessor amounts calculated at a taxable rate sufficient to maintain Lessor’s yield in the Lease/Purchase. Lessee shall comply with the filing requirements of Section 149(e) of the Code.

**Final Approval:** This proposal and the terms set forth herein are an indication of interest in the transaction, and are not and should not be construed as a commitment nor obligation of Lessor or its affiliates to provide any financing. The proposed transaction and the terms set forth herein are subject to all credit, risk, documentation and legal approvals of Lessor as well as execution and delivery of documentation acceptable to all parties. All disbursements are subject to no material adverse change in the financial condition of Lessee from the time of approval.

**Assignment:**

Lessor shall be entitled to assign its right, title and interest in the Lease and leased equipment on a private placement basis to qualified purchasers. In addition, Lessor shall be entitled to assign its right, title and interest in the Lease/Purchase to a trustee for the purpose of issuing certificates of participation or other forms of certificates evidencing an undivided interest in such Lease, provided such certificates are sold only on a private placement basis (and not pursuant to any "public offering") to a purchaser(s) who represent that (i) such purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment (ii) such purchaser understands neither the Lease or certificates will be registered under the Securities Act of 1933, (iii) such purchaser is either an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, or a qualified institutional buyer within the meaning of Rule 144A, and (iv) that it is the intention of such purchaser to acquire such certificates (A) for investment for its own account or (B) for resale in a transaction exempt from registration under the Securities Act of 1933. At any time, Lessor may sell, assign or encumber all or any part of its right title and interest in the Lease/Purchase; however, in no event shall the Lessor assign this agreement as a public offer of participation. Lessee consents to a private placement transaction within the meaning of applicable federal securities laws.

**Proposal Expiration  
Date:**

This proposal must be accepted within ten (10) business days to be valid.

**Market  
Disruption:**

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, IN THE EVENT ANY MATERIAL CHANGE SHALL OCCUR IN THE FINANCIAL MARKETS AFTER THE DATE OF THIS PROPOSAL LETTER, INCLUDING BUT NOT LIMITED TO ANY GOVERNMENTAL ACTION OR OTHER EVENT WHICH MATERIALLY ADVERSELY AFFECTS THE EXTENSION OF CREDIT BY BANKS, LEASING COMPANIES OR OTHER LENDING INSTITUTIONS, LESSOR MAY MODIFY THE INDEX PRICING DESCRIBED ABOVE.

**USA Patriot Act  
Compliance:**

The Lessee acknowledges that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), the Lessor is required to obtain, verify and record information that identifies the Lessee, which information includes the name and address of the Lessee and other information that will allow the Lessor to identify the Lessee in accordance with the Patriot Act.

## **Standard Disclosures and Disclaimers**

The transaction described in this document is an arm's length, commercial transaction between you and Banc of America Public Capital Corp ("BAPCC") in which: (i) BAPCC is acting solely as a principal (i.e., as a lender or lessor) and for its own interest; (ii) BAPCC is not acting as a municipal advisor or financial advisor to you; (iii) BAPCC has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to you with respect to this transaction and the discussions, undertakings and procedures leading thereto (irrespective of whether BAPCC or any of its affiliates has provided other services or is currently providing other services to you on other matters); (iv) the only obligations BAPCC has to you with respect to this transaction are set forth in the definitive transaction agreements between us; and (v) BAPCC is not recommending that you take an action with respect to the transaction described in this document, and before taking any action with respect to the this transaction, you should discuss the information contained herein with your own legal, accounting, tax, financial and other advisors, as you deem appropriate. If you would like a municipal advisor in this transaction that has legal fiduciary duties to you, you are free to engage a municipal advisor to serve in that capacity.

This proposal is submitted in response to your Request for Proposal. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the exemption provided for responses to requests for proposals or qualifications under the municipal advisor rules (the "Rules") of the Securities and Exchange Commission (240 CFR 15Ba1-1 et seq.).

The Staff of the SEC's Office of Municipal Securities has issued guidance which provides that, in order for a request for proposals to be consistent with this exemption, it must (a) identify a particular objective, (b) be open for not more than a reasonable period of time (up to six months being generally considered as reasonable), and (c) involve a competitive process (such as by being provided to at least three reasonably competitive market participants) or by being publicly posted to your official website. In submitting this proposal, we have relied upon your compliance with this guidance.

In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of the Rules. In connection with this proposal and the transactions described herein, we are not subject to, and we hereby disclaim, any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors as and to the extent you deem necessary in connection with your evaluation of this proposal and the transactions described herein.

### Sample 10 Year Amortization

|                                     |                     |
|-------------------------------------|---------------------|
| <b>Total Project Costs</b>          | <b>4,000,000.00</b> |
| <b>Repayment Term (semi-annual)</b> | <b>20</b>           |
| <b>Interest Rate</b>                | <b>2.050%</b>       |
| <b>Closing/Funding Date (est.)</b>  | <b>10/20/17</b>     |
| <b>Average Life</b>                 | <b>5.679</b>        |

| <b>Pmt. No.</b> | <b>Year No.</b> | <b>Payment Date</b> | <b>Funding Amount</b> | <b>Payment Amount</b> | <b>Interest Portion</b> | <b>Principal Portion</b> | <b>Outstanding Balance</b> |
|-----------------|-----------------|---------------------|-----------------------|-----------------------|-------------------------|--------------------------|----------------------------|
| 0               |                 | 10/20/2017          | 4,000,000.00          |                       |                         |                          | 4,000,000.00               |
| 1               | 1               | 7/15/2018           |                       | 223,284.32            | 60,361.11               | 162,923.21               | 3,837,076.79               |
| 2               | 1               | 1/15/2019           |                       | 223,284.32            | 39,330.04               | 183,954.28               | 3,653,122.51               |
| 3               | 2               | 7/15/2019           |                       | 223,284.32            | 37,444.51               | 185,839.81               | 3,467,282.70               |
| 4               | 2               | 1/15/2020           |                       | 223,284.32            | 35,539.65               | 187,744.67               | 3,279,538.03               |
| 5               | 3               | 7/15/2020           |                       | 223,284.32            | 33,615.26               | 189,669.05               | 3,089,868.98               |
| 6               | 3               | 1/15/2021           |                       | 223,284.32            | 31,671.16               | 191,613.16               | 2,898,255.81               |
| 7               | 4               | 7/15/2021           |                       | 223,284.32            | 29,707.12               | 193,577.20               | 2,704,678.62               |
| 8               | 4               | 1/15/2022           |                       | 223,284.32            | 27,722.96               | 195,561.36               | 2,509,117.26               |
| 9               | 5               | 7/15/2022           |                       | 223,284.32            | 25,718.45               | 197,565.87               | 2,311,551.39               |
| 10              | 5               | 1/15/2023           |                       | 223,284.32            | 23,693.40               | 199,590.92               | 2,111,960.47               |
| 11              | 6               | 7/15/2023           |                       | 223,284.32            | 21,647.59               | 201,636.72               | 1,910,323.75               |
| 12              | 6               | 1/15/2024           |                       | 223,284.32            | 19,580.82               | 203,703.50               | 1,706,620.25               |
| 13              | 7               | 7/15/2024           |                       | 223,284.32            | 17,492.86               | 205,791.46               | 1,500,828.79               |
| 14              | 7               | 1/15/2025           |                       | 223,284.32            | 15,383.50               | 207,900.82               | 1,292,927.97               |
| 15              | 8               | 7/15/2025           |                       | 223,284.32            | 13,252.51               | 210,031.81               | 1,082,896.16               |
| 16              | 8               | 1/15/2026           |                       | 223,284.32            | 11,099.69               | 212,184.63               | 870,711.53                 |
| 17              | 9               | 7/15/2026           |                       | 223,284.32            | 8,924.79                | 214,359.53               | 656,352.00                 |
| 18              | 9               | 1/15/2027           |                       | 223,284.32            | 6,727.61                | 216,556.71               | 439,795.29                 |
| 19              | 10              | 7/15/2027           |                       | 223,284.32            | 4,507.90                | 218,776.42               | 221,018.87                 |
| 20              | 10              | 1/15/2028           |                       | 223,284.32            | 2,265.44                | 221,018.87               | 0.00                       |
|                 |                 |                     |                       | 4,465,686.36          | 465,686.36              | 4,000,000.00             |                            |

### Sample 15 Year Amortization

|                                     |                     |
|-------------------------------------|---------------------|
| <b>Total Project Costs</b>          | <b>4,000,000.00</b> |
| <b>Repayment Term (semi-annual)</b> | <b>30</b>           |
| <b>Interest Rate</b>                | <b>2.330%</b>       |
| <b>Closing/Funding Date (est.)</b>  | <b>10/20/17</b>     |
| <b>Average Life</b>                 | <b>8.461</b>        |

| <b>Pmt.<br/>No.</b> | <b>Year<br/>No.</b> | <b>Payment<br/>Date</b> | <b>Funding<br/>Amount</b> | <b>Payment<br/>Amount</b> | <b>Interest<br/>Portion</b> | <b>Principal<br/>Portion</b> | <b>Outstanding<br/>Balance</b> |
|---------------------|---------------------|-------------------------|---------------------------|---------------------------|-----------------------------|------------------------------|--------------------------------|
| 0                   |                     | 10/20/2017              | 4,000,000.00              |                           |                             |                              | 4,000,000.00                   |
| 1                   | 1                   | 7/15/2018               |                           | 159,618.49                | 68,605.56                   | 91,012.93                    | 3,908,987.07                   |
| 2                   | 1                   | 1/15/2019               |                           | 159,618.49                | 45,539.70                   | 114,078.79                   | 3,794,908.28                   |
| 3                   | 2                   | 7/15/2019               |                           | 159,618.49                | 44,210.68                   | 115,407.81                   | 3,679,500.47                   |
| 4                   | 2                   | 1/15/2020               |                           | 159,618.49                | 42,866.18                   | 116,752.31                   | 3,562,748.16                   |
| 5                   | 3                   | 7/15/2020               |                           | 159,618.49                | 41,506.02                   | 118,112.47                   | 3,444,635.69                   |
| 6                   | 3                   | 1/15/2021               |                           | 159,618.49                | 40,130.01                   | 119,488.48                   | 3,325,147.20                   |
| 7                   | 4                   | 7/15/2021               |                           | 159,618.49                | 38,737.96                   | 120,880.52                   | 3,204,266.68                   |
| 8                   | 4                   | 1/15/2022               |                           | 159,618.49                | 37,329.71                   | 122,288.78                   | 3,081,977.90                   |
| 9                   | 5                   | 7/15/2022               |                           | 159,618.49                | 35,905.04                   | 123,713.45                   | 2,958,264.45                   |
| 10                  | 5                   | 1/15/2023               |                           | 159,618.49                | 34,463.78                   | 125,154.71                   | 2,833,109.74                   |
| 11                  | 6                   | 7/15/2023               |                           | 159,618.49                | 33,005.73                   | 126,612.76                   | 2,706,496.98                   |
| 12                  | 6                   | 1/15/2024               |                           | 159,618.49                | 31,530.69                   | 128,087.80                   | 2,578,409.18                   |
| 13                  | 7                   | 7/15/2024               |                           | 159,618.49                | 30,038.47                   | 129,580.02                   | 2,448,829.16                   |
| 14                  | 7                   | 1/15/2025               |                           | 159,618.49                | 28,528.86                   | 131,089.63                   | 2,317,739.53                   |
| 15                  | 8                   | 7/15/2025               |                           | 159,618.49                | 27,001.67                   | 132,616.82                   | 2,185,122.70                   |
| 16                  | 8                   | 1/15/2026               |                           | 159,618.49                | 25,456.68                   | 134,161.81                   | 2,050,960.89                   |
| 17                  | 9                   | 7/15/2026               |                           | 159,618.49                | 23,893.69                   | 135,724.79                   | 1,915,236.10                   |
| 18                  | 9                   | 1/15/2027               |                           | 159,618.49                | 22,312.50                   | 137,305.99                   | 1,777,930.11                   |
| 19                  | 10                  | 7/15/2027               |                           | 159,618.49                | 20,712.89                   | 138,905.60                   | 1,639,024.51                   |
| 20                  | 10                  | 1/15/2028               |                           | 159,618.49                | 19,094.64                   | 140,523.85                   | 1,498,500.65                   |
| 21                  | 11                  | 7/15/2028               |                           | 159,618.49                | 17,457.53                   | 142,160.96                   | 1,356,339.70                   |
| 22                  | 11                  | 1/15/2029               |                           | 159,618.49                | 15,801.36                   | 143,817.13                   | 1,212,522.56                   |
| 23                  | 12                  | 7/15/2029               |                           | 159,618.49                | 14,125.89                   | 145,492.60                   | 1,067,029.96                   |
| 24                  | 12                  | 1/15/2030               |                           | 159,618.49                | 12,430.90                   | 147,187.59                   | 919,842.37                     |
| 25                  | 13                  | 7/15/2030               |                           | 159,618.49                | 10,716.16                   | 148,902.33                   | 770,940.05                     |
| 26                  | 13                  | 1/15/2031               |                           | 159,618.49                | 8,981.45                    | 150,637.04                   | 620,303.01                     |
| 27                  | 14                  | 7/15/2031               |                           | 159,618.49                | 7,226.53                    | 152,391.96                   | 467,911.05                     |
| 28                  | 14                  | 1/15/2032               |                           | 159,618.49                | 5,451.16                    | 154,167.33                   | 313,743.72                     |
| 29                  | 15                  | 7/15/2032               |                           | 159,618.49                | 3,655.11                    | 155,963.37                   | 157,780.35                     |
| 30                  | 15                  | 1/15/2033               |                           | 159,618.49                | 1,838.14                    | 157,780.35                   | (0.00)                         |
|                     |                     |                         |                           | 4,788,554.68              | 788,554.68                  | 4,000,000.00                 |                                |

**AGREEMENT BETWEEN THE  
CITY OF PORTLAND  
AND  
TEN CONNECTED SOLUTIONS, INC.**

**THIS AGREEMENT** is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the **CITY OF PORTLAND**, a body politic and corporate (hereinafter the “**CITY**”), and **TEN CONNECTED SOLUTIONS, INC.**, a Delaware corporation with a mailing address of 1501 Reedsdale Street, Suite 401, Pittsburgh, PA 15233 (hereinafter the “**CONTRACTOR**”).

**W I T N E S S E T H:**

WHEREAS, the CITY is in need of a conversion of city street lights to LED fixtures and transfer of ownership of light fixtures from Central Maine Power Company to the City (the “Project”) and did advertise a Request for Proposals # 2917 entitled “Conversion of City Street Lights to LED Fixtures & Transfer of Ownership from Utility to Municipality,” dated October 6, 2016 (hereinafter, the “Request for Proposals”), a copy of which is attached as Exhibit A and made a part hereof; and

WHEREAS, the CONTRACTOR has the requisite knowledge and technical ability to perform the required services and has submitted a response to the Request for Proposals dated November 9, 2016 (the “Response”), a copy of which is attached as Exhibit B and made a part hereof; and

WHEREAS, after further discussing the Project with the CITY, CONTRACTOR has submitted a detailed proposal for the design and construction of the Project (the “Proposal”), a copy of which is attached hereto as Exhibit C and made a part hereof; and

WHEREAS, after due consideration, the CITY decided to award this contract to CONTRACTOR;

NOW, THEREFORE, in consideration of the mutual promises made by each party to the other, the parties covenant and agree as follows:

1. The CONTRACTOR will furnish the services, materials, supplies, equipment and labor (hereinafter the "Work") in accordance with the specifications contained in the Request for Proposals, the Response, and the Proposal.

The restatement in this document of any term of the Exhibits shall not be deemed to waive any term not so restated. If any disagreement is found between the Exhibits and this document, then this document shall govern; the Request for Proposals shall govern over the Proposal and the Response, to the extent they disagree; and the Proposal shall govern over the Response to the extent they disagree; provided, however, that this document and its attachments shall be construed to be supplemental to one another to the extent possible.

2. The CONTRACTOR covenants and agrees that all Work performed and furnished hereunder shall be in accordance with applicable professional standards, and that all Work shall be performed in a good workmanlike manner. Unless a longer warranty period is specified in the Exhibits hereto, all Work provided shall be warranted by the CONTRACTOR for one (1) full year from the date of completion of all Work hereunder and acceptance thereof by the CITY. Notwithstanding the foregoing, any longer period specified in the attachments shall stay in effect.
3. Prior to the execution of this Agreement, the CONTRACTOR shall, at its own expense, carry Professional Liability Insurance for errors, omissions and negligence, in the amount of One Million Dollars (\$1,000,000.00) per claim. The CONTRACTOR will also procure and maintain occurrence-based Automobile Liability Insurance and Commercial General Liability Insurance coverage in amounts of not less than Four Hundred Thousand Dollars (\$400,000.00) per occurrence for bodily injury, death and property damage, naming the CITY as an additional insured thereon, and also Workers' Compensation Insurance coverage to the extent required by law. With respect to the Automobile and Commercial General Liability Insurance, the CONTRACTOR shall name the CITY as an additional insured for coverage only in those areas where government immunity has been expressly waived by 14 M.R.S. A. § 8104-A, as limited by § 8104-B, and § 8111. This provision shall not be deemed a waiver of any defenses, immunities or limitations of liability or damages available to the CITY under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the CITY. Prior to execution of this Agreement, the CONTRACTOR shall furnish the CITY and thereafter maintain certificates evidencing all such coverages, which certificates shall guarantee thirty (30) days' notice to the CITY of termination of insurance from the insurance provider or agent. CONTRACTOR shall also provide a copy of any endorsement naming the CITY as additional insured. A certificate that merely has a box checked under "Addl Insr," or the like, or that merely states the City of Portland is named as an Additional Insured, will not be acceptable. The Workers' Compensation insurance shall include an endorsement waiving all rights of subrogation against the City of Portland, its officers or employees. Upon CITY'S request, CONTRACTOR shall provide CITY with a complete copy of any of the above-

referenced policies. CONTRACTOR shall be responsible for any and all deductibles and/or self-insured retentions.

4. The CONTRACTOR shall furnish to the CITY, upon execution of the Contract, a Contract Performance Bond and a Contract Labor and Materials Payment Bond each for the full amount of the construction phases of the Contract (Part 1, Phase 2; and Part 2, Phase 2) and issued by a surety company or surety companies authorized to do business in the State of Maine and approved by the CITY. The Bonds shall remain in effect for one year after final acceptance of the Work, and protect the CITY for at least one year of warranty of the Work hereunder, and also shall insure settlement of claims for the payment of all bills for labor, materials and equipment. The bonds shall specifically exclude coverage for those portions of the Contract or the Work pertaining to design services, the Project Savings Performance Guarantee, the Phase III Basic Services, and any other part of this Contract and the Contract Documents which do not relate specifically to construction management and supervision of Work for purchasing and installing of Equipment by Contractor, or for work to be accomplished by Portland.
5. To the fullest extent permitted by law, the CONTRACTOR shall defend, indemnify and hold harmless the CITY, its officers and employees, from and against all claims, damages, losses, and expenses, just or unjust, including, but not limited to, the costs of defense and attorney's fees arising out of or resulting from the performance of this Agreement, provided that any such claims, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including the loss of use therefrom, and (2) is caused in whole or in part by any act or omission of the CONTRACTOR, its contractors, subcontractors, consultants, agents, or representatives, and anyone directly or indirectly employed by or under the control of CONTRACTOR or those entities. Such obligation of indemnification shall not be construed to negate or abridge any other obligation of indemnification running to the CITY which otherwise exists. The extent of the indemnification provision shall not be limited by the provision for insurance in this Agreement. CONTRACTOR's obligations under this paragraph shall survive termination of this Agreement.
6. Prior to any payment, the CITY reserves the right to require Waivers of Lien for materials and labor from the CONTRACTOR and its subcontractors and suppliers guaranteeing One Hundred Percent (100%) performance, free and clear from all liens and encumbrances. Any mechanic's lien or any other lien which may be filed against the premises which are the subject of this Agreement by reason of the Work described herein shall be defended (by counsel reasonably acceptable to the CITY) and promptly discharged by the CONTRACTOR at its own expense. The CITY may require the CONTRACTOR to provide a bond satisfactory to the CITY to indemnify it against any lien and as a substitution in place of a lien. If the CONTRACTOR should fail either to defend the CITY against the lien or to discharge it, then the CITY may do so at the CONTRACTOR's expense. In the event of such an undertaking by the CITY, the CONTRACTOR will promptly reimburse the CITY for all its costs and expenses in so doing, including, but not limited to, reimbursement of the CITY's reasonable counsel fees, as well as costs which may be incurred by it in substituting a bond in place of a lien.

CONTRACTOR's obligations under this paragraph shall survive termination of this Agreement.

7. The CONTRACTOR shall perform the work to the reasonable satisfaction of the City Manager or his designee (hereinafter, the "Director") who will have the right of inspection at all times, and whose approval and acceptance of the work will be a condition precedent to payments by the CITY under this Contract. CITY inspectors will have the authority to stop work in progress if such work is being done contrary to the plans, specifications or engineering practice. The CONTRACTOR acknowledges and agrees that such inspection is for purposes of approving payment alone and such inspection shall not be deemed to impose any duty or liability upon the CITY to supervise any aspect of or approve the quality of the Work.
8. Time is of the essence in the performance of this Agreement. Upon receipt of executed contracts and insurance as required, the CITY will promptly send an executed contract to the CONTRACTOR, which will commence work as soon as reasonably possible. The CONTRACTOR agrees to complete the Work in accordance with the schedule set forth in Exhibit C, subject to delays caused by weather conditions, strikes, war or national emergency. The time set for such completion may be extended only by written consent of the Director, which will not be unreasonably withheld, conditioned or delayed.
9. In the event of any dispute as to the amount, nature or scope of the work required under this Contract, CITY shall give written notice of such dispute to CONTRACTOR via an overnight nationally recognized courier. Within ten (10) business days of the mailing of such notice, representatives of the CITY and CONTRACTOR shall meet and in good faith attempt to resolve the dispute. In the event the representatives of the CITY and CONTRACTOR are unable to resolve the dispute within ten (10) business days of their meeting, then based on the discussions held by the representatives of the CITY and CONTRACTOR, the Director or designee will make a reasonable determination as to the design and that determination will be final and binding.
10. For performance of all the terms and conditions of this Agreement, the CITY will pay the CONTRACTOR an amount not to exceed Four Million Dollars (\$4,000,000.00) for Part 1 of the Project as described in Exhibit C and an amount not to exceed Four Million Dollars (\$4,000,000.00) for Part 2 of the Project as described in Exhibit C, which will include any expenses. Contractor acknowledges and agrees that the City has not yet obtained financing for Part 2 of the Project, and Contractor shall not incur, and City shall not be responsible for, any expense related to Part 2 of the Project without the City's prior written approval.
11. The CITY shall have the right to retain ten percent (10 %) of each invoice amount as retainage until the Work is completed and accepted by the CITY.
12. The CONTRACTOR shall keep accurate records of all services performed under this Agreement and shall submit such information to the CITY on a monthly basis. Payment

for such Work shall be made to the CONTRACTOR not more than thirty (30) days after receipt of an invoice and acceptance of the Work by the Director or designee.

13. The CITY agrees to furnish or provide access to the CONTRACTOR to any information or material in its possession which is relevant to the CONTRACTOR's performance hereunder and CITY staff will cooperate with CONTRACTOR. The CONTRACTOR will not, without the CITY's written consent, disclose, or permit disclosure, by any officer, employee, or agent or subcontractor of CONTRACTOR, of any information or material furnished or generated under this Agreement, which is marked as confidential or indicated in (a) below as presumed to be confidential by the CITY. The CONTRACTOR shall be entitled to rely upon the accuracy of such information. The provisions of this Article shall not apply to information which is in the public domain, published, or comes into the public domain through no fault of the CONTRACTOR or is required to be disclosed by law or legal process.

The following shall be requirements of this Agreement:

- (a) All data collected shall be treated as confidential material and shall be disclosed *only* to authorized CITY representatives;
  - (b) The CONTRACTOR shall not disclose or permit disclosure of any confidential information or material furnished and/or generated under this Agreement without the CITY's prior written consent; and
  - (c) All documents, data, studies, estimates, summaries and any other work or material developed under this Agreement shall be the property of the CITY and shall be promptly delivered to the appropriate Department Contact person upon completion of a particular service/assignment or upon the request of the CITY.
14. If after thirty (30) days' prior written notice by CITY to CONTRACTOR, that is sent to CONTRACTOR via an overnight nationally recognized courier: (i) which notice sets forth the details of a material default by CONTRACTOR under this Agreement, and (ii) CONTRACTOR fails to reasonably cure such default within thirty (30) days of receipt of such notice, then the CITY may terminate this Agreement for cause by written Notice to the CONTRACTOR. In the event of such termination, the CONTRACTOR shall not be entitled to any further payment under this Agreement from the date of receipt of said Notice, except for the expenses of CONTRACTOR reasonably incurred by CONTRACTOR in good faith prior to the notice of termination for goods and services accepted by CITY.
15. The CITY shall have the right to terminate this Agreement at any time for its convenience on thirty (30) days' prior written Notice to the CONTRACTOR. If the Agreement is terminated by the CITY for convenience, the CITY shall pay the CONTRACTOR for all Work performed and all materials purchased pursuant to this Agreement prior to receipt of such Notice.

16. Out of concern for the public, CITY e employees and the CONTRACTOR's employees, all work performed by the CONTRACTOR shall be in conformance with pertinent OSHA, local, state and federal government regulations.
17. No waiver of any breach of any one or more of the conditions of this Agreement by the CITY shall be deemed to imply or constitute a waiver of any succeeding or other breach hereunder.
18. This Agreement and its attachments represents the entire and complete agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the subject matter of this Agreement. This Agreement cannot be amended except by written instrument executed by the CITY and CONTRACTOR.
19. This Agreement shall be construed in all respects in accordance with, and governed by, the laws of the State of Maine. All parties hereto hereby consent to the exclusive jurisdiction of the Superior Court for the County of Cumberland in the State of Maine, for all actions, proceedings and litigation arising from or relating directly or indirectly to this Agreement or any of the obligations hereunder, and any dispute not otherwise resolved as provided herein shall be litigated solely in said Court.
20. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. A signature in a pdf or electronic document shall be considered the equivalent of an original signature.
21. CONTRACTOR warrants and represents that it has the full right and authority to enter into this Agreement, that there is no impediment that would inhibit its ability to perform its obligations under this Agreement, and that the person signing this Agreement on behalf of CONTRACTOR has the authority to do so.
22. If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

*Signature Page Follows*

**IN WITNESS WHEREOF**, the said **CITY OF PORTLAND** has caused this Agreement to be signed and sealed by Jon P. Jennings, its City Manager, thereunto duly authorized, and **TEN CONNECTED SOLUTIONS, INC.**, has caused this Agreement to be signed and sealed by Robert G. Campbell, its President, thereunto duly authorized, as of the day and date first above written.

**WITNESS:**

**CITY OF PORTLAND**

\_\_\_\_\_

By: \_\_\_\_\_  
Jon P. Jennings  
Its City Manager

**WITNESS:**

**TEN CONNECTED SOLUTIONS, INC.**

\_\_\_\_\_

By: \_\_\_\_\_  
Robert G. Campbell  
Its President

Approved as to form:

Approved as to funds:

\_\_\_\_\_  
Corporation Counsel's Office

\_\_\_\_\_  
Finance Director

## EXHIBIT C – Project Design And Construction

### 1. Capitalized Terms

All capitalized undefined terms used in this Addendum shall have the meanings assigned thereto in the Contract to which this Exhibit is attached.

### 2. Project Assumptions and Development Parameters

Project Assumptions are based on the information Portland provided to Contractor as part of the RFP process, Contractor proposed project options to Portland, which options are more specifically identified in Contractor's Response dated 11/9/2016 (Contractor's RFP response) of the Contract.

If and when discovered throughout the audit and installation process, Contractor and Portland will work together, to the satisfaction of Portland, to correct and/or reconcile any inaccuracies in the information and data provided by Portland to Contractor as part of the RFP process.

### 3. Summary of Project Parts

Project Part 1: Contract date to June 30, 2018

| QTY                                                                               | Description                                                  | Price               |
|-----------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------|
| <b>Core LED Lighting and Control System Upgrade</b>                               |                                                              | <b>\$ 2,916,948</b> |
| 4847                                                                              | CMP cobrahead LED upgrade (new CREE fixtures)                | \$ 1,757,017        |
| 283                                                                               | CPM flood and shoebox LED upgrade (new fixtures)             | \$ 208,703          |
| 5130                                                                              | Fusing for CMP Cobraheads, floods, and shoeboxes             | \$ 343,901          |
| 5130                                                                              | Controls for CMP cobraheads, floods, and shoeboxes (Echelon) | \$ 544,694          |
| 2                                                                                 | Parking Garage LED upgrades                                  | \$ 62,633           |
| <b>City Selected Smart City Project Allocation for:</b>                           |                                                              | <b>\$1,083,052</b>  |
| Public and City Wi-Fi (1st half of project, ~ 100 locations)                      |                                                              |                     |
| City Hall exterior color lighting upgrade                                         |                                                              |                     |
| Payson Park softball field LED upgrade                                            |                                                              |                     |
| Deering Oaks fountain color lighting upgrade                                      |                                                              |                     |
| Riverside Golf EV and Cart Charging project                                       |                                                              |                     |
| Pilot decoratives install, to help determine the approach on Phase 2 construction |                                                              |                     |
| Interactive Kiosks for resident/visitor engagement                                |                                                              |                     |
| Pilot project for Blue Emergency Light system                                     |                                                              |                     |
| Tree trimming, pole painting, LED project contingency                             |                                                              |                     |

**TOTAL COST of PART 1: \$4,000,000**

The dollar amounts set forth in the table above include a portion of the Phase I design work cost listed in Exhibit C-8.

Project Part 2: July 1, 2018 to June 30, 2019

| QTY                                                                   | Description                                             | Price               |
|-----------------------------------------------------------------------|---------------------------------------------------------|---------------------|
| <b>Core LED Lighting and Control System Upgrade</b>                   |                                                         | <b>\$ 2,308,404</b> |
| 290                                                                   | CMP Holophane LED upgrade (50/50, retrofit/new)         | \$ 421,077          |
| 784                                                                   | CMP GE Town & Country LED upgrades (70/30 retrofit/new) | \$ 967,842          |
| 402                                                                   | Portland Decorative LED Upgrades (50/50, retrofit/new)  | \$ 602,422          |
| 1074                                                                  | Fusing for CMP Holophane, GE (not for Portland-owned)   | \$ 71,998           |
| 1476                                                                  | Controls for all decoratives (CMP and Portland-owned)   | \$ 245,065          |
| <b>City Selected Smart City Project Allocation for:</b>               |                                                         | <b>\$ 1,691,596</b> |
| Public and City Wi-Fi (2nd half of project, ~ 150-300 more locations) |                                                         |                     |
| Dougherty Field LED lighting installation (1 or more fields)          |                                                         |                     |
| Traffic Flow System Forrest Ave Corridor                              |                                                         |                     |
| 6 Electric Vehicle (EV) charging stations                             |                                                         |                     |
| Casco Bay Bridge color LED lighting installation                      |                                                         |                     |
| Environmental Sensors, Video Cameras installed in Strategic Locations |                                                         |                     |
| Riverton lighting upgrade                                             |                                                         |                     |
| Tree trimming, pole painting, LED project contingency                 |                                                         |                     |

**TOTAL COST of PART 2: \$ 4,000,000**

Details for Project Part 1 and Part 2 are further outlined throughout this Exhibit.

**Project Part 3: Ongoing Managed Services (TBD)**

During the initial implementation of the Contract, Portland and Contractor will work collaboratively, in good faith, to develop a detailed plan to implement other managed services to further reduce City costs and/or increase City revenues. The cost of these services has yet to be determined and, as of the date of the Contract, is only contemplated by Portland. If implemented, Contractor will develop the scope of the managed services in close consultation with Portland. The final description and cost of any ongoing managed services to be provided under this paragraph is subject to the City's prior written approval.

**4. Project Cost**

The cost of Part 1 is not to exceed \$ 4,000,000.

The cost of Part 2 is not to exceed \$ 4,000,000.

**5. Financing the Project: Indicative Interest Rate and Term**

To finance the project, it is Portland's intention to obtain tax-exempt lease purchase financing from Bank of America, or other suitable lender, with an indicative interest rate of approximately 2.050%. It is anticipated that the term of the repayment of the project will not exceed ten (10) years, including the cost of financing.

**6. Savings Measurement and Guarantee Services**

Subject to the City's prior written approval for each applicable year, Contractor shall provide Measurement and Verification (M&V) services within 12 months after City provides final acceptance of Part 1, Phase II, and every year following, up to 12 years, unless Portland terminates the Measurement and Verification Services earlier. Immediately following the project acceptance date, Contractor shall request City's written approval to provide the following Savings Measurement and Guarantee Services with regard to the Project, (a) setting-up and administering the program, approved by Portland, for the annual verification of project savings achieved in accordance with the International Performance Measurement & Verification Protocol (IPMVP), (b) provide Project Savings Performance Guarantee, and (c) Perform contract administration functions during the Savings / Repayment Term, which shall include but not be limited to: (i) conducting periodic meetings with Portland to determine whether any changes in the Project have occurred, or may occur, that has resulted, or may result, in changes in the anticipated savings from the Project; (ii) assisting Portland in assessing the actual or anticipated impacts, if any, from such changes; (iii) advising Portland regarding options as a result of such changes, and (iv) analyzing savings reports on an annual basis to confirm operating assumptions for purposes of the Project Savings Performance Guarantee. If City requests such M&V services, the City shall pay Contractor at the rates set forth in section A(2) of Exhibit C-8.

## **7. Project Savings Performance Guarantee**

Contractor guarantees that the Project shall provide Portland with a “Guaranteed Dollar Savings Amount” for each Measurement Year of the 10-year savings term.

In order to reconcile this Project Savings Performance Guarantee, the “Actual Project Dollar Savings Amount” for each Measurement Year shall be determined by Contractor in accordance with the procedures of the Measurement and Verification Plans approved by Portland. This reconciliation shall occur within ninety (90) days of the end of each Measurement Year during the 10-year savings term.

If the Actual Project Dollar Savings Amount is equal to or greater than the Guaranteed Dollar Savings Amount for that Measurement Year, then no reconciliation reimbursement from Contractor to Portland is necessary. If the Actual Project Dollar Savings Amount is less than the Guaranteed Dollar Savings Amount for that Measurement Year, then Contractor shall reimburse Portland for the difference between the Guaranteed Dollar Savings Amount and the Actual Project Dollar Savings Amount (“Dollar Savings Shortfall Amount”) for that Measurement Year, subject to the terms, conditions, procedures, reconciliations and formulae which are further outlined in the Portland-approved Measurement & Verification Plan described in Exhibit C-7.

## **8. Work Schedule**

The Project’s Work Schedule, which shall be subject to review and approval by Portland, shall be attached hereto and made a part of the Contract, and the Work Schedule will describe the portions of the design specification and installation work based on the selected equipment.

## **9. Additional Project Documents**

The following tables/schedules/information, attached hereto and made a part hereof, are added to the Contract as additional Project documents under the Contract:

### **EXHIBIT C Documents**

- (a) **Exhibit C-1** - Determination of Savings
- (b) **Exhibit C-2** - Project Design Approval & Notice to Proceed Form
- (c) **Exhibit C-3** - Project Pricing and Adjustment Information
- (d) **Exhibit C-4** - Project Information and Schedule
- (e) **Exhibit C-5** - Project Work Schedule
- (f) **Exhibit C-6** - Scope of Work, Equipment Description, and Warranty Information
- (g) **Exhibit C-7** - Guaranteed Dollar Savings Amounts, Measurement & Verification Service, and Bonding - Schedule for Payment for the Work
- (h) **Exhibit C-8** - Payment for the Work
- (i) **Exhibit C-9** - Other General Conditions
- (j) **Exhibit C-10** - Contractor's Certificate of Liability Insurance
- (k) **Exhibit C-11** - Contractor's Registration with the Maine Department of the Secretary of State
- (l) **Exhibit C-12** - Applicable Rebate Information: Efficiency Maine
- (m) **Exhibit C-13** - Transfer of Ownership from Utility to Portland Inventory
- (n) **Exhibit C-14** - Portland Owned Inventory (no transfer of ownership required)

## EXHIBIT C - 1

### DETERMINATION OF SAVINGS

#### A. Determination of Energy Cost Savings

Energy Cost Savings will be calculated by comparing actual energy use with the energy use in the Base Period. Portland and Contractor, by mutual consent, may elect to determine Savings for some or all installations by sub-metering, direct measurement and calculation, or some other means, rather than by direct comparison with the Base Year. In this event, Contractor will perform the necessary calculations, which will be subject to approval by Portland. Energy use in the Base Year may be adjusted by mutual consent.

#### ENERGY COSTS:

##### Electricity Supply:

The following tariffs are derived from Portland's Competitive Energy Services Summary of Contracts, dated 10/28/2016:

##### a) Street lighting supply:

Streetlight A: NextEra All-Inclusive (term: 5/19/2015 to 11/30/2018) \$0.05835/kWh

Streetlight B: Constellation All-Inclusive (term: 2/1/2016 to 11/30/2019) \$0.04690/kWh

##### For the contract

Street lighting supply: \$0.05263/kWh

*These are tariffs for illustrative purposes only and are not intended to reflect actual future tariffs which will likely be different and subject to market conditions.*

##### b) Parking garage(s) supply:

City A: NextEra (MGS/SGS) All-Inclusive (term: 5/19/2015 to 11/30/2017) \$0.07795/kWh

#### Electricity Delivery:

City of Portland Utilities Charge:

a) Street lighting delivery: Central Maine Power (CMP) rate SL, Section 2, "Delivery Only" \$0.055332/kWh

b) Parking garage(s) delivery: Central Maine Power (CMP) MGS Secondary 3 Phase \$12.32/kW

Web reference:

<https://www.cmpco.com/YourHome/pricing/pricingSchedules/default.html>

SAVINGS DETERMINATION:

| SCOPE                                     | PROJECT PART                           | EXISTING COSTS |                  |                |                  |                     |           | POST PROJECT UPGRADES COST |                |                  |                     |          |             | PROJECT COST SAVINGS |
|-------------------------------------------|----------------------------------------|----------------|------------------|----------------|------------------|---------------------|-----------|----------------------------|----------------|------------------|---------------------|----------|-------------|----------------------|
|                                           |                                        | kWh            | kW used x 12 mo. | Supply, \$/kWh | Delivery, \$/kWh | Utility Maintenance | kWh       | kW used x 12 mo.           | Supply, \$/kWh | Delivery, \$/kWh | Utility Maintenance |          |             |                      |
| TRANSFER OF OWNERSHIP FIXTURES            |                                        |                |                  |                |                  |                     |           |                            |                |                  |                     |          |             |                      |
|                                           | Cobrahead Fixtures                     | 1              | 2,601,923        | N/A            | \$136,939        | \$143,970           | \$517,004 | 699,705                    | N/A            | \$36,825         | \$38,716            | \$0      | \$722,371   |                      |
|                                           | Shoobox and Flood Fixtures (283 units) | 1              | 430,473          | N/A            | \$22,656         | \$23,819            | \$46,900  | 95,092                     | N/A            | \$5,005          | \$5,262             | \$0      | \$83,109    |                      |
|                                           | Holophane (290 units)                  | 2              | 204,224          | N/A            | \$10,748         | \$11,300            | \$28,635  | 77,353                     | N/A            | \$4,071          | \$4,280             | \$0      | \$42,333    |                      |
|                                           | GE Town & Country (784 units)          | 2              | 434,179          | N/A            | \$22,851         | \$24,024            | \$85,673  | 150,293                    | N/A            | \$7,910          | \$8,316             | \$0      | \$116,322   |                      |
| Utility Special Facilities - Poles Only   | 1                                      | N/A            | N/A              | N/A            | N/A              | \$ 99,340           | N/A       | N/A                        | N/A            | N/A              | \$0                 | \$99,340 |             |                      |
| sub-total: Transfer of Ownership Fixtures |                                        |                | 3,670,799        |                | \$193,194        | \$203,113           | \$777,553 | 1,022,443                  |                | \$53,811         | \$56,574            | \$0      | \$1,063,475 |                      |

| PORTLAND OWNED FIXTURES                      |   |         |                  |                |                  |             |         |                  |                |                  |             |  |          |
|----------------------------------------------|---|---------|------------------|----------------|------------------|-------------|---------|------------------|----------------|------------------|-------------|--|----------|
|                                              |   | kWh     | kw used x 12 mo. | Supply, \$/kWh | Delivery, \$/kWh | Maintenance | kWh     | kw used x 12 mo. | Supply, \$/kWh | Delivery, \$/kWh | Maintenance |  |          |
| Decorative Fixtures - Retrofit (qty 201)     | 2 | 139,401 | N/A              | \$7,337        | \$7,713          | \$856       | 46,704  | N/A              | \$2,458        | \$2,584          | \$0         |  | \$10,864 |
| Decorative Fixtures - New Fixtures (qty 201) | 2 | 147,141 | N/A              | \$7,744        | \$8,142          | \$856       | 53,408  | N/A              | \$2,811        | \$2,955          | \$0         |  | \$10,976 |
| sub-total: Portland Owned Fixtures           |   | 286,542 |                  | \$15,081       | \$15,855         | \$1,713     | 100,112 |                  | \$5,269        | \$5,539          | \$0         |  | \$21,840 |

| PORTLAND OWNED FACILITIES            |   |         |     |          |         |         |         |     |          |         |     |          |
|--------------------------------------|---|---------|-----|----------|---------|---------|---------|-----|----------|---------|-----|----------|
| Elm Street Garage                    | 1 | 133,215 | 228 | \$10,384 | \$2,809 | \$1,748 | 57,685  | 96  | \$4,497  | \$1,183 | \$0 | \$9,262  |
| Spring Street Garage                 | 1 | 215,973 | 324 | \$16,835 | \$3,992 | \$2,848 | 86,037  | 132 | \$6,707  | \$1,626 | \$0 | \$15,342 |
| sub-total: Portland Owned Facilities |   | 349,188 | 552 | \$27,219 | \$6,801 | \$4,596 | 143,722 | 228 | \$11,203 | \$2,809 | \$0 | \$24,604 |

SAVINGS SUMMARY

|                |  |           |           |           |           |           |           |  |          |          |     |             |
|----------------|--|-----------|-----------|-----------|-----------|-----------|-----------|--|----------|----------|-----|-------------|
| PART 1 Savings |  | 3,381,584 |           | \$186,814 | \$174,589 | \$782,149 | \$938,519 |  | \$53,033 | \$46,787 | \$0 | \$1,043,733 |
| PART 2 Savings |  |           | 924,946   | \$48,680  | \$51,179  | \$1,713   | 327,758   |  | \$17,250 | \$18,135 | \$0 | \$66,186    |
| TOTAL Savings  |  |           | 4,306,529 | \$235,494 | \$225,768 | \$783,862 | 1,266,277 |  | \$70,283 | \$64,922 | \$0 | \$1,109,919 |

Cost Savings, for the purposes of this contract, are escalated at 2.00% per year for the term of the repayment period.

The Annual Electric Savings is based upon the pre-retrofit Portland billed amounts less the post-retrofit, as-built billing amounts projected for the traffic lighting quantities listed in Exhibit C-6. The Project's Estimated Annual Electric Usage (kWh) amounts for post-retrofit utility billings will be based upon the as-built street lighting quantities, operating hour assumptions, kWh, and billing rates in accordance with the procedures set forth in Exhibit C-4.

Should the as-built quantities change, the projected electric usage shall be adjusted by the added or deducted unit quantities multiplied by the corresponding kWh usage per unit. Such electric kWh adjustments shall be set forth in Change Order(s) to be prepared by Contractor and approved by Portland from time to time during the installation period. An updated Electric Usage Spreadsheet and electric utility billing model will be provided by Contractor for the as-built Project at the end of the installation period.

Base Utility Rates: The utility rates are set forth above. There are no gas or water savings associated with this work.

## **B. Determination of Transfer of Ownership (Buyback) Cost Savings**

### **Transfer of Ownership Cost Savings:**

In addition to the energy savings, this Project also creates significant equipment and maintenance savings through the Contractor and the City's ability to negotiate the transfer of ownership of certain street lighting fixtures from the local Utility to Portland. These savings can be quantified using the transfer of ownership agreements between the local Utility and Portland now that those negotiations are successfully complete. The source of the savings is largely due to and a result of the fixtures then being converted to much more long-lasting and highly warranted LED technology. The Contractor has also negotiated the best possible warranty for Portland with the ultimate equipment vendor. All Transfer of Ownership cost savings will be agreed to by Portland and will be deemed as such as part of any ongoing measurement and verification service. Transfer of ownership savings, for the purposes of this contract, are escalated at 2.00% per year for the term of the repayment period.

**EXHIBIT C-2**

**PROJECT DESIGN APPROVAL AND NOTICE TO PROCEED FORM**

**TEMPLATES**

**EXHIBIT C-2, ATTACHMENT A**

**PHASE I - PROJECT DESIGN ACCEPTANCE AND NOTICE TO PROCEED FORM**

*(This form will be used by the City of Portland to acknowledge its acceptance of the design and serve as its notice to proceed with the installation of the project.)*

In accordance with the Contract ("Contract"), entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between THE CITY OF PORTLAND (the "Portland") and TEN CONNECTED SOLUTIONS, INC. ("Contractor"):

Contractor has performed the Phase I Design Specification Work for the project and submitted to Portland the necessary design and specification documents for the Project ("Design Documents").

Portland has reviewed the Design Documents and hereby designates its acceptance of the Design Documents by execution of this Project Design Acceptance Form.

Contractor is hereby authorized to commence work on the installation of the above referenced Project in accordance with the Design Documents and the following:

- Project Information summarized in Exhibit C-4;
- The time period as set forth in Exhibit C-5, Project Work Schedule;
- The Project Pricing and Adjustment Information as set forth in Exhibit C-3;
- Measurement and Verification protocols summarized in Exhibit C-7.

Such Project Exhibits have been duly executed by both Portland and Contractor.

Contractor acknowledges and agrees that City's execution of this form is for purposes of accepting the Design Documents only, and such acceptance shall not be deemed to impose any duty or liability upon the City related to the design of Contractor's work, and such acceptance shall not relieve the Contractor of any duty or liability it may have under the Contract or applicable law.

**Execution of this Design Acceptance and Notice to Proceed by Portland:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Acceptance and Notice Acknowledgement By Contractor:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT C-2, ATTACHMENT B**

**PHASE III - PROJECT ACCEPTANCE CERTIFICATE FORM**

*(This form will be used by the City of Portland to serve as its acceptance of the project and to authorize Contractor to begin to conduct the savings Measurement and Verification services.)*

In accordance with the Contract ("Contract"), entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between THE CITY OF PORTLAND (the "Portland") and TEN CONNECTED SOLUTIONS, INC. ("Contractor"), Portland is hereby accepting that all portions of the Installation Work are substantially complete and operational as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, ("Project Acceptance Date").

Portland and Contractor acknowledge the attached "punch list" of items to be completed by Contractor no later than the dates as specified on the attached sheet for each item, in accordance with the terms of the Contract and its Scope of Work.

In accordance with the terms of the Contract, Contractor is hereby authorized to conduct the Savings Measurement and Verification Services, which includes the measurement and verification of the Actual Energy Savings in accordance with Exhibit C-7 of the Contract.

Contractor acknowledges and agrees that City's acceptance of the project and execution of this form shall not be deemed to impose any duty or liability upon the City related to the performance of Contractor's work, and such acceptance shall not relieve the Contractor of any duty or liability it may have under the Contract or applicable law.

**Project Acceptance Certified by Portland:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Project Acceptance Acknowledgement by Contractor:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

### EXHIBIT C-3

#### PROJECT PRICING AND ADJUSTMENT INFORMATION

##### **Project Cost Adjustments for “Changes in the Project”:**

Contractor may experience additional costs or losses of Project Savings for reasons which could not reasonably have been anticipated or controlled by Contractor. Adjustments to the Project Cost may be authorized if, for example, Contractor experiences additional costs above those established in the Project Cost Budget or if there is a deletion or substantial modification to the Project by Portland.

There shall be no additional Project Costs without the City’s prior written approval. Any adjustments to the Project Cost shall be billed/credited by Contractor in accordance with the same general pricing and other terms set forth in this Contract. Contractor shall have no obligation to act on modifications to the Project Scope of Work unless it agrees to do so in writing.

**A. UNIT PRICE FOR EACH ADDITIONAL or DEDUCTED UNIT (units added to or deducted from Quantities Listed in Exhibit C-6 Scope of Work, Equipment Description, and Warranty Information:**

All unit pricing includes all materials, labor, and other expenses.

Quantities for each type of equipment can be found in Project Scope.

**A 1. UNIT PRICE FOR EACH ADDED OR DEDUCTED TECHNOLOGY**

| <b>Portland Approved Equipment</b>                          | <b>Portland Approved Part #</b>                                   | <b>Add/Deduct Cost</b> |
|-------------------------------------------------------------|-------------------------------------------------------------------|------------------------|
| Arm Mounted Cobra Head LED Light Fixture, 83W               | Cree RSWM-A-HT-3ME-9L-30K7-UL-GY-N                                | \$321.46               |
| Arm Mounted Cobra Head LED Light Fixture, 50W               | Cree RSWM-A-HT-3ME-9L-30K7-UL-GY-N-X1                             | \$321.46               |
| Arm Mounted Cobra Head LED Light Fixture, 74W               | Cree RSWM-A-HT-3ME-9L-30K7-UL-GY-N-X6                             | \$321.46               |
| Arm Mounted Cobra Head LED Light Fixture, 23W               | Cree RSWS-A-HT-2ME-3L-30K7-UL-GY-N-X3                             | \$268.53               |
| Arm Mounted Cobra Head LED Light Fixture, 30W               | Cree RSWS-A-HT-2ME-5L-30K7-UL-GY-N-X1                             | \$277.91               |
| Pole Mounted Dusk to Dawn/Barn Light LED Light Fixture, 50W | E-conolight E-DD1L50N1                                            | \$245.43               |
| Wall Mounted Flood Light LED Light Fixture, 79W             | Holophane ACP0LED PK2 MVOLT WFR 30K YK GYSDP 10KVIL PER7 06 43 NL | \$642.91               |
| Arm Mounted Shoebox Fixture LED Light Fixture, 110W         | Holophane ATB0 30BLEDE10 MVOLT R3 3K BZ NL P7 w/Arm               | \$481.44               |
| Arm Mounted Shoebox Fixture LED Light Fixture, 72W          | Holophane ATB0 30BLEDE70 MVOLT R3 3K BZ NL P7 w/Arm               | \$481.44               |
| CMP Approved Fuse Holder                                    | Sicame USA FTSC25SCO 2L300N 10A                                   | \$140.42               |
| Control System – Fixture Control Node                       | Echelon TOP900 TLX-E GPS                                          | \$115.22               |
| Control System – Gateway/Segment Controller                 | Base station                                                      | \$4,177.20             |

## **EXHIBIT C-4**

### **PROJECT INFORMATION**

**City of Portland Address: The City of Portland 389 Congress Street, Portland, Maine 04101**

**City of Portland's Designee: Troy Moon**

**Phone: 207-756-8362**

**Email: [thm@portlandmaine.gov](mailto:thm@portlandmaine.gov)**

#### **A. SCOPE OF WORK:**

The Project Scope of Work is based upon installation of the street lighting related equipment quantities listed in Exhibit C-6. Should the as-built quantities change, the Scope of Work shall be adjusted by the added or deducted unit quantities at the rates set forth in Exhibit C-3. Such Scope of Work adjustments shall be set forth in Change Order(s) to be prepared by Contractor and approved by Portland from time to time during the installation period.

#### **B. PROJECT LOCATIONS:**

Project Locations for the Street Lights retrofitted shall be in various traffic intersection and street locations throughout Portland as set forth in Exhibit C-6.

The specific Project Locations shall be updated as part of the As-built documentation provided by Contractor. Installation progress reports shall be generated by Contractor from time to time during the installation period to document Work completed at specified Project Locations up to the date of such progress report.

## EXHIBIT C-5

### PROJECT WORK SCHEDULE

#### **PART 1 – PROJECT SCHEDULE (for Phase I and II of Core LED Street Lighting and Control System Upgrade Installation):**

|                                                                                                          |                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Final Design Completion: (Phase 1)</b>                                                                | Contractor shall complete final design of the core project within two (2) weeks of execution of this Contract.                                                                                                                                                                                                                        |
| <b>Final Design Review/Approved: (Phase 1)</b>                                                           | Portland shall review final design of the core project and notify Contractor of any objections thereto within two (2) weeks of presentation of design documents by Contractor. Contractor shall promptly respond with a revised final design and the parties shall work expeditiously and in good faith to agree upon a final design. |
| <b>Rebate Pre-approval if applicable (Phase 1)</b>                                                       | Contractor shall complete final rebate pre-approval of the core project within two (2) weeks of execution of customer design approval                                                                                                                                                                                                 |
| <b>Commence Core LED Street Lighting and Control System Upgrade Installation (Phase 2)</b>               | Immediately after Utility pre-approval and to be complete within approximately twenty (20) weeks (subject to weather and subcontractor availability).                                                                                                                                                                                 |
| <b>Substantial Completion Core LED Street Lighting and Control System Upgrade Installation (Phase 2)</b> | Within three (3) weeks after core project installation completion. Notwithstanding anything to the contrary above, Substantial Completion of Core LED Street Lighting And Control System Upgrade shall be complete no later than June 30, 2018.                                                                                       |
| <b>Field Utility Approval &amp; Bill Reconciliation (Phase 2)</b>                                        | Within four (4) weeks after substantial completion of core project.                                                                                                                                                                                                                                                                   |
| <b>Final Completion and Project Acceptance (Phase 2)</b>                                                 | Within two (2) weeks after final utility reconciliation of core project                                                                                                                                                                                                                                                               |

All additional work related to Part 1, to be determined during Part 1, will be performed on a schedule substantially similar to the above.

#### **PART 2 – PROJECT SCHEDULE:**

The Schedule for Part 2 will be developed based on the final scope agreed upon between Portland and the Contractor and this work will be scheduled and communicated in a similar way to the Part 1 schedule above, prior to starting the Phase 2 installation of Part 2.

## EXHIBIT C-6

### SCOPE OF WORK, EQUIPMENT DESCRIPTION, and WARRANTY INFORMATION

#### A. PART 1 - SCOPE OF WORK

Contractor's City of Portland Street Lighting Scope of Work for the project is set forth below. The following wattages and hours of operation were used in the savings calculations.

#### LIGHTING EQUIPMENT & LED LAMP WATTAGES

##### Scope Related to Inventory Purchased from Central Maine Power (CMP) (Transfer of Ownership):

| Contract Quantities | Existing Equipment                        | Pre-(billing) Wattage* | New Equipment                                                     | Proposed Wattage** |
|---------------------|-------------------------------------------|------------------------|-------------------------------------------------------------------|--------------------|
| 86                  | 250 or 400W Sodium Cobra Head             | 300 or 465 W           | Cree RSWM-A-HT-3ME-9L-30K7-UL-GY-N-X9                             | 83 W               |
| 1,008               | 50, 70, 100, 150W Sodium Cobra Head       | 65, 95, 130, 195 W     | Cree RSWM-A-HT-3ME-9L-30K7-UL-GY-N-X1                             | 50 W               |
| 302                 | 150 or 250W Sodium Cobra Head             | 195 or 300 W           | Cree RSWM-A-HT-3ME-9L-30K7-UL-GY-N-X6                             | 74 W               |
| 2,738               | 50 or 70W Sodium Cobra Head               | 65 or 95 W             | Cree RSWS-A-HT-2ME-3L-30K7-UL-GY-N-X3                             | 23 W               |
| 713                 | 100W Sodium Cobra Head                    | 130 W                  | Cree RSWS-A-HT-2ME-5L-30K7-UL-GY-N-X1                             | 30 W               |
| 1                   | 100W Mercury Dusk to Dawn                 | 130 W                  | E-conolight E-DD1L50N1                                            | 50 W               |
| 178                 | 250 or 400 W Sodium or Metal Halide Flood | 300 or 465 W           | Holophane ACP0LED PK2 MVOLT WFR 30K YK GYSDP 10KVIL PER7 06 43 NL | 79 W               |
| 19                  | 400 W Shoe Box Fixture                    | 465 W                  | Holophane ATB0 30BLEDE10 MVOLT R3 3K BZ NL P7 w/Arm               | 110 W              |
| 85                  | 250 W Sodium Shoe Box Fixture             | 250 W                  | Holophane ATB0 30BLEDE70 MVOLT R3 3K BZ NL P7                     | 72 W               |

#### LIGHTING CONTROL SYSTEM AND OTHER EQUIPMENT

| Quantities | Description                                              | New Equipment                   |
|------------|----------------------------------------------------------|---------------------------------|
| 5,130      | Control System – Fixture Control Node                    | Echelon TOP900 TLX-E GPS        |
| 6          | Control System – Gateway                                 | Echelon Base Station            |
| 1          | 1 Year Service and Software {hosted by City or Vendor??} | Echelon                         |
| 1          | Mapping Program and Software                             | Echelon                         |
| 1          | Factory Onsite Startup and Training on Control System    | Echelon                         |
| 5,130      | Utility Grade Fuses                                      | Sicame USA FTSC25SCO 2L300N 10A |

\* Based on Central Maine Power Utility Bills

\*\* Based on Portland Approved Manufacturer and respective Wattage

(May change depending on location (High Crime, Parking Enforcement, Traffic control, existing source, etc.)0

## **Parking Garage(s) Scope and Quantities:**

| Contract Quantities | Existing Equipment                                                                                                                    | Pre-(billing) Wattage* | New Equipment                                                                                       | Proposed Wattage** |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------------------------------------------------------------------------------------|--------------------|
| 4                   | 4' Wraparound Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser     | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 4                   | 4' Strip Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) (No Diffuser)                       | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 3                   | 4' Vapor Proof Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser    | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 11                  | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 8                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 9                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 2                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 8                   | Cobra Head Pole Mounted LED Light Fixture. (1) 100W Prismatic Acrylic Diffuser                                                        | 94                     | Existing luminaire to remain as is No Retrofit. To remain as is.                                    | 94                 |
| 9                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 4                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 9                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 4                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 50W lamp Prismatic Acrylic Diffuser                                                  | 60                     | Wall Mounted Wall-Pack LED Light Fixture. (1) 12W                                                   | 12                 |
| 11                  | 2x4' Troffer Surface Mounted Fluorescent, (4) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser      | 101                    | Surface Mounted Install 2x4 2-Lamp Centering Kit LED 4' T8 Lamp (2) 12W Lamps                       | 24                 |
| 221                 | 4' Vapor Proof Pendant Mounted Fluorescent, (3) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Vapor Proof Gasketed Diffuser | 80                     | Pendant Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (3) 12W Lamps              | 36                 |
| 6                   | 2x4' Troffer Recessed Fluorescent, (4) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser             | 101                    | Recessed Install 2x4 2-Lamp Centering Kit LED 4' T8 Lamp (2) 12W Lamps                              | 24                 |
| 20                  | 4' Industrial Surface Mounted Fluorescent, (4) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) (No Diffuser)                  | 101                    | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (4) 12W Lamps              | 48                 |
| 2                   | 4' Vapor Proof Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser    | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 2                   | 2x4' Troffer Recessed Fluorescent, (4) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser             | 101                    | Recessed Install 2x4 2-Lamp Centering Kit LED 4' T8 Lamp (2) 12W Lamps                              | 24                 |
| 2                   | 2x4' Troffer Recessed Fluorescent, (4) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser             | 101                    | Recessed Install 2x4 2-Lamp Centering Kit LED 4' T8 Lamp (2) 12W Lamps                              | 24                 |
| 1                   | Bare-Lamp Keyless Socket Surface Mounted Compact Fluorescent, Screw-in, (1) 13W lamp (No Diffuser)                                    | 12                     | Existing luminaire to remain as is No Retrofit. To remain as is.                                    | 12                 |
| 2                   | 2' Wraparound Surface Mounted Fluorescent, (2) 24", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser     | 30                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 2' T8 Lamp (2) 8W Lamps               | 16                 |
| 2                   | 2' Wraparound Surface Mounted Fluorescent, (2) 24", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser     | 30                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 2' T8 Lamp (2) 8W Lamps               | 16                 |
| 2                   | 2x4' Troffer Recessed Fluorescent, (4) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser             | 101                    | Recessed Install 2x4 2-Lamp Centering Kit LED 4' T8 Lamp (2) 12W Lamps                              | 24                 |
| 2                   | 2x4' Troffer Recessed Fluorescent, (4) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser             | 101                    | Recessed Install 2x4 2-Lamp Centering Kit LED 4' T8 Lamp (2) 12W Lamps                              | 24                 |
| 2                   | 8' Industrial Surface Mounted Fluorescent, (2) 96", ES lamp (No Diffuser)                                                             | 111                    | Surface Mounted Install 8' Strip, 2-Lamp Centering Kit LED 4' T8 Lamp (2) 12W Lamps                 | 24                 |
| 4                   | Bare-Lamp Keyless Socket Surface Mounted Compact Fluorescent, Screw-in, (1) 13W lamp (No Diffuser)                                    | 12                     | Existing luminaire to remain as is No Retrofit. To remain as is.                                    | 12                 |
| 8                   | Cobra Head Pole Mounted LED Light Fixture. (1) 70W Prismatic Acrylic Diffuser                                                         | 66                     | Existing luminaire to remain as is No Retrofit. To remain as is.                                    | 66                 |
| 13                  | 4' Wraparound Surface Mounted Fluorescent, (1) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser     | 28                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (1) 12W Lamp               | 12                 |
| 9                   | 4' Wraparound Surface Mounted Fluorescent, (1) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser     | 28                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (1) 12W Lamp               | 12                 |
| 4                   | 4' Strip Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) (No Diffuser)                       | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 2                   | 4' Strip Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) (No Diffuser)                       | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 158                 | 4' Vapor Proof Pendant Mounted Fluorescent, (3) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Vapor Proof Gasketed Diffuser | 80                     | Pendant Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (3) 12W Lamps              | 36                 |
| 12                  | 4' Vapor Proof Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser    | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 3                   | Wall-Pack Wall Mounted High Pressure Sodium, (1) 250W lamp Prismatic Acrylic Diffuser                                                 | 266                    | Wall Mounted Wall-Pack LED Light Fixture. (1) 52W                                                   | 51                 |
| 10                  | Canopy Fixture Surface Mounted High Pressure Sodium, (1) 70W lamp Prismatic Acrylic Diffuser                                          | 86                     | Surface Mounted Install LED Screw-in A-Style Lamp Light Emitting Diode Lamp, Screw-in, (1) 21W lamp | 19                 |
| 7                   | Wall-Pack Wall Mounted LED Light Fixture. (1) 20W Prismatic Acrylic Diffuser                                                          | 19                     | Existing luminaire to remain as is No Retrofit. To remain as is.                                    | 19                 |
| 8                   | High-Bay Pendant Mounted Metal Halide, (1) 250W lamp Prismatic Acrylic Diffuser                                                       | 266                    | Pendant Mounted High-Bay LED Light Fixture. (1) 100W                                                | 99                 |
| 3                   | Wall Sconce Wall Mounted Compact Fluorescent, quad, (1) 26W lamp Prismatic Acrylic Diffuser                                           | 30                     | Wall Mounted Retrofit Wall sconce with Half Sphere LED Kit LED Light Fixture. (1) 11W               | 11                 |
| 1                   | 4' Vanity Surface Mounted Fluorescent, (2) 48", T-8 lamp, Instant Start Ballast, NLO (BF: .85-.95) Prismatic Acrylic Diffuser         | 53                     | Surface Mounted T8 LED Retrofit Lamp with External Driver LED 4' T8 Lamp (2) 12W Lamps              | 24                 |
| 1                   | Canopy Fixture Surface Mounted Compact Fluorescent, long twin, (1) 36W lamp Prismatic Acrylic Diffuser                                | 46                     | Surface Mounted Retrofit Existing Drum with 8" LED Kit LED Light Fixture. (1) 11W                   | 11                 |

**OTHER WORK INCLUDED IN PART 1 includes:**

City Selected Smart City Project Allocation:

- 1) Public and City Wi-Fi (1st half of project, ~ 100 locations)
- 2) City Hall exterior color lighting upgrade
- 3) Payson Park softball field LED upgrade
- 4) Deering Oaks fountain color lighting upgrade
- 5) Riverside Golf EV and Cart Charging project
- 6) Pilot decoratives install, to help determine the approach on Phase 2 construction
- 7) Interactive Kiosks for resident/visitor engagement
- 8) Pilot project for Blue Emergency Light system
- 9) Tree trimming, pole painting, LED project contingency

The funding for the City Selected Smart City Project **allocation items is \$1,083,052**. The final scope of work for these items and schedule for such work will be determined during Part 1, through the piloting of certain technologies, by the City in collaboration with the Contractor.

**TOTAL COST OF PART 1: \$4,000,000**

**B. PART 2 - SCOPE OF WORK**

Contractor's and City of Portland's contemplated scope for Part 2 is set forth below. Contractor acknowledges and agrees that the City has not yet obtained financing for Part 2, and Contractor shall not incur, and City shall not be responsible for, any expense related to Part 2 of the Project without the City's prior written approval.

| QTY                                                                   | Description                                             | Price               |
|-----------------------------------------------------------------------|---------------------------------------------------------|---------------------|
| <b>Core LED Lighting and Control System Upgrade</b>                   |                                                         | <b>\$ 2,308,404</b> |
| 290                                                                   | CMP Holophane LED upgrade (50/50, retrofit/new)         | \$ 421,077          |
| 784                                                                   | CMP GE Town & Country LED upgrades (70/30 retrofit/new) | \$ 967,842          |
| 402                                                                   | Portland Decorative LED Upgrades (50/50, retrofit/new)  | \$ 602,422          |
| 1074                                                                  | Fusing for CMP Holophane, GE (not for Portland-owned)   | \$ 71,998           |
| 1476                                                                  | Controls for all decoratives (CMP and Portland-owned)   | \$ 245,065          |
| <b>City Selected Smart City Project Allocation for:</b>               |                                                         | <b>\$ 1,691,596</b> |
| Public and City Wi-Fi (2nd half of project, ~ 150-300 more locations) |                                                         |                     |
| Dougherty Field LED lighting installation (1 or more fields)          |                                                         |                     |
| Traffic Flow System Forrest Ave Corridor                              |                                                         |                     |
| 6 Electric Vehicle (EV) charging stations                             |                                                         |                     |
| Casco Bay Bridge color LED lighting installation                      |                                                         |                     |
| Environmental Sensors, Video Cameras installed in Strategic Locations |                                                         |                     |
| Riverton lighting upgrade                                             |                                                         |                     |
| Tree trimming, pole painting, LED project contingency                 |                                                         |                     |

**TOTAL COST OF PART 2: \$4,000,000**

### C. OPERATING HOUR ASSUMPTIONS

All proposed fixtures will be charged using the current utility (CMP) SE tariff rate of 4,260 hours of operation each year, even though the control system will be installed and will have the capability to “futureproof” and reduce hours of operation in the future. All pre-project street lighting is being charged at 4,260 hours per year.

### D. LOCATIONS AND QUANTITIES

Project locations and quantities for the Street lights retrofitted shall be provided as part of the As-built documentation provided by Contractor. Installation progress reports shall be generated by Contractor during the installation period to document work completed at specified Project Locations up to the date of such progress report.

Contractor will update Portland’s existing GIS software system with the new data being provided under this Contract.

### E. WARRANTY INFORMATION

#### Material Warranty

The following **manufacturer** warranties will pass through Contractor directly to Portland to ensure that Portland will have direct access to the full value of the manufacturers’ warranty over the term of the contract.

| Equipment                                         | Manufacturer    | Warranty Period |
|---------------------------------------------------|-----------------|-----------------|
| Cobra Heads*                                      | Cree            | 10              |
| Decorative Retrofit Kits                          | Hylite or Equal | 5               |
| Linear T8 Retrofit Lamp, Type C (External Driver) | Sylvania        | 7               |
| Miscellaneous Shoebox Fixtures*                   | Holophane       | 5               |
| Fixture Mounted Nodes*                            | Echelon         | 10              |
| Gateway/Segment Controllers*                      | Echelon         | 10              |

*\*Includes fixtures, LED lamps, and drivers*

#### Labor Warranty

Contractor will provide a one (1) year **Labor** warranty to provide all of the labor necessary to install all equipment warranted by the manufacturer and provided by Portland to Contractor for replacement. The one year labor warranty for Part 1 of the Project will run from the City’s final acceptance of Part 1, Phase 2 of the Project, and the one year labor warranty period for Part 2 of the Project will run from the City’s final acceptance of Part 2, Phase 2 of the Project. Any ongoing equipment replacement labor obligations to replace failed equipment covered under the manufacturer warranties after expiration of the labor warranty periods, will be the obligation of Portland.



## EXHIBIT C-7

### GUARANTEED DOLLAR SAVINGS, MEASUREMENT & VERIFICATION SERVICE

#### A. GUARANTEED DOLLAR SAVINGS AMOUNTS PER MEASUREMENT YEAR

For the Project, the Guaranteed Dollar Savings Amounts per Measurement Year during the Project Savings Guarantee Period are set forth below:

Project Savings Guarantee Period = 10 years.

| MEASUREMENT YEAR | PROJECT SAVINGS                        |                                        |                                              |                                                  |
|------------------|----------------------------------------|----------------------------------------|----------------------------------------------|--------------------------------------------------|
|                  | UTILITY and MAINTENANCE SAVINGS PART 1 | UTILITY and MAINTENANCE SAVINGS PART 2 | TRANSFER OF OWNERSHIP SAVINGS <sup>(2)</sup> | GUARANTEED DOLLAR SAVINGS AMOUNTS <sup>(1)</sup> |
| Year 1           | \$266,179                              | \$0                                    | \$777,553                                    | \$1,043,733                                      |
| Year 2           | \$271,503                              | \$66,186                               | \$793,104                                    | \$1,130,793                                      |
| Year 3           | \$276,933                              | \$67,510                               | \$808,966                                    | \$1,153,409                                      |
| Year 4           | \$282,472                              | \$68,860                               | \$825,146                                    | \$1,176,477                                      |
| Year 5           | \$288,121                              | \$70,237                               | \$841,649                                    | \$1,200,007                                      |
| Year 6           | \$293,884                              | \$71,642                               | \$858,482                                    | \$1,224,007                                      |
| Year 7           | \$299,761                              | \$73,075                               | \$875,651                                    | \$1,248,487                                      |
| Year 8           | \$305,756                              | \$74,536                               | \$893,164                                    | \$1,273,457                                      |
| Year 9           | \$311,872                              | \$76,027                               | \$911,028                                    | \$1,298,926                                      |
| Year 10          | \$318,109                              | \$77,548                               | \$929,248                                    | \$1,324,905                                      |
| <b>TOTAL</b>     | <b>\$2,914,590</b>                     | <b>\$645,621</b>                       | <b>\$8,513,991</b>                           | <b>\$12,074,202</b>                              |

#### **Rebates and Incentives:**

Contractor makes no guarantee with respect to utility rebates. Rebates will be available if there still exists capacity in the Efficiency Maine rebate program at the time the Contractor and Portland apply for the rebate allocation and the technologies used in the project are compliant. Payment of rebates to Portland will happen subject to the payment terms of Efficiency Maine.

**Note 1:** To the extent that the actual final Project Scope is modified, then the Project Cost, Savings and Rebates amount shall be adjusted accordingly.

**Note 2:** Transfer of Ownership Cost Savings are allocated at \$ 777,553 per year based on analysis of the actual costs incurred by Portland prior to the transfer of ownership of the assets to Portland. These savings are also escalated at 2.00% annually. These savings result from longer life and warranted equipment installed as part of the project (see elsewhere in this Contract). These savings are deemed to occur in each year of the repayment term (guarantee period). No ongoing measurement and verification will be assumed needed or provided for these Transfer of Ownership Cost Savings.

## **B. MEASUREMENT and VERIFICATION SERVICE**

### **1. Performance Verification Procedures**

Contractor shall provide savings measurement and guarantee services to confirm the Project savings levels as specified in this Exhibit C-7. The savings measurement involves pre- and post-installation determination of energy usage billing for the equipment. For this approach, once the post installation calculations are made, the energy use is quantified and stipulated operating and billing parameters are applied to yield confirmed energy dollar savings.

At the end of the installation period, the actual energy usage for the As-built retrofits will be calculated, and savings will be adjusted to match as-built fixture counts.

Savings verification for this Project will consist of the following steps:

A complete, location inventory of all lighting fixtures affected by the lighting retrofit will be compiled and provided and will include the following information – Location, Fixture type, Quantity and kWh and billing amounts.

The inventory of the As-built retrofit will be compiled and compared listing the same categories of information with updated quantities and post-retrofit kWh usage and billing amounts after Phase III is complete.

Post-retrofit Capacity (kW): Contractor shall determine the As-built Post-retrofit kW for each type of retrofit (“Actual Capacity”).

Baseline Operating Assumptions: The baseline operating assumptions for the Project have been Exhibit C-6 “Operating Hour Assumptions” per Central Maine Power rate schedule and shall be used to calculate the Post-retrofit electric usage.

Electric Energy Usage: At the end of the installation period, the Actual Capacity (kW) and the Baseline Operating Assumptions, shall be used to determine the Post-retrofit Electric Energy Usage (kWh).

Electric Dollar Savings: The Actual Electric Energy Usage shall be multiplied by the corresponding unit prices and totaled to yield the Post-retrofit Electric Dollar amount for billing purposes (“Post-retrofit Billing Amount”). Unit prices to be used shall be the base unit prices set forth in Exhibit C-3.

### **2. Reconciliation Procedures**

Reconciliation Adjustments: For each Measurement Year, the Actual Project Dollar Savings Amount shall be compared and reconciled with the appropriate Guaranteed Dollar Savings Amount for the Project as set forth in Exhibit C-7, on a Reconciliation Statement to be prepared by Contractor and submitted to Portland within ninety (90) days following the end of that Measurement Year.

(i) Positive Reconciliation: If for a Measurement Year, the Guaranteed Dollar Savings Amount less the Actual Project Dollar Savings Amount is equal to or less than zero, then this difference shall be referred to as a “Positive Reconciliation Amount” and no reimbursement to Portland is necessary.

(ii) Negative Reconciliation: If for a Measurement Year, the Guaranteed Dollar Savings Amount less the Actual Project Dollar Savings Amount is greater than zero, then this difference shall be referred to as the “Dollar Savings Shortfall Amount” and Portland shall have the right to reimbursement for the Dollar Savings Shortfall Amount determined using the following procedure:

Reimbursement of Dollar Savings Shortfall Amount:

Contractor shall reimburse Customer for the Dollar Savings Shortfall Amount within thirty (30) days following the date of the Reconciliation Statement (the “Reconciliation Payment”). Contractor shall develop and maintain a Project tracking spreadsheet which shall track the Project’s Energy and Dollar Savings performance and the amounts and balances as set forth above which might be carried over from Measurement Year to Measurement Year. Such Project tracking spreadsheet shall be part of a Project Savings Performance report that Contractor shall generate at the end of each Measurement Year where monitoring services are provided by Contractor during the Savings Term.

**However,** Contractor shall not be required to reimburse any Dollar Savings Shortfall Amount if (a) Customer modifies, disconnects or fails to operate or maintain the Energy Conservation Measures (ECM's) in accordance with the procedures set forth in the final as-built lighting commissioning or Operations Manual, (b) Customer is in material breach of or in material default under this Contract, including but not limited to failure to maintain the equipment and systems in good working order and condition, (c) this Contract has terminated (due to a non-breach occurrence) as permitted or provided for in this Contract , or (d) the equipment suffers fire, flood or other casualty, until the equipment is properly repaired and restored, . Contractor reserves the right to reasonably modify its Project Savings Performance Guarantee based on any modifications to the Project. This Project Savings Performance Guarantee is contingent upon Contractor's involvement with the Project's performance monitoring, without which the Project Savings Performance Guarantee shall cease. Accordingly, Contractor's annual Guarantee Administration Services shall be purchased by Customer for the period set forth in Schedule C in order for the Project Savings Performance Guarantee to remain in effect.

## EXHIBIT C-8

### PAYMENT FOR THE WORK

**A. Project Cost of Work:** The Project Cost of Work includes all amounts to furnish and be responsible for all of the Scope of Work as specified in Exhibit C-6, which shall include labor, materials, tools, equipment, insurance and supervision necessary to satisfactorily specify, design, procure, install, inspect, start-up and test the Equipment and monitor the savings for the Project in accordance with the provisions of this Contract. The Cost of the Work is divided into three phases as follows:

**1. Payment for the Work Phase I and Phase II.** Portland shall pay Contractor as compensation for Phase I Project Development and Pre-Design Work and Phase II Installation Work, as defined below in monthly progress amounts totaling but not to exceed amount of \$8,000,000 for the Project. The monthly progress amounts shall be invoiced based upon a percentage of the Payment for the Work Phase I Work and Payment for the Work Phase II Work completed and shall contain sufficient documentation to support the invoiced amount. Portland acknowledges that Contractor's Work conducted to prepare the design and negotiate the pricing for materials and subcontractor labor for the Project shall be compensated under this Contract as a portion of the Payment for the Work Phase I cost.

| Description                                                                        | Phase I *<br>Design Work Cost | Phase II<br>Construction Cost | Total Cost         |
|------------------------------------------------------------------------------------|-------------------------------|-------------------------------|--------------------|
| <b>PROJECT - PART 1</b> Implementation period: Contract sign date to June 30, 2018 |                               |                               |                    |
| Core LED Lighting and Control System Upgrades                                      | \$145,847                     | \$2,771,101                   | \$2,916,948        |
| City Selected Smart City Projects                                                  | \$54,153                      | \$1,028,899                   | \$1,083,052        |
| <b>Sub-total: Part 1</b>                                                           | <b>\$200,000</b>              | <b>\$3,800,000</b>            | <b>\$4,000,000</b> |
| <b>PROJECT - PART 2</b> Implementation period: July 1, 2018 to June 30, 2019       |                               |                               |                    |
| Core LED Lighting and Control System Upgrades                                      | \$115,420                     | \$2,192,984                   | \$2,308,404        |
| City Selected Smart City Projects                                                  | \$84,580                      | \$1,607,016                   | \$1,691,596        |
| <b>Sub-total: Part 2</b>                                                           | <b>\$200,000</b>              | <b>\$3,800,000</b>            | <b>\$4,000,000</b> |
| <b>TOTAL PROJECT</b>                                                               | <b>\$400,000</b>              | <b>\$7,600,000</b>            | <b>\$8,000,000</b> |

\*This Payment for the Work Phase I Cost includes the cost of preparing the scope, assisting with selection of equipment, selection of subcontractors, and negotiation of pricing completed by Contractor.

**Note: Additions / Reductions in Scope –**

The Payment for the Phase II Project Cost is based upon installation of the actual street light quantities. Should such as-built quantities change, the Payment for the Work Phase II cost shall be adjusted by the added or deducted unit quantities multiplied by the per unit prices set forth in Exhibit C-3. Such cost adjustments shall be set forth in Change Order(s) to be prepared by Contractor and approved by Portland from time to time during the installation period.



2. **Payment for the Work Phase III.** As compensation for Payment for the Phase III Savings Measurement and Verification and Other Managed Services for the Project, as set forth in Exhibit C-7, Portland shall pay a fee at the submission of each annual Phase III Report as set forth below:

| MEASUREMENT<br>YEAR | Annual Measurement and<br>Verification Services <sup>(1)</sup> | Annual Street Lighting<br>Control System Service <sup>(2)</sup> | Total Annual Services |
|---------------------|----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------|
| Year 1              | \$12,500                                                       | \$13,200                                                        | \$25,700              |
| Year 2              | \$12,875                                                       | \$13,596                                                        | \$26,471              |
| Year 3              | \$13,261                                                       | \$14,004                                                        | \$27,265              |
| Year 4              | \$13,659                                                       | \$14,424                                                        | \$28,083              |
| Year 5              | \$14,069                                                       | \$14,857                                                        | \$28,926              |
| Year 6              | \$14,491                                                       | \$15,302                                                        | \$29,793              |
| Year 7              | \$14,926                                                       | \$15,761                                                        | \$30,687              |
| Year 8              | \$15,373                                                       | \$16,234                                                        | \$31,608              |
| Year 9              | \$15,835                                                       | \$16,721                                                        | \$32,556              |
| Year 10             | \$16,310                                                       | \$17,223                                                        | \$33,533              |

**Notes:**

**Note 1:**

Upon City's request as set forth in section 6 of Exhibit C, Measurement and Verification (M&V) services will be provided by Contractor within 12 months after the construction period and every year following, up to 10 years, unless Portland terminates the Measurement and Verification Services earlier.

**Note 2:**

Annual Street Lighting Control System Services shall be provided directly by the control system vendor directly to the City. These services are to access a cloud-based central management system (CMS) for provisioning, monitoring, controlling and analyzing their new street lighting control system. The cost of this system, annually, is approximately \$13,200.

## EXHIBIT C-9

### OTHER GENERAL CONDITIONS

These construction terms shall be implemented in conjunction with the specifications for the Scope of Work which are provided in the Contract and any Design Documents.

#### 1. Definitions.

A. "Portland", "City", "Contractor", "Contract", "Premises", and "Project", shall have their respective meanings specified in the Conversion of City Street Lights to LED Fixtures & Transfer of Ownership from Utility to Municipality Contract to which these General Conditions are attached.

B. "Support" means the following: Contractor's officers, employees, agents, and representatives; Contractor's suppliers, and subcontractors of any tier; the respective officers, employees, agents, and representatives of Contractor's suppliers, and subcontractors of any tier; and any other person or entity acting under the direction or control or on behalf of Contractor or any of Contractor's suppliers or subcontractors of any tier in connection with or incident to the performance of the Work or this Contract.

C. "Work" shall refer to all acts by Contractor necessary to fulfill all of its obligations under the Contract Documents with respect to the Project and performance of the three Phases of Services for Parts 1 and 2 of the Project, as defined in Exhibit C-8, and in accordance with the terms and conditions set forth in the Contract Documents. Work includes all of the following furnished (or to be furnished), and the performance of all other obligations, under this Contract by Contractor or its Support: personnel, labor, and supervision; technical, professional, and other services; equipment, materials, tools, supplies, goods, and other property; transportation, information, drawings, plans, specifications, design, data, and all other items necessary to complete the Project to the City's reasonable satisfaction.

#### 2. Performance of the Work.

A. Unless specifically modified by Portland and Contractor in a Contract Amendment or Change in the Work agreed to by both parties, all materials and all equipment listed in the Contract, and/or approved Design Documents, and all labor by all trades which are required to complete the installation are included in Contractor's Work. Contractor shall be and act as an independent contractor (and not as the agent or representative of Portland) with regard to performance of the Work and this Contract. Contractor has the right to suspend performance of work on any Portland directed change of a value in excess of ten percent (10%) of the Phase II Cost of Work in the absence of agreement on price and schedule impact of such change. Portland agrees to pay Contractor on a time and materials basis, for a mutually-agreed upon predetermined amount, for changed work being performed while the parties are negotiating the price and schedule impact of the change.

B. Subject to compliance with the requirements of this Contract, Contractor shall perform the Work in accordance with its own methods. Any equipment, apparatus, machinery, material, small items not mentioned in detail and labor not hereinafter specifically mentioned that may be found necessary to complete or perfect any portion of the installation in a substantial manner and in compliance with the requirements stated, implied, or intended in the Contract, Design Documents shall be furnished and installed without extra cost to Portland.

C. Contractor shall fully cooperate with Portland and coordinate the Work to minimize traffic delays. If any Work depends upon the results of work performed by Portland or others, Contractor shall, prior to commencing such Work, notify Portland of any actual or apparent deficiencies or defects in such work that render such other work unsuitable for performance of the Work in accordance with this Contract.

D. Contractor shall provide Portland with a list of its subcontractors prior to Contractor entering into a subcontract for services. Contractor is directly responsible for obtaining the performance of and making all payments to all subcontractors, suppliers and those who perform any and all services or provide any and all supplies to or for the Project, unless directly contracted for by Portland; and further, such subcontractors, suppliers and those who perform services shall have no recourse to or against Portland, unless directly contracted for by Portland.

Contractor shall require its subcontractors to comply with the automobile and general liability insurance requirements set forth in the Contract.

### **3. Compliance with Laws; Permits.**

A. Contractor shall comply, and shall ensure that the Work and all of Contractor's Support comply, with all applicable laws, ordinances, rules, regulations, orders, licenses, permits, and other requirements, now in effect. Contractor shall execute and deliver to Portland all documents as may be required or appropriate to effect or to evidence such compliance or such change in expenses, if any. All laws, ordinances, rules, regulations, orders, licenses, and permits required to be incorporated in agreements of this character are incorporated herein by this reference.

B. Unless otherwise specified in the Contract or directed by Portland, Contractor shall obtain and pay for all permits, inspections, licenses, and fees required to perform the Work in accordance with this Contract. Contractor shall advise Portland in writing and consult with Portland prior to applying for any permit or other authorization from, or entering into any agreement with, any governmental authority with regard to the Work.

### **4. Contractor Representations.**

Contractor represents and warrants the following to Portland (in addition to any other representations and warranties contained in the Contract Documents), which representations and warranties shall survive the execution and delivery of this Contract, any termination of this Contract and the final completion of the Work:

- A) Contractor and its Subcontractors are financially solvent, able to pay all debts as they mature and possessed of sufficient working capital to complete the Work and perform all obligations hereunder;
- B) Contractor is able to furnish the plant, tools, materials, supplies, equipment and labor required to complete the Work and perform its obligations hereunder and has sufficient experience and competence to do so;
- C) Contractor is authorized to do business in the State of Maine and is properly licensed by all necessary governmental and public and quasi-public authorities having jurisdiction over Contractor and over the Work and the Project

### **5. Construction and Project Management.**

A. Contractor shall provide for a Construction Manager who shall be responsible for providing the following services:

- Coordinate all Project details and Support's construction activities;
- Perform on-site observations and inspections of the progress and quality of the Work for conformance with Contract Documents;
- Communicate with Portland's representative(s) on a regular basis to insure work schedules. Portland's representative is **Troy Moon, Sustainability Coordinator**;
- Submit written monthly progress reports to Portland no later than the 5<sup>th</sup> day of each month reporting on the prior month's progress, planned progress for the current month, indicating any issues or project concerns and such other information and on such reporting forms as the Portland requests.
- Record all construction changes or deviations in writing to Portland;
- Schedule and attend regular project meetings with Portland representative;
- Conduct or observe and report on tests/measurements required by the Contract Documents; and
- Maintain construction records in an orderly manner.
- Submit certified applications for payment of work completed on Portland approved forms. Failure to submit applications for payment may delay payment of invoices.

B. Pre-Construction Meeting - Contractor shall coordinate and attend a pre-construction meeting with Portland, Contractor and Contractor's subcontractors to discuss:

- approved installation work plan schedule;
- mobilization plan;
- inspection plan;
- coordinating storage, parking, delivery of material;
- daily clean-up;
- service calls;
- hazardous material storage and disposal procedures;
- start-up, testing, inspection and acceptance procedures; and
- safety concerns and other pertinent information procedures.

C. Progress Meetings - Once the installation starts, Contractor shall hold regular monthly (or more frequent) meetings or phone conferences with Portland to coordinate the work schedule, receiving material, report on the status of removal of hazardous waste, provide progress reports, discuss the progress of the job and other matters important to the successful completion of the project.

D. Operation and Maintenance Manuals - Contractor shall submit for review, prior to final inspection, one (1) complete copy, in 3-ring binder, and one (1) complete copy, electronically formatted, of the following:

1. Maintenance instructions and catalog data for each piece of equipment, plus any applicable maintenance instructions for the system(s);
2. Copies of all approved shop drawings;
3. Equipment warranties and certificates;
4. All operation and maintenance data.

## **6. Quality Assurance and Inspection.**

A. Contractor shall use the best approved method for performing the work. Only good workmanship will be accepted, all other will be rejected. All items furnished shall be new items unless the Contract identifies reuse of existing items.

B. Contractor shall perform such detailed examination, inspection, tests, and quality surveillance of the Work as will ensure that the Work is progressing and is being completed in strict accordance with this Contract.

C. All Work shall at all times be subject to inspection by Portland. The Contractor acknowledges and agrees that such inspection is for purposes of approving payment alone and such inspection shall not be deemed to impose any duty or liability upon the City to supervise any aspect of or approve the quality of the Work.

## **7. Protection of Persons and Property.**

A. Contractor shall take all reasonable precautions which are necessary to prevent bodily harm to persons and damage to any property or environment in connection with performance of the Work. Without limiting the generality of the foregoing, Contractor shall erect and maintain such barricades, signs, flags, and other safeguards as are required. Contractor agrees to abide by the safety policies and regulations of Portland, the Maine Department of Transportation, Central Maine Power and any other applicable laws, rules, regulations, and policies.

B. Subject to the warranties described herein, once the Project is finally accepted by Portland, Portland shall be responsible for and shall bear any and all risk of loss, deterioration, theft, vandalism, or destruction of or damage

to the Work and anything used (or to be used or consumed) in connection with the Work, including but not limited to Equipment, except to the extent such loss, theft, destruction or damage results from the sole negligence or willful misconduct of Contractor or its Support. Contractor shall work with the City to arrange for secured storage, enclosure or other protection of the Work and anything used (or to be used or consumed) in connection with the Work.

C. Unless otherwise specified in this Contract or directed, in writing, by Portland, all structures and other improvements damaged, altered or removed by Contractor or any of its Support in connection with the performance of the Work shall be repaired, replaced, or otherwise restored by Contractor at its expense to at least as good quality and condition as existed prior to such damaging, alteration, or removal.

D. Unless otherwise specified in this Contract or directed, in writing, by Portland, Contractor shall ensure that no utility (including all supply, disposal, distribution and communication systems, and all similar or related facilities, equipment, and other property) is damaged, removed or unreasonably interrupted by Contractor or any of its Support in connection with the performance of the Work. If Contractor requires the temporary shut off of any utility, Contractor shall request Portland's approval thereof at least twenty-four (24) hours in advance of the time it requires the shut off.

## **8. Environmental Considerations**

### **A. Site Inspection**

1. From the date of this Contract until the Work contemplated hereunder commences, Portland shall afford authorized representatives of Contractor reasonable access to the Premises for the purpose of inspecting the Work area in the Premises or Equipment Location (sometimes the "Site"). As reasonably requested by Contractor, Portland shall provide Portland personnel to accompany the representatives of Contractor and provide all material information with respect to the Site and existing or known Environmental Conditions (as defined in subparagraph 2 below) which are present on or at the Site.

2. The term "Environmental Condition" shall mean the presence of environmental contamination, including the presence of any of the following (collectively, "Hazardous Materials"): oil or other petroleum products; flammable explosives; asbestos and asbestos containing materials; polychlorinated biphenyls (PCBs); urea formaldehyde insulation; radioactive materials; hazardous wastes; fungus, mold, mildew, spores or other biological or microbial agents the presence of which may affect human health, impair occupancy or materially affect the utility of the Site or Premises; toxic or contaminated substances or similar materials, including, without limitation, any substances which are "hazardous substances," "hazardous wastes," "hazardous materials" or "toxic substances" under the Hazardous Materials Laws (defined below) and/or other applicable environmental laws, ordinances or regulations, and tanks or containers whether regulated or not.

3. Hazardous Materials Laws, shall mean all federal, state and local laws, ordinances and regulations relating to Hazardous Materials ("Hazardous Materials Laws"), including, without limitation: the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986, "CERCLA"), 42 U.S.C. Section 9601 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. Section 801 et seq.; the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq.; any substance subject to the National Emissions Standard Hazardous Air Pollutants as found in 40 C.F.R. Part 61; and all comparable state and local laws, applicable laws of other jurisdictions or orders and regulations.

### **B. Environmental Condition Remediation; and Removal and Disposal of Florescent Lamps and Ballasts.**

1. If Contractor encounters an Environmental Condition at the Premises (including the Site) which may interfere with the Work to be performed under this Contract, Contractor shall notify Portland and shall promptly

take any and all measures necessary to remove and properly dispose of the Hazardous Materials. Contractor shall be solely responsible for the costs and expenses associated with the removal of the Hazardous Materials necessary to provide the Work in this Contract.

2. Outdoor Trash Receptacles for cardboard, metal, and general rubbish shall be supplied and paid for by Contractor, as applicable, and Contractor shall be responsible for the proper disposal of all such materials.

## **9. General Requirements.**

- A. In the event of any conflict with Contract Documents, applicable codes and ordinances shall take precedence over the requirements set forth in this Contract.
- B. Contractor shall cooperate at all times with Portland's staff in all matters concerning scheduling the work, unavoidable interference with Portland's normal working routine, access to work areas, placing and removing temporary barricades, and protection and other safety procedures. All work shall be scheduled with the approval of the City. Work shall not interfere unduly with City operations.
- C. Contractor shall notify Portland of any system deficiencies and repair costs promptly after the pre-construction survey. Contractor shall, at Portland's discretion and the City's expense, repair existing system deficiencies as required to produce a complete and operable system under a Change in the Work process. As a minimum, repairs to the system shall conform to the original standard of construction for the existing equipment.
- D. Installations shall be performed by skilled and certified technicians and trades people.
- E. Contractor shall confine all operations in the performance of the Work (including, but not limited to, storage, assembly, vehicle parking, ingress, egress, and movement of Equipment, materials, tools, and workers) to such areas and during such time periods as set forth in the Work Schedule and approved by Portland. Unless otherwise directed by Portland, acceptance and handling of Work materials shall be performed by Contractor. Storage of materials or tools for the work within a building shall be limited to areas approved by Portland. Outside storage will be permitted only when approved by Portland. Portland shall not be required to provide vehicle parking on the Premises or elsewhere.
- F. Contractor shall, and shall cause its Support to, keep the Work areas, and access to such areas, cleared of rubbish, refuse, and other debris, and in a reasonably neat, clean, and safe condition. Upon completion of Work each day, Contractor shall promptly remove all rubbish, refuse, and other debris and all of its equipment and surplus equipment and materials not to be used at or near the same location during later stages of the Work and make areas safe for conduct of business.

**EXHIBIT C-10**

**CONTRACTOR'S CERTIFICATE OF LIABILITY INSURANCE**



## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/25/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRODUCER<br>Joseph J. Joyce Associates, Inc.<br>9 North Main Street<br><br>Pittston PA 18640-0506 | CONTACT NAME: Cheryl Fazio<br>PHONE (A/C, No, Ext): (570) 655-2831 FAX (A/C, No): (570) 655-4668<br>E-MAIL: cfazio@joyceinsurance.com<br>ADDRESS:<br><br>INSURER(S) AFFORDING COVERAGE<br>INSURER A: Crum and Forester Specialty Co<br>INSURER B: Pennsylvania National Mutual 14990<br>INSURER C: Hartford Fire Insurance Compan 19682<br>INSURER D:<br>INSURER E:<br>INSURER F: |
| INSURED<br>The Efficiency Network Inc.<br>1501 Reedsdale Street<br><br>Pittsburgh PA 15233        |                                                                                                                                                                                                                                                                                                                                                                                   |

**COVERAGES**

CERTIFICATE NUMBER: MASTER 17-18

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE                                                                                                                                                                                                                                                                          | ADDL SUBR INSD WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS                                                                                                                                                                                                                                                                       |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------|-------------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A        | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br>CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: |                    | EPK-118339    | 8/1/2017                | 8/1/2018                | EACH OCCURRENCE \$ 1,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000<br>MED EXP (Any one person) \$ 10,000<br>PERSONAL & ADV INJURY \$ 1,000,000<br>GENERAL AGGREGATE \$ 2,000,000<br>PRODUCTS - COM/OP AGG \$ 2,000,000<br>Pollution Liability \$ 2,000,000 |
| B        | <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY<br>ANY AUTO<br>ALL OWNED AUTOS<br>HIRED AUTOS<br>SCHEDULED AUTOS<br>NON-OWNED AUTOS                                                                                                                                               |                    | AU90731601    | 8/1/2017                | 8/1/2018                | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>Uninsured motorist combined \$ 1,000,000                                                                        |
| A        | <input checked="" type="checkbox"/> UMBRELLA LIAB<br>EXCESS LIAB<br>DED <input checked="" type="checkbox"/> RETENTION \$ 0<br>OCCUR<br>CLAIMS-MADE                                                                                                                                         |                    | EFK-108361    | 8/1/2017                | 8/1/2018                | EACH OCCURRENCE \$ 9,000,000<br>AGGREGATE \$ 9,000,000                                                                                                                                                                                                                       |
| C        | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below                                                                                                     | Y/N<br>N/A         | 44WEIC180711  | 8/1/2017                | 8/1/2018                | PER STATUTE<br>E.L. EACH ACCIDENT \$ 1,000,000<br>E.L. DISEASE - EA EMPLOYEE \$ 1,000,000<br>E.L. DISEASE - POLICY LIMIT \$ 1,000,000                                                                                                                                        |
| A        | Professional Liability                                                                                                                                                                                                                                                                     |                    | EPK-118339    | 8/1/2017                | 8/1/2018                | Each Occurrence \$2,000,000<br>Aggregate \$2,000,000                                                                                                                                                                                                                         |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
RE: Proof of Insurance

**CERTIFICATE HOLDER****CANCELLATION**

|    |                                                                                                                                                                |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ** | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. |
|    | AUTHORIZED REPRESENTATIVE<br>Cheryl Fazio/CRM                                                                                                                  |

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ACORD 25 (2014/01)  
INS025 (2014/01)

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**EXHIBIT C-11**

**CONTRACTOR'S REGISTRATION WITH  
THE MAINE DEPARTMENT OF THE SECRETARY OF STATE**

**MAINE**Department of the Secretary of State  
Bureau of Corporations, Elections and Commissions**Corporate Name Search****Information Summary**[Subscriber activity report](#)

This record contains information from the CEC database and is accurate as of: Fri Sep 08 2017 13:23:11. Please print or save for your records.

| Legal Name                    | Charter Number | Filing Type                    | Status        |
|-------------------------------|----------------|--------------------------------|---------------|
| TEN CONNECTED SOLUTIONS, INC. | 20170551 F     | BUSINESS CORPORATION (FOREIGN) | GOOD STANDING |

| Filing Date | Expiration Date | Jurisdiction |
|-------------|-----------------|--------------|
| 02/27/2017  | N/A             | DELAWARE     |

**Other Names** (A=Assumed ; F=Former)

NONE

**Clerk/Registered Agent**

NORTHWEST REGISTERED AGENT LLC  
415 CONGRESS STREET, STE 202A  
PORTLAND, ME 04101

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**EXHIBIT C-12**

**APPLICABLE REBATE INFORMATION: EFFICIENCY MAINE**



## Commercial & Industrial Prescriptive Program

### Information for Qualified Partners

#### Lighting Solutions\*\*

Effective 7/1/17 - 9/30/17\*

| Interior Lighting Measure Code | Measure Description                                               | Measure Subcode                                                                                                                                                                                                                                                                                                                  | Incentive                                         |
|--------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| S21                            | Recessed, Surface and Pendant-Mounted LED Downlight               | N/A                                                                                                                                                                                                                                                                                                                              | \$10                                              |
| S30                            | Refrigerated Case LED Light Fixture                               | N/A                                                                                                                                                                                                                                                                                                                              | \$90 per Door                                     |
| S32                            | Refrigerated Case LED Horizontal Light Fixture                    | N/A                                                                                                                                                                                                                                                                                                                              | \$25 per Foot                                     |
| S51                            | Space Lighting Design with New LED Luminaires                     | LED 2x2 Interior Fixture <40W<br>LED 2x2 Interior Fixture ≥40W<br>LED 2x4 Interior Fixture <50W<br>LED 2x4 Interior Fixture ≥50W<br>LED 1x4 Interior Fixture <40W<br>LED 1x4 Interior Fixture ≥40W                                                                                                                               | \$70<br>\$70<br>\$75<br>\$75<br>\$70<br>\$70      |
| S52                            | LED Retrofit Kits for Interior Luminaires                         | Integrated Retrofit Kit for LED 2x2 Interior Fixture<br>Integrated Retrofit Kit for LED 2x4 Interior Fixture<br>Integrated Retrofit Kit for LED 1x4 Interior Fixture<br>Linear Retrofit Kit for LED 2x2 Interior Fixture<br>Linear Retrofit Kit for LED 2x4 Interior Fixture<br>Linear Retrofit Kit for LED 1x4 Interior Fixture | \$65<br>\$65<br>\$65<br>\$50<br>\$50<br>\$50      |
| S61                            | High/Low Bay Design with New Fixtures                             | LED High/Low Bay Fixtures <100W<br>LED High/Low Bay Fixtures ≥100-<150W<br>LED High/Low Bay Fixtures ≥150-<200W<br>LED High/Low Bay Fixtures ≥200-<300W<br>LED High/Low Bay Fixtures ≥300W                                                                                                                                       | \$10<br>\$30<br>\$95<br>\$115<br>\$185            |
| S62                            | LED Retrofit Kits for High/Low Bay Fixtures                       | LED High/Low Bay Fixtures <150W<br>LED High/Low Bay Fixtures ≥150W                                                                                                                                                                                                                                                               | \$175<br>\$225                                    |
| S64                            | LED High/Low Bay Mogul Screw-Base Replacement Lamps for HID Lamps | Replacement Lamps Type A <50W<br>Replacement Lamps Type A ≥50W<br>Replacement Lamps for Low-Bay (Type B/C) <80W<br>Replacement Lamps for Low-Bay (Type B/C) ≥80W<br>Replacement Lamps for High-Bay (Type B/C) <120W<br>Replacement Lamps for High-Bay (Type B/C) ≥120W                                                           | \$60<br>\$130<br>\$150<br>\$200<br>\$225<br>\$275 |
| S81                            | Space Lighting Design with New LED Linear Ambient Luminaires      | LED Linear Ambient Luminaire <50W<br>LED Linear Ambient Luminaire ≥50 - <100W<br>LED Linear Ambient Luminaire ≥100W                                                                                                                                                                                                              | \$60<br>\$100<br>\$125                            |
| S110                           | LED T8 Replacement Lamps                                          | Type A LED Lamp<br>Type C LED Lamp                                                                                                                                                                                                                                                                                               | \$5<br>\$10                                       |

Efficiency Maine is the independent administrator for energy efficiency programs in Maine. Efficiency Maine's mission is to lower the cost and environmental impacts of energy in Maine by promoting cost-effective energy efficiency and alternative energy systems to help customers save electricity, natural gas and heating fuels throughout all levels of the Maine economy.

[efficiencymaine.com](http://efficiencymaine.com)

866-376-2463

6/23EffMECommIndPres

\*This information sheet is updated quarterly. The next update period will be 10/1/2017-12/31/2017.

\*\*See Measure Code Reference Guides by Solution for specific measure eligibility criteria.



## Commercial & Industrial Prescriptive Program

### Information for Qualified Partners

#### Lighting Solutions\*\*

Effective 7/1/17 - 9/30/17\*

##### Controls

| Measure Code | Measure Description                                   | Measure Subcode | Incentive     |
|--------------|-------------------------------------------------------|-----------------|---------------|
| L50          | Cooler Case Mounted Occupancy Sensor For LED Fixtures | N/A             | \$30 per Door |
| L60          | Fixture Mounted Occupancy Sensor                      | N/A             | \$35          |
| L70          | Occupancy Sensors Remote Mounted Only                 | N/A             | \$60          |
| L71          | Vacancy Sensors                                       | N/A             | \$30          |

##### Exterior Lighting

| Measure Code | Measure Description                                                                  | Measure Subcode               | Incentive |
|--------------|--------------------------------------------------------------------------------------|-------------------------------|-----------|
| S6           | Outdoor LED Mogul Screw-Base Replacement Lamps for HID Lamps Type B & C Only         | Low Output (250-5,000 lm)     | \$65      |
|              |                                                                                      | Mid Output (>5,000-10,000 lm) | \$80      |
|              |                                                                                      | High Output (>10,000 lm)      | \$90      |
| S8           | LED Retrofit Kits for Streetlights, Parking Lot Lights and Fuel Pump Canopy Fixtures | <50W                          | \$100     |
|              |                                                                                      | ≥50-<100W                     | \$125     |
|              |                                                                                      | ≥100-<200W                    | \$175     |
|              |                                                                                      | ≥200W                         | \$200     |
| S11          | Outdoor Pole-Mounted LED Streetlight or Parking Lot Fixture                          | <50W                          | \$80      |
|              |                                                                                      | ≥50-<100W                     | \$130     |
|              |                                                                                      | ≥100-<250W                    | \$180     |
|              |                                                                                      | ≥250W                         | \$600     |
| S13          | Outdoor Wall-Mounted & LED Area Fixture (Wallpack)                                   | N/A                           | \$100     |
| S17          | LED Canopy or Parking Garage Fixtures                                                | <50W                          | \$70      |
|              |                                                                                      | ≥50-<80W                      | \$100     |
|              |                                                                                      | ≥80-<130W                     | \$75      |
|              |                                                                                      | ≥130W                         | \$70      |
| S23          | LED Flood and Spot Lights                                                            | LED Flood/Spot <50W           | \$125     |
|              |                                                                                      | LED Flood/Spot 50-100W        | \$200     |
|              |                                                                                      | LED Flood/Spot >100W          | \$250     |

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\*\*See Measure Code Reference Guides by Solution for specific measure eligibility criteria.

**EXHIBIT C-13**

**TRANSFER OF OWNERSHIP FROM UTILITY TO PORTLAND INVENTORY**

Refer to attached spreadsheet.

**EXHIBIT C-14**

**PORTLAND OWNED INVENTORY (NO TRANSFER OF OWNERSHIP REQUIRED)**

Refer to attached spreadsheet.

# **CUSTOMER OWNED STREET LIGHTING AGREEMENT**

This Customer Owned Street Lighting Agreement (“Agreement”) is entered into as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by the City of Portland, Maine (“the Municipality”), and Central Maine Power Company (“the Company”). This Agreement sets forth the agreement between the Municipality and the Company with respect to the terms and conditions under which the Company may sell and provide light fixtures attached to Company poles and the Municipality may install, own and maintain light fixtures attached to poles owned by the Company, whether such poles are owned individually by the Company or as joint owner with another entity (Company Owned Poles”). The Municipality and the Company may be referred to herein individually as a “Party” or collectively as the “Parties.”

## **1. BACKGROUND**

Under Section 53 of the Company’s Terms and Conditions, entitled “Municipal Ownership of Streetlights,” Municipalities may choose among three options for street lighting service, as set forth below:

- A. The Company will provide all of the components of the street lighting system, including installation on Company poles and maintenance of such lighting system. The Company will deliver electricity to the street lighting system from a power vendor selected by the municipality. For such service (Full Service Lighting), the Municipality shall pay the appropriate charges set forth in the Company’s Rate SL (Street Lighting Service) Electric Delivery Rate Schedule; or
- B. The Company will install and connect on its poles all of the components of the Street Lighting Hardware as selected, purchased and owned by the Municipality. Maintenance of all components of light fixtures will be the responsibility of the Municipality or its contractor; or
- C. The Company will connect to its distribution system light fixtures owned and installed by the Municipality on Company poles. Maintenance of all components of light fixture and mounting hardware will be the responsibility of the municipality or its contractor.

## **2. SCOPE OF THIS AGREEMENT; TERM**

This Agreement sets forth the terms and conditions under which the Municipality may install, own and maintain light fixtures attached to Company Owned Poles, pursuant to options (B) and (C) above. This Agreement is entered into by the Parties pursuant to Section 53 of the Company’s Terms and Conditions. To the extent that the provisions of this Agreement and those set forth in the Company’s Electric Delivery Rate Schedules or its Terms and Conditions are in conflict, the provisions set forth in the Company’s Electric Delivery Rate Schedules and its Terms and Conditions shall take precedence over any conflicting terms set forth in this Agreement.

The term of this Agreement shall commence upon execution by both Parties and shall continue in effect for as long as Municipality owns Street Lighting Hardware that is located on Company Owned Poles.

## **3. DEFINED TERMS**

Any other capitalized terms used in this Agreement that are specifically defined herein shall have the meanings set forth in the Company's Electric Delivery Rate Schedules and its Terms and Conditions.

"Business Day" means any day except a Saturday, Sunday, or a legal holiday in the State of Maine. A Business Day shall open at 8:00 a.m. and close at 4:00 p.m. local time for the relevant Party's principal place of business. The relevant Party, in each instance unless otherwise specified, shall be the Party from whom the notice, payment or delivery is being sent and by whom the notice or payment or delivery is to be received.

"Commission" means the Maine Public Utilities Commission or any successor entity.

"Dedicated Street Lighting Conductor" shall mean a conductor used for the sole purpose of providing electric service to a street light. This excludes the tap wires from the secondary conductors to the street light fixture itself.

"Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, methods, or acts generally accepted in the region.

"Routine Maintenance" shall mean (a) prior to the time when a fuse has been installed, changing of the lamp, and/or photocell, cleaning of the glass, reflector or photocell, as well as clearing of debris from the fixture and (b) after a fuse has been installed on a fixture, changing of the lamp, and/or photocell, ballast/driver, starter, fuse, fixture, fixture conductor wire, hardware and controls for any particular light, cleaning of the glass, reflector or photocell, as well as clearing of debris from the fixture.

"Street Lighting Hardware" shall mean the bracket, luminaire, lamp, photocell, fuse, fixture conductor wire, hardware and controls for any particular street light fixture. Hardware shall also include poles in place solely for street lighting purposes.

#### **4. OWNERSHIP**

For each street light fixture covered by this Agreement, the Municipality will provide, own, install and maintain the Street Lighting Hardware. Dedicated Street Lighting Conductors will be owned and maintained by the Company.

#### **5. STREET LIGHTING HARDWARE STANDARDS**

All Street Lighting Hardware provided by Municipality for installation on the Company's system shall be free from all defects and shall in no way jeopardize the Company's electric distribution system. The Company may refuse to allow the placement of any streetlight fixture which, in the Company's sole reasonable opinion, are not so free from defects or that might so jeopardize said system. If the Company refuses the placement of a streetlight fixture, it shall, at the time of the refusal, provide the Municipality with the specific reason or reasons for the refusal.

All Street Lighting Hardware shall be of a modern type approved roadway lighting for normal use by the Company. Once a specific fixture type has been approved by the Company as acceptable equipment, additional use of that fixture type as a replacement in a location where a street light currently exists will not require

additional approval by the Company, provided that the replacement light has a similar or lesser weight and wind profile as the light being replaced.

## **6. TRANSMISSION AND DISTRIBUTION SERVICE**

For each street light fixture covered by this Agreement, the Municipality shall take Delivery-Only Service for such fixture in accordance with the Company's currently effective Rate SL Electric Delivery Rate Schedule.

## **7. DESCRIPTION AND LOCATION OF STREET LIGHTS**

Exhibit A to this Agreement sets forth a description and location of all street light fixtures owned by the Municipality and located on Company Owned Poles. The Municipality shall notify the Company at least thirty (30) days in advance of making any changes to its street lighting inventory. Exhibit A shall be updated as necessary, but no more frequently than on a monthly basis, to reflect any changes to street lighting inventory.

Prior to the sale of street lighting equipment to the Municipality, the Company shall provide the Municipality with a complete inventory based on billing and property records of the street lighting equipment to be sold. The Municipality shall have ninety (90) days to provide corrections or objections to that inventory, after which time the inventory provided by the Company shall be deemed correct for all billing purposes. Should the Municipality choose to conduct a physical audit to confirm the inventory, the audit will be scheduled at a time that allows a representative of the Company to participate.

Street lighting equipment shall at all times contain the lamp type and size as recorded with the Company and shall be subject to a periodic field audit by the Company to confirm same. The Company will not charge the Municipality for the cost of these periodic audits. However, if the Company finds lamps which are in addition to or different from those reported by the Municipality or any other unauthorized equipment attached to the pole or fixture by the Municipality, the Company may conduct a full audit to determine the extent of the violations. The Company shall bill the Municipality for the reasonable cost of the full audit. Prior to conducting a full audit, the Company will consult with the Municipality and will work with the Municipality to coordinate such an audit.

All Street Lighting Hardware owned by Municipality and located on Company Owned Poles shall bear an ownership identification marking or label which is readily visible from the ground during daylight hours. All street lighting equipment purchased from the Company shall be so identified at the expense of Municipality no later than six (6) months from the time of purchase. In addition, Street Lighting Hardware shall have lamp fixture identification in accordance with the latest NEMA or ANSI Standard for High Intensity Discharge Lamps and Luminaires (ANSI Publication C 136.15 - 1980 and subsequent revisions). The ownership identification marking or label requirements set forth herein shall not apply in the circumstance in which Municipality has purchased all street lighting equipment in the Municipality from the Company all at one time.

## **8. MAINTENANCE OF STREET LIGHTING HARDWARE**

For each street light fixture covered by this Agreement, Municipality shall maintain the Street Lighting Hardware at its own expense. Maintenance shall not include connection or disconnection to the Company's distribution system, which shall be performed by Company personnel only. In performing such maintenance work the Municipality shall not permit its agents, employees or contractors to climb or otherwise ascend Company Owned Poles, but rather shall maintain the Street Lighting Hardware on such poles by using an aerial device. Section 53 of the Company's Terms and Conditions sets forth the additional maintenance requirements

for municipalities using contractors or municipal employees to perform street lighting maintenance work. Those provisions are incorporated herein.

Municipality may request, and the Company may agree at its sole option, that the Company provide maintenance service for street lights owned by the Municipality. For purposes of this section, maintenance service may include Routine Maintenance as defined herein, but shall be limited to maintenance requested by the Municipality and shall not include maintenance initiated by the Company under the terms of Section 10 below or requests for installation, removal, replacement or relocation of street light fixtures. Section 53 of the Company's Terms and Conditions sets forth the pricing for such maintenance services. Any requests for maintenance from the Municipality to Company shall be in writing on the form included as Exhibit B to this Agreement.

Within 7 Business Days of receipt of a request for maintenance service from the Municipality, the Company will either perform such work or provide a good faith estimate of the timeframe within which the Company will be able to complete the requested maintenance services. Within 7 Business Days of receipt of such estimate, the Municipality shall instruct the Company whether to commence with such maintenance services based on the timeframe proposed by the Company or whether the Municipality will make other arrangements for the performance of such maintenance services.

Municipality will repair or replace inoperative lighting controls for the lights owned by Municipality within sixty (60) days of failure. The Company will bill standard attachment fees for any de-energized fixtures and/or associated equipment left attached to the Company's poles for longer than sixty (60) days that is not being billed and paid for under the Company's Rate SL Electric Delivery Rate Schedule. This provision will not apply in the event that the Company is performing maintenance on behalf of Municipality and is the cause of the delay in repairing or replacing inoperative lighting equipment.

## **9. CONNECTION AND DISCONNECTION**

The Company will apply charges for connection and disconnection as set forth in the Company's Term and Condition 53 and in accordance with the Company's Rate SL Electric Delivery Rate Schedule.

The installation, maintenance, and removal of connections to the Company's secondary distribution system is restricted to authorized Company personnel. Work involving only Routine Maintenance does not require disconnection prior to the municipality or its contractor performing such work. Municipality does not need to notify the Company prior to performing any Routine Maintenance.

All existing fixtures must be fused by the Municipality within ten (10) years of the date that Municipality acquires them from the Company. All new fixtures must be fused when installed. Any existing Municipality owned street lights, or street lights acquired from the Company, will be set to operate in the "Fail Off" mode which can be phased in over the same ten (10) year period. All new fixtures will be installed to operate in the "Fail Off" mode.

## **10. INSTALLATION, REMOVAL, REPLACEMENT, AND RELOCATION**

- (a) **Municipality Requests.** Municipality shall make any request to the Company for the installation, removal, replacement and relocation of street light fixtures, or shall notify Company of its intent to install, remove or relocate any street light fixture in writing on the form included as Exhibit B to this Agreement. Within 10 Business Days of receipt of request for installation, removal, replacement or relocation of street light fixtures, the Company will provide a good faith estimate of the timeframe within which the Company will be able to complete the installation, removal, replacement or relocation.

Within 7 Business Days of receipt of such estimate, the Municipality shall instruct the Company whether to commence with the requested work based on the timeframe proposed by the Company or whether the Municipality will make other arrangements for the performance of such work.

By its approval or acceptance of any street light installation, the Company does not give any warranty, expressed or implied, as to the adequacy, safety or other characteristics of such installation; provided, however, that with respect to any street light installation that was performed by the Company, the Company warrants that such installation was performed in accordance with Good Utility Practice.

(b) Company-Initiated Work.

- (i) Non-Emergency Basis. When Company needs to replace or repair existing poles/wire configurations on a non-emergency basis (such in the event of road changes requiring pole relocation, maintenance/repair/replacement of poles, or for any other non-emergency reason), the Company will notify Municipality as far in advance of the proposed work to be performed as is practicable under the circumstances. Municipality or their contractor must remove, relocate, and reinstall municipal-owned street lighting fixtures and/or equipment at their expense. In the event that Municipality fails to remove, relocate, and reinstall municipal-owned street lighting fixtures and/or equipment in a timely manner, the Company may elect to remove, relocate, and reinstall any such undamaged municipal-owned street lighting fixtures and/or equipment and shall bill the Municipality for any cost incurred by the Company to do so, which shall be calculated by using the Connection and Installation charge applicable to additional street lights under Section 53 of the Company's Terms and Conditions .
- (ii) Emergency Basis. When Company needs to replace or repair existing poles/wire configurations on an emergency basis (such in the event of a car/pole accident), the Company may elect to remove, relocate, and reinstall any undamaged municipal-owned street lighting fixtures and/or equipment at the expense of the Municipality, in which case the Company shall bill the Municipality for any cost incurred by the Company in completing such removal, relocation and reinstallation, which shall be calculated by using the Connection and Installation charge applicable to additional street lights under Section 53 of the Company's Terms and Conditions.

## **11. BILLING**

All work performed by the Company at the expense of the Municipality shall be billed to the Municipality monthly, with reasonable itemization, at the Company's then-current rates for such work as described in the Company's Term and Condition 53, as approved by the Commission. All such bills shall be payable when rendered. Bills paid more than thirty (30) days from the date of billing shall bear interest at the rate of one percent (1%) per month from the date of billing.

## **12. PAYMENT SCHEDULE**

Municipality may purchase street lighting equipment from the Company all at one time or over a period not to exceed three (3) years. If the Municipality elects to phase in the purchase of the Company's street lights over multiple years, the Municipality must purchase all street lights billed to the Municipality's account(s) within three (3) years from the date of the first purchase. Any such purchase and sale of street lights shall be documented in either a separate Purchase and Sale Agreement or Bill of Sale between Municipality and Company.

The price for any such purchase shall be based on net book value. The Company's net book value calculation for a municipality shall show for each vintage year (1) the net amount of street lighting plant additions and retirements associated with the municipality; (2) the net accumulated depreciation amount, including depreciation expense incorporating both the depreciable life and the removal cost component for plant still in service, retirements, and actual removal and salvage costs associated with those retirements; and (3) associated income tax impacts.

If the Municipality wishes to remove rather than purchase all or some of its streetlights, the Company will determine the charge for removal and disposal costs using the following methodology. CMP will determine the weighted average age of the street lights to be removed based on the age and level of the investment. For each street light to be removed, CMP will multiply the original cost of the street light by the number of years the street light has been in service. CMP then will sum (i) the aforementioned products and (ii) the original cost of all street lights to be removed and will divide (i) by (ii). If the outcome is fifteen or greater, CMP will not assess a charge to remove the street lights. If the outcome is less than fifteen, CMP will subtract the outcome from fifteen and divide the difference by fifteen. CMP then will apply this result to the remaining net book value of the street lights to be removed to determine the charge to remove the street lights. The net book value will be based on CMP's records.

Exhibit C to this Agreement sets forth the agreed-upon payment dates and [balances] [percentages] for the purchase of the Municipality's street lighting equipment.

### **13. BREACH AND REMEDIES**

Each Party hereby agrees to carry out the terms and conditions of this Agreement, and not knowingly to take any action that would interfere with the performance of this Agreement. In the event of any breach of any of the terms or conditions of this Agreement by either Party, other than a breach for which immediate sanctions or specified cure periods are specifically provided under this Agreement, the breaching Party shall have thirty (30) days following receipt of notice from the non-breaching Party in which to cure. In the event of any uncured breach, the breaching Party shall be liable to pay the other Party any and all costs or damages caused the other Party as a result thereof.

### **14. DISPUTE RESOLUTION**

Any disputes regarding the rights or obligations of the Company or Municipality under this Agreement shall be referred to the Commission for resolution. Neither the Company nor Municipality may petition the Commission to initiate such dispute resolution procedures unless the Parties, through their respective duly authorized representatives, have first attempted in good faith to resolve the dispute.

### **15. INSURANCE REQUIREMENTS**

As a condition of installing any lighting equipment on Company poles or performing any street light maintenance on Company poles, the Municipality shall at all times maintain in place \$1 million liability insurance in the amount and under such terms as may be required by the Commission (as further set forth in Section 53 of the Company's Terms and Conditions), with the Company named as an additional insured. Such insurance shall include provisions or endorsements naming Company, its directors, officers and employees as additional insureds; provisions that the insurance is primary insurance with respect to the interest of Company; and that any insurance maintained by Company is excess and not contributory insurance with the insurance required hereunder; cross-liability or severability of insurance interest clause; and provisions that the policies shall not be cancelled or their limits of liability reduced without sixty (60) days prior written notice to

Company. Within ten (10) days after execution of this Agreement, Municipality shall, if required by the Commission to provide liability insurance, furnish to Company a copy of each insurance policy, certified as a true copy by an authorized representative of the issuing insurance company or at the discretion of Company, in lieu thereof, insurance shall be issued by insurance companies rated A- VII or better, by Best's Insurance Guide and Key Ratings, (or, if Best's Insurance Guide and Key Ratings is no longer published, an equivalent rating by another nationally recognized insurance rating agency of similar standing) or other insurance companies of recognized responsibility. The liability insurance required under this Section shall be considered excess and shall not be deemed a waiver of immunity under the Maine Tort Claims Act.

## **16. INDEMNIFICATION**

Municipality hereby agrees to indemnify, defend, and hold harmless Company, its affiliates, any other owners of poles on which Street Lighting Hardware is located pursuant to this Agreement, and the trustees, directors, officers, employees, agents, consultants, advisors and representatives of each of them (each, an "Company Indemnified Party") from and against any and all claims, judgments, demands, damages, fines, losses, interest, awards, causes of action, litigation, lawsuits, administrative proceedings or investigations, penalties and liabilities, costs and expenses (including reasonable attorneys' fees and disbursements and other reasonable costs of suit, arbitration, dispute resolution or other similar proceeding) in tort, contract, or otherwise (collectively "Liabilities") incurred or suffered by any Company Indemnified Party arising from a contractor or employee of the Municipality performing work on any Company Owned Pole; provided, however, that Municipality is not required to indemnify Company for any costs, losses, or damages resulting from work performed by Company. The foregoing indemnification provisions shall not be deemed a waiver of immunity under the Maine Tort Claims Act or any other applicable law.

## **17. CHANGE IN LAW; SEVERABILITY**

If, after the execution of this Agreement, any right or obligation of a Party under this Agreement is materially altered as the result of any revision to laws or regulations applicable to Municipal installation, ownership, or maintenance of Street Lighting Hardware on Company Owned Poles, the Parties agree to negotiate in good faith in an attempt to amend this Agreement to conform to the revised laws or regulations and to present any such agreed-upon amendment to the Commission for approval. The intent of the Parties is that any such amendment will preserve, as closely as possible, the basic intent and substance of this Agreement, as set forth herein. In the event that the Parties are unable to agree upon an amendment to this Agreement pursuant to this paragraph, the Parties agree to submit the matter to the Commission for resolution in accordance with Section 14 above.

The invalidity or unenforceability of any provisions of this Agreement shall not affect the other provisions hereof. If any provision of this Agreement is held to be invalid, such provision shall not be severed from this Agreement; instead, the scope of the rights and duties created thereby shall be reduced by the smallest extent necessary to conform such provision to the applicable law, preserving to the greatest extent the intent of the Parties to create such rights and duties as set out herein. If necessary to preserve the intent of the Parties hereto, the Parties shall negotiate in good faith to amend this Agreement, adopting a substitute provision for the one deemed invalid or unenforceable that is legally binding and enforceable. In the event that the Parties are unable to agree upon an amendment to this Agreement pursuant to this paragraph, the Parties agree to submit the matter to the Commission for resolution in accordance with Section 14 above.

## **18. MISCELLANEOUS**

(a) This Agreement may be modified only by a writing duly executed by each of the Parties hereto or by order of the Commission.

(b) This Agreement shall be construed and interpreted in accordance with the laws of the State of Maine notwithstanding any choice of law rules which may direct the application of the laws of another jurisdiction.

(c) Notices as to operational matters (such as the installation, removal, relocation and maintenance of street light fixtures) shall be provided by electronic mail as follows:

If to the Company:

[company e-mail contact]

If to the Municipality:

[Municipality e-mail contact]

All other notices hereunder (such as legal notices in the event of breach) shall be in writing and deemed duly delivered if hand delivered to the recipient, or sent by certified mail, postage prepaid or by reputable overnight delivery service. Notices shall be addressed as follows:

If to the Company:

Director  
Marketing and Sales  
Central Maine Power Company  
83 Edison Drive  
Augusta, Maine 04336

If to the Municipality: City Manager

City of Portland  
389 Congress Street  
Portland, Maine 04101

Either party may change its address by giving the other party hereto written notice thereof in the manner provided in this section.

(d) Nothing contained in this Agreement, whether express or implied, is intended to confer upon any person or entity, other than the Parties hereto, any rights or remedies.

(e) No delay or omission on the part of either Party to exercise any right accruing to it under the terms of this Agreement shall impair any such right or be deemed in any way a waiver on such Party's part, or construed as an estoppel against it, or impair any right or remedy arising subsequent thereto.

(f) The captions and section headings contained in this Agreement are for reference only, and shall not affect the construction or interpretation of any provision hereof.

(g) This Agreement may be executed simultaneously in two or more counterparts, any of which need not contain the signatures of more than one Party, but all such counterparts taken together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first written above.

WITNESS: CENTRAL MAINE POWER COMPANY

\_\_\_\_\_  
By: \_\_\_\_\_  
Its:  
Print Name:  
  
DATE: \_\_\_\_\_

WITNESS: CENTRAL MAINE POWER COMPANY

\_\_\_\_\_  
By: \_\_\_\_\_  
Its:  
Print Name:  
  
DATE: \_\_\_\_\_

WITNESS: CITY OF PORTLAND

\_\_\_\_\_  
By: \_\_\_\_\_  
Its:  
Print Name:  
  
DATE: \_\_\_\_\_

**Exhibit A**

Description and location of all street light fixtures owned by the Municipality and located on Company Owned Poles.

This is identical to Exhibit A in the Bill of Sale

80 pages listing street light assets being purchased by the City.

## EXHIBIT B

Request Form for the installation, removal, maintenance and relocation of street light fixtures.

|                                                                                                  |                                                                                                                                                                                         |                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Box 1</b></p> <p>Municipality: _____</p> <p>Date Sent: _____</p> <p>Street Name: _____</p> |  <p><b>CENTRAL MAINE<br/>POWER</b></p> <p>Municipal Street/Area<br/>Lighting Request<br/>Exhibit B</p> | <p style="text-align: right;">For CMP Use</p> <p>SAP Customer No: _____</p> <p>Account No: _____</p> <p>Notification: _____</p> <p>Work Order: _____</p> |
|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|

Please fill out **Box 1** and **Box 2**, and send to your Key Account Manager (KAM). The KAM will create a time estimate and return to you. Please then fill out **Box 3** to signify your acceptance of this agreement and return to KAM.

KAM Name: \_\_\_\_\_ Email Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_ FAX # \_\_\_\_\_

| <b>Box 2</b> (CMP will fill in grayed columns) |           |           |     |       |      |                          |                          |                          |                          |     |      |      |     |                  |
|------------------------------------------------|-----------|-----------|-----|-------|------|--------------------------|--------------------------|--------------------------|--------------------------|-----|------|------|-----|------------------|
| Pole#                                          | Road Code | Rate Code | No. | Watts | Type | REMOVE                   | INSTALL                  | MAINTENANCE              | RELOCATION               | Pad | Pole | Brkt | Guy | Estimated Amount |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
|                                                |           |           |     |       |      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |     |      |      |     |                  |
| <b>Total:</b>                                  |           |           |     |       |      |                          |                          |                          |                          |     |      |      |     |                  |

|                                                                          |
|--------------------------------------------------------------------------|
| <p><b>Notes:</b></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> |
|--------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Central Maine Power Company</b></p> <p>By (printed name): _____</p> <p>Date: <a href="#">Click here to enter a date.</a></p> <p>Signature: _____</p> <p>Date Received: <a href="#">Click here to enter a date.</a></p> <p>Estimated Completion Date: <a href="#">Click here to enter a date.</a></p> <p>Reject/reason: _____</p> | <p><b>Municipality</b></p> <p>By (printed name): _____</p> <p>Title: _____</p> <p>Date: <a href="#">Click here to enter a date.</a></p> <p>Signature: _____</p> <p>Complete Request: <input type="checkbox"/></p> <p>Drop Request: <input type="checkbox"/></p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

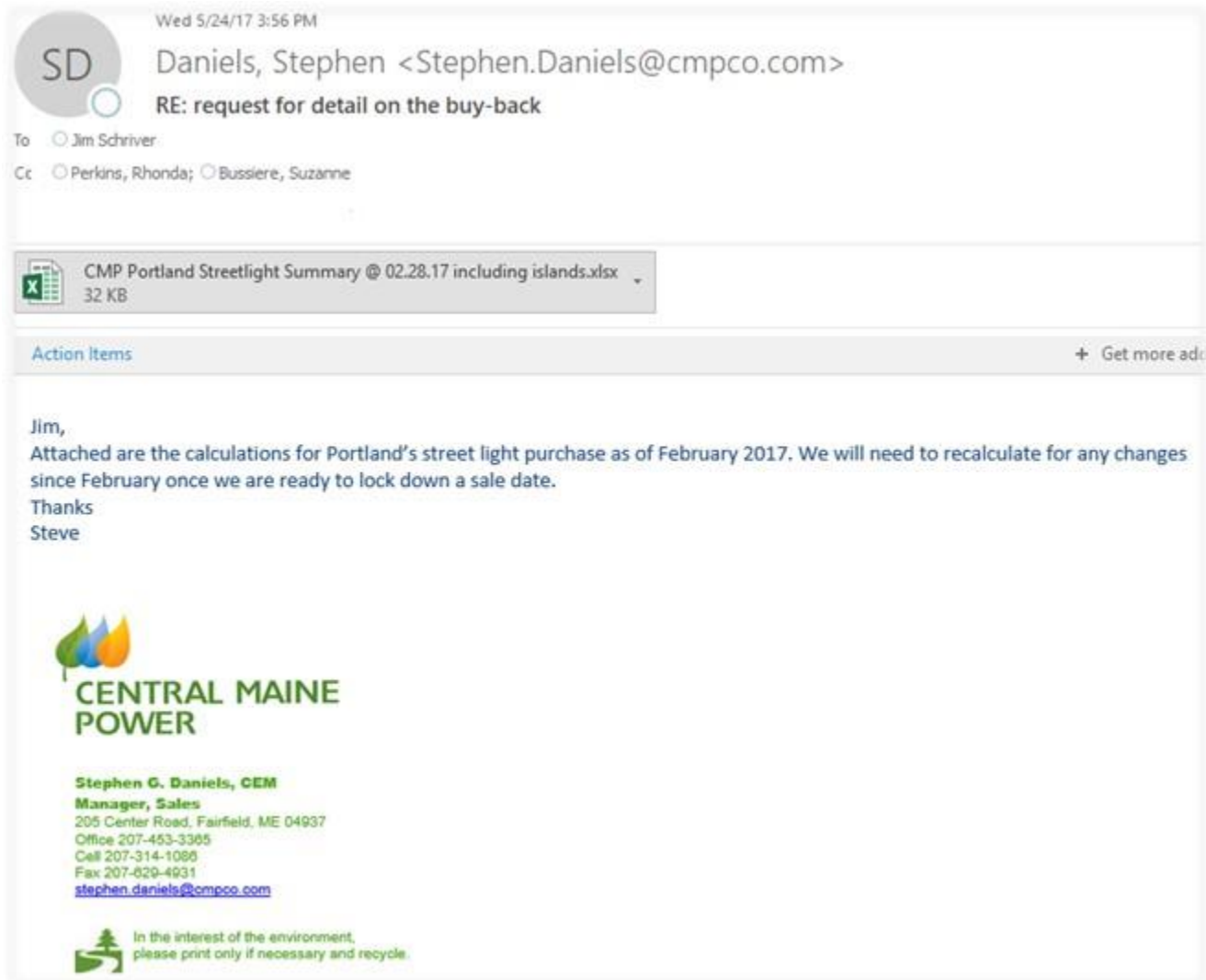
### FOR CMP USE ONLY

Effective Date of Replacement: \_\_\_\_\_ CSS Updated Completed By: \_\_\_\_\_ Date: [Click here to enter a date.](#)  
 No. Months Remaining: \_\_\_\_\_ Installed by: \_\_\_\_\_ Date: [Click here to enter a date.](#)



## EXHIBIT C

Final Net Book Value calculations to occur for closing of the street lighting equipment sale. This will account for asset depreciation since February, 2017.



| <b>Portland - Includes Islands</b>         |  |                |  |
|--------------------------------------------|--|----------------|--|
| <b>Net Book Value at February 28, 2017</b> |  |                |  |
|                                            |  |                |  |
|                                            |  |                |  |
| Net Book Value                             |  | 567,306        |  |
| Income Tax Impacts                         |  | 19,271         |  |
| Sales Proceeds                             |  | <u>586,577</u> |  |
|                                            |  |                |  |

|                                                                  | Sales Proceeds @<br>Net Book Value                                                                                                              | Gross-Up of Tax<br>Impact | Adjusted Sales<br>Proceeds                         |                                               |         |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------------------------------|-----------------------------------------------|---------|
|                                                                  |                                                                                                                                                 |                           |                                                    | <b>Deferred Tax Asset @ February 28, 2017</b> |         |
| Sales Proceeds                                                   | 567,306                                                                                                                                         | 19,271                    | 586,577                                            |                                               |         |
| Net Book Value                                                   | 567,306                                                                                                                                         |                           | 567,306                                            | Book Value                                    | 567,306 |
| Book Gain/(Loss)                                                 | 0                                                                                                                                               |                           | 19,271                                             | Tax Value                                     | 370,777 |
|                                                                  |                                                                                                                                                 |                           |                                                    | Book Vs Tax Value                             | 196,529 |
| Current Tax Expense                                              | A 80,193                                                                                                                                        |                           | 88,056                                             | Federal Def Tax @ 35%                         | 68,785  |
| Deferred Tax                                                     | (68,785)                                                                                                                                        |                           | (68,785)                                           |                                               |         |
| Net Tax Expense                                                  | 11,408                                                                                                                                          |                           | 19,271                                             |                                               |         |
| Net Income (Loss)                                                | (11,408)                                                                                                                                        |                           | 0                                                  |                                               |         |
|                                                                  |                                                                                                                                                 |                           |                                                    |                                               |         |
| Tax Calculation<br>with Proceeds<br>at Net Book Value            | Sales Proceeds - Net Book Value (4)<br>Less: Net Tax Basis (5)<br>Tax Gain/(Loss)                                                               |                           | 567,306<br>370,777<br>196,529                      |                                               |         |
|                                                                  | Federal Tax Due @ 35%                                                                                                                           |                           | 68,785                                             |                                               |         |
|                                                                  | State Tax Due @ 8.93%                                                                                                                           |                           | 17,550                                             |                                               |         |
|                                                                  | Federal benefit of state (35% x state tax)                                                                                                      |                           | (6,143)                                            |                                               |         |
|                                                                  | Total current income tax due                                                                                                                    |                           | 80,193                                             | A                                             |         |
| (C)                                                              |                                                                                                                                                 |                           |                                                    |                                               |         |
| Tax Calculation<br>with Proceeds<br>Increased for Tax<br>Impacts | Sales Proceeds - Net Book Value (4)<br>Sales Proceeds - Income Tax Impact<br>Total Sales Proceeds<br>Less: Net Tax Basis (5)<br>Tax Gain/(Loss) |                           | 567,306<br>19,271<br>586,577<br>370,777<br>215,800 |                                               |         |
|                                                                  | Federal Tax Due @ 35%                                                                                                                           |                           | 75,530                                             |                                               |         |
|                                                                  | State Tax Due @ 8.93%                                                                                                                           |                           | 19,271                                             |                                               |         |
|                                                                  | Federal benefit of state (35% x state tax)                                                                                                      |                           | (6,745)                                            |                                               |         |
|                                                                  | Total current income tax due                                                                                                                    |                           | 88,056                                             | A                                             |         |