

TIPS VENDOR AGREEMENT

Between _____ and
(Company Name)

THE INTERLOCAL PURCHASING SYSTEM (TIPS)

For

RFP 180101 Comprehensive HVAC Solutions and Services

General Information

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

The vendor Agreement shall include and incorporate by reference this Agreement, the terms and conditions, special terms and conditions, any agreed upon amendments, as well as all of the sections of the solicitation as posted, including any addenda and the awarded vendor’s proposal. Once signed, if an awarded vendor’s proposal varies or is unclear in any way from the TIPS Agreement, TIPS, at its sole discretion, will decide which provision will prevail. Other documents to be included are the awarded vendor’s proposals, task orders, purchase orders and any adjustments which have been issued. If deviations are submitted to TIPS by the proposing vendor as provided by and within the solicitation process, this Agreement may be amended to incorporate any agreed deviations.

The following pages will constitute the Agreement between the successful vendors(s) and TIPS. Bidders shall state, in a separate writing, and include with their proposal response, any required exceptions or deviations from these terms, conditions, and specifications. If agreed to by TIPS, they will be incorporated into the final Agreement.

A Purchase Order, Agreement or Contract is the TIPS Member’s approval providing the authority to proceed with the negotiated delivery order under the Agreement. Special terms and conditions as agreed to between the vendor and TIPS Member should be added as addendums to the Purchase Order, Agreement or Contract. Items such as certificate of insurance, bonding requirements, small or disadvantaged business goals are some of the addendums possible.

Terms and Conditions

Freight

All quotes to members shall provide a line item for cost for freight or shipping regardless if there is a charge or not. If no charge for freight or shipping, indicate by stating "No Charge" or "\$0" or other similar indication.

Warranty Conditions

All new supplies equipment and services shall include manufacturer's minimum standard warranty unless otherwise agreed to in writing. Vendor shall be legally permitted to sell, or an authorized dealer, distributor or manufacturer for all products offered for sale to TIPS Members. All equipment proposed shall be new unless clearly stated in writing.

Customer Support

The Vendor shall provide timely and accurate customer support to TIPS Members. Vendors shall respond to such requests within one (1) working day after receipt of the request. Vendor shall provide training regarding products and services supplied by the Vendor unless otherwise clearly stated in writing at the time of purchase. (Unless training is a line item sold or packaged and must be purchased with product.)

Agreements

All Agreements and agreements between Vendors and TIPS Members, unless otherwise agreed by the parties, shall strictly adhere to the statutes that are set forth in the Uniform Commercial Code as most recently revised for the jurisdiction of the TIPS Member.

Agreements for purchase will normally be put into effect by means of a contract, agreement or purchase order(s) executed by authorized agents of the participating government entities.

Davis Bacon Act requirements will be met when Federal Funds are used for construction and/or repair of buildings or as otherwise required by applicable statute or regulation.

Other Wage Rates may be required by some TIPS Members and acceptance of a projects by the Vendor may require the Vendor to comply with the TIPS Member's required wage rate.

Tax exempt status

A taxable item sold, leased, rented to, stored, used, or consumed by any of the following governmental entities is exempted from the taxes imposed by this chapter:(1) the United States; (2) an unincorporated instrumentality of the United States; (3) a corporation that is an agency or instrumentality of the United States and is wholly owned by the United States or by another corporation wholly owned by the United States;(4) the State of Texas; (5) a Texas county, city, special district, or other political subdivision; or (6) a state, or a governmental unit of a state that borders Texas, but only to the extent that the other state or governmental unit exempts or does not impose a tax on similar sales of items to this state or a political subdivision of this state. Texas Tax Code § 151.309. Most TIPS Members are tax exempt and the related laws of the jurisdiction of the TIPS Member shall apply.

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Assignments of Agreements

No assignment of Agreement may be made without the prior written approval of TIPS. Payment can only be made to the awarded Vendor or vendor assigned dealer.

Disclosures

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

Renewal of Agreements

The Agreement with TIPS is for one (2) year with an option for renewal for additional two (2) consecutive year. Total term of Agreement can be up to the number of years provided in the solicitation or as limited by statute. The option renewal year one shall be automatically renewed unless either party objects or terminates the agreement as provided herein at "**Termination for Convenience**".

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

Shipments

The Vendor shall ship ordered products within a commercially reasonable time after the receipt of the order. If a product cannot be shipped within that time, the Vendor shall notify TIPS and the requesting entity as to why the product has not shipped and shall provide an estimated

shipping date, if applicable. TIPS or the requesting entity may cancel the order if estimated shipping time is not acceptable.

Invoices

The awarded vendor shall submit invoices or payment requests to the TIPS Member participating entity clearly stating "Per TIPS Agreement # xxxxxx. Each invoice or pay request shall include the TIPS Member's purchase order number or other identifying designation as provided in the order by the TIPS Member. If applicable, the shipment tracking number or pertinent information for verification of TIPS Member receipt shall be made available upon request. The Vendor or vendor assigned dealer shall not invoice for partial shipments unless agreed to in writing in advance by TIPS and the TIPS Member.

Payments

The TIPS Member will make payments directly to the Vendor or vendor assigned dealer at net 30 days after receiving invoice or in compliance with applicable statute, whichever is the lessor time or as otherwise provided by an agreement of the parties.

Pricing

The Vendor agrees to provide pricing to TIPS and its participating governmental entities that is at least equal to the lowest pricing available to like cooperative purchasing customers and the pricing shall remain so throughout the duration of the Agreement. Price increases will be honored according to the terms of the solicitation. However, the Vendor shall honor previous prices for thirty (30) days after written notification to TIPS of an increase, except any price changes related to the, then current, RS Means Unit Price Book is valid. Price of a specific Job Order Contract proposal to a TIPS Member shall not change within 60 days of date of proposal as a result of an updated RS Means Unit Price Book unless agreed by the TIPS Member. All pricing submitted to TIPS shall include the participation fee, as provided in the solicitation, to be remitted to TIPS by the Vendor. Vendor will not show adding the fee to the invoice presented to customer. Failure to render the participation fee to TIPS shall constitute a breach of this agreement and shall be grounds for termination of this agreement and any other agreement held with TIPS.

Participation Fees

Vendor or vendor assigned dealer Agreements to pay the participation fee for all Agreement sales to TIPS on a monthly scheduled report. Vendor must login to the TIPS database and use the "Submission Report" section to report sales. The Vendor or vendor assigned dealers are responsible for keeping record of all sales that go through the TIPS Agreement. Failure to pay the participation fee will result in termination of Agreement. Please contact TIPS at tips@tips-usa.com or call (866) 839-8477 if you have questions about paying fees.

Indemnity

The Vendor agrees to indemnify and hold harmless and defend TIPS, TIPS Member(s), officers and employees from and against all claims and suits by third parties for damages, injuries to persons (including death), property damages, losses, and expenses including court costs and reasonable attorney's fees, arising out of, or resulting from, Vendor's work under this Agreement, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part, upon allegations of negligent or intentional acts on the part of the Vendor, its officers, employees, agents, subcontractors, licensees, or invitees. Vendor further agrees to indemnify and hold harmless and defend TIPS, TIPS Member(s), officers and employees, from and against all claims and suits by third parties for injuries (including death) to an officer, employee, agent, subcontractors, supplier or equipment lessee of the Vendor, arising out of, or resulting from, Vendor's work under this Agreement whether or not such claims are based in part upon the negligent acts or omissions of the TIPS, TIPS Member(s), officers, employees, or agents.

Multiple Vendor Awards

TIPS reserves the right to award multiple vendor Agreements per Texas Government Code §2269 for categories when deemed in the best interest of the TIPS Membership. Bidders scoring the solicitation's specified minimum score or above will be considered for an award. Categories are established at the discretion of TIPS.

State of Texas Franchise Tax

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

Miscellaneous

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

Purchase Order Pricing/Product Deviation

If a deviation of pricing/product on a purchase order or contract modification occurs, TIPS is to be notified within 48 hours of receipt of order.

Termination for Convenience

TIPS reserves the right to terminate this agreement for cause or no cause for convenience with a thirty-day written notice. Termination for convenience is required under Federal Regulations

2 CFR part 200. All purchase orders presented to the Vendor by a TIPS Member prior to the actual termination of this agreement shall be honored at the option of the TIPS Member. The awarded vendor may terminate the agreement with ninety (90) days written notice to TIPS 4845 US Hwy North, Pittsburg, Texas 75686.

TIPS Member Purchasing Procedures

Purchase orders or their equal are issued by participating TIPS Member to the awarded vendor indicating on the PO "Agreement Number". Order is emailed to TIPS at tipspo@tips-usa.com.

- Awarded vendor delivers goods/services directly to the participating member.
- Awarded vendor invoices the participating TIPS Member directly.
- Awarded vendor receives payment directly from the participating member.
- Awarded vendor reports sales monthly to TIPS (unless prior arrangements have been made with TIPS to report monthly).

Form of Agreement and Reporting

If a vendor submitting an offer requires TIPS and/or TIPS Member to sign an additional agreement, a copy of the proposed agreement must be included with the proposal.

In response to submitted supplemental Vendor Agreement documents, TIPS will review proposed vendor Agreement documents. Vendor's Agreement document shall not become part of TIPS's Agreement with vendor unless and until an authorized representative of TIPS reviews and approves it. TIPS does not require a review a TIPS Member's Job Order contract AIA version or other construction contract, but may, if requested by the Member.

This clause does not relieve the Vendor from the responsibility to report the contract execution and the amount of the contract and any change orders.

Licenses

Awarded vendor shall maintain in current status all federal, state and local licenses, bonds and permits required for the operation of the business conducted by awarded vendor. Awarded vendor shall remain fully informed of and in compliance with all ordinances and regulations pertaining to the lawful provision of services under the Agreement. TIPS reserves the right to stop work and/or cancel Agreement of any awarded vendor whose license(s) expire, lapse, are suspended or terminated.

Novation

If awarded vendor sells or transfers all assets or the entire portion of the assets used to perform this Agreement, a successor in interest must guarantee to perform all obligations under this Agreement. TIPS reserves the right to accept or reject any new party. A simple change of name agreement will not change the Agreement obligations of awarded vendor.

Site Requirements (when applicable to service or job)

Cleanup: Awarded vendor shall clean up and remove all debris and rubbish resulting from their work as required or directed by TIPS Member. Upon completion of work, the premises shall be left in good repair and an orderly, neat, clean and unobstructed condition.

Preparation: Awarded vendor shall not begin a project for which TIPS Member has not prepared the site, unless awarded vendor does the preparation work at no cost, or until TIPS Member includes the cost of site preparation in a purchase order.

Site preparation includes, but is not limited to: moving furniture, installing wiring for networks or power, and similar pre-installation requirements.

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

Smoking

Persons working under Agreement shall adhere to local smoking policies. Smoking will only be permitted in posted areas or off premises.

Marketing

Awarded vendor agrees to allow TIPS to use their name and logo within website, marketing materials and advertisement. Any use of TIPS name and logo or any form of publicity, inclusive of press release, regarding this Agreement by awarded vendor must have prior approval from TIPS.

Supplemental agreements

The TIPS Member entity participating in the TIPS Agreement and awarded vendor may enter into a separate supplemental agreement or contract to further define the level of service requirements over and above the minimum defined in this Agreement i.e. invoice requirements, ordering requirements, specialized delivery, etc. Any supplemental agreement or contract developed as a result of this Agreement is exclusively between the participating entity and awarded vendor. TIPS, its agents, TIPS Members and employees shall not be made party to any claim for breach of such agreement.

Survival Clause

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

Legal obligations

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

Audit rights

Due to transparency statutes and public accountability requirements of TIPS and TIPS Members', the awarded Vendor shall, at their sole expense, maintain appropriate due diligence of all purchases made by TIPS Member that utilizes this Agreement. TIPS and Region 8 ESC each reserve the right to audit the accounting of TIPS related purchases for a period of three (3) years from the time such purchases are made. This audit right shall survive termination of this Agreement for a period of one (1) year from the effective date of termination. In order to ensure and confirm compliance with this agreement, TIPS shall have authority to conduct random audits of Awarded Vendor's pricing that is offered to TIPS Members. Notwithstanding the foregoing, in the event that TIPS is made aware of any pricing being offered to eligible entities that is materially inconsistent with the pricing under this agreement, TIPS shall have the ability to conduct the audit internally or may engage a third-party auditing firm to investigate any possible non-complying conduct. In the event of an audit, the requested materials shall be reasonably provided in the format and at the location designated by Region 8 ESC or TIPS.

Force Majeure

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

Bonding

When applicable, performance bonds and payment bonds will be required on construction or labor required jobs. Awarded vendor will meet the TIPS Member's local and state purchasing requirements. Awarded vendors may need to provide additional capacity as jobs increase. Bonds will not require that a fee be paid to TIPS. The actual cost of the bond will be a pass through to the TIPS Member and added to the purchase order or Agreement.

Professional Engineering and Architect's Services

Professional Engineering and Architect's Services are not permitted to be provided under this Agreement. Texas statutes prohibit the procurement of Professional Engineering and Architect's Services through a cooperative agreement.

Scope of Services

The specific scope of work for each job shall be determined in advance and in writing between TIPS Member, Member's design professionals and Vendor. It is permitted for the TIPS Member to provide a general scope description, but the awarded vendor should provide a written scope of work, and if applicable, according to the TIPS Member's design Professional as part of the proposal. Once the scope of the job is agreed to, the TIPS Member will issue a PO and/or an Agreement or Contract with the Job Order Contract Proposal referenced or as an attachment along with bond and any other special provisions agreed by the TIPS Member. If special terms and conditions other than those covered within this solicitation and awarded Agreements are required, they will be attached to the PO and/or an Agreement or Contract and shall take precedence over those in this base TIPS Vendor Agreement.

Project Delivery Order Procedures

The TIPS Member having approved and signed an interlocal agreement, or other TIPS Membership document, may make a request of the awarded vendor under this Agreement when the TIPS Member has services that need to be undertaken. Notification may occur via phone, the web, email, fax, or in person. Upon notification of a pending request, the awarded vendor shall make contact with the TIPS Member as soon as possible, but must make contact with the TIPS Member within two working days.

Scheduling of Projects

Scheduling of projects (if applicable) will be accomplished when the TIPS Member issues a Purchase Order and/or an Agreement or Contract that will serve as "the notice to proceed" as agreed by the Vendor and the TIPS Member. The period for the delivery order will include the mobilization, materials purchase, installation and delivery, design, weather, and site cleanup and inspection. No additional claims may be made for delays as a result of these items. When the tasks have been completed the awarded vendor shall notify the client and have the TIPS Member or a designated representative of the TIPS Member inspect the work for acceptance under the scope and terms in the Purchase Order and/or Agreement or Contract.

The TIPS Member will issue in writing any corrective actions that are required. Upon completion of these items, the TIPS Member will issue a completion notice and final payment will be issued per the contractual requirements of the project with the TIPS Member.

Support Requirements

If there is a dispute between the awarded vendor and TIPS Member, TIPS or its representatives will assist in conflict resolution or third party (mandatory mediation), if requested by either party. TIPS, or its representatives, reserves the right to inspect any project and audit the awarded vendors TIPS project files, documentation and correspondence.

Incorporation of Solicitation

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

SECTION HEADERS OR TITLES

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

NEW STATUTORY REQUIREMENT EFFECTIVE SEPTEMBER 1, 2017.

You certify that your company (1) does not boycott Israel; and (2) will not boycott Israel during the term of the Agreement. Texas governmental entities are prohibited from doing business with companies that fail to certify to this condition as required by Texas Government Code Sec. 2270.

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

You certify that pursuant to Texas Business and Commerce Code Chapter 272, as revised September 1, 2017, any construction contract or agreement as defined in the Statute with a TIPS, Education Service Center Region 8 or a Texas TIPS Member subject to the Statute shall include a Choice of Law provision providing that this agreement shall be subject to and interpreted by the Laws of the State of Texas without regard to any conflict of laws principles for any action shall be in a court of competent jurisdiction in Texas and any arbitration shall be in the State of Texas.

Pursuant to the Texas Business and Commerce Code, as amended by the 85th Texas Legislature, this Construction Agreement for Job Order Contract services is, in the event of a dispute between the parties, subject to interpretation according to the Laws of the state of Texas only, without regard to any conflict of laws principles. Venue for any alternative dispute resolution procedure or process shall be in the state of Texas. If the dispute is litigated, venue and jurisdiction shall be in a court of competent jurisdiction in the state of Texas.

Pursuant to 85th Texas Legislative H.B. 3270, as it applies to Texas Education Code § 22.0834 et seq, the Vendor shall comply with all relevant sections related to student contact, background checks, fingerprinting and other related requirements.

Special Terms and Conditions

It is the intent of TIPS to award to reliable, high performance vendors to supply products and services to government and educational agencies. It is the experience of TIPS that the following procedures provide TIPS, the Vendor, and the participating agency the necessary support to facilitate a mutually beneficial relationship.

- **Agreements:** All vendor purchase orders and/or Agreements/Contracts must be emailed to TIPS at tipspo@tips-usa.com. Should an agency send an order direct to vendor, it is the vendor's responsibility to forward the order to TIPS at the email above within 24 business hours and confirm its receipt with TIPS.
 - **Promotion of Agreement:** It is agreed that Vendor will encourage all eligible entities to purchase from the TIPS Program. Encouraging entities to purchase directly from the Vendor and not through TIPS Agreement is a violation of the terms and conditions of this Agreement and will result in removal of the Vendor from the TIPS Program.
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Page 12 of 12 will be the TIPS Vendor Agreement Signature Page

TIPS Vendor Agreement Signature Form

RCSP 180101 Comprehensive HVAC Solutions and Services
Part 2 installation and construction on site considered a Public Work (JOC)

Company Name _____

Address _____

City _____ State _____ Zip _____

Phone _____ Fax _____

Email of Authorized Representative _____

Name of Authorized Representative _____

Title _____

Signature of Authorized Representative *MB Barton*

Date _____

TIPS Authorized Representative Name Meredith Barton

Title Vice-President of Operations

TIPS Authorized Representative Signature *Meredith Barton*

Approved by ESC Region 8 *David Wayne Fitts*

Date 3/22/18

The Interlocal Purchasing System (TIPS Cooperative) Supplier Response

Bid Information		Contact Information		Ship to Information
Bid Creator	Mr. David Mabe Vice-President of Construction	Address	Region VIII Education Service Center 4845 US Highway 271 North	Address
Email	david.mabe@tips-usa.com		Pittsburg, TX 75686	Contact
Phone	+1 (903) 243-4759	Contact	Kristie Collins, Contracts Compliance Specialist	Department
Fax	+1 (866) 749-6674			Building
Bid Number	180101 Addendum 2	Department		Floor/Room
Title	Comprehensive HVAC Solutions and Services (Two Part)	Building		Telephone
Bid Type	RFP			Fax
Issue Date	1/4/2018 08:03 AM (CT)	Floor/Room		Email
Close Date	2/16/2018 03:00:00 PM (CT)	Telephone	+1 (866) 839-8477	
		Fax	+1 (866) 839-8472	
		Email	bids@tips-usa.com	

Supplier Information

Company CES/Way Ltd.
 Address 5308 Ashbrook Dr
 Way Companies
 Houston, TX 77081
 Contact Jennifer Hinojosa
 Department
 Building
 Floor/Room
 Telephone (713) 512-9900
 Fax
 Email jhinojosa@wayservice.com
 Submitted 2/16/2018 02:18:49 PM (CT)
 Total \$0.00

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

Signature Bhoopendra Tripathi

Email btripathi@wayservice.com

Supplier Notes

The Way Companies is made of several entities two of which we have submitted information for. Way Service, Ltd. & CES/Way, Ltd. Please contact us if you should have any questions or concerns. We look forward to the opportunity to continue this partnership into the future.

Bid Notes

This is a Two-Part Solicitation

Bid Activities

Bid Messages

Bid Attributes

Please review the following and respond where necessary

#	Name	Note	Response
1	Yes - No	Disadvantaged/Minority/Women Business Enterprise - D/M/WBE (Required by some participating governmental entities) Vendor certifies that their firm is a D/M/WBE? Vendor must upload proof of certification to the "Response Attachments" D/M/WBE CERTIFICATES section.	No
2	Yes - No	Historically Underutilized Business - HUB (Required by some participating governmental entities) Vendor certifies that their firm is a HUB as defined by the State of Texas at https://comptroller.texas.gov/purchasing/vendor/hub/ or in a HUBZone as defined by the US Small Business Administration at https://www.sba.gov/offices/headquarters/ohp Proof of one or both may be submitted. Vendor must upload proof of certification to the "Response Attachments" HUB CERTIFICATES section.	No
3	Yes - No	The Vendor can provide services and/or products to all 50 US States?	No
4	States Served:	If answer is NO to question #3, please list which states can be served. (Example: AR, OK, TX)	Texas, Louisiana
5	Company and/or Product Description:	This information will appear on the TIPS website in the company profile section, if awarded a TIPS contract. (Limit 750 characters.)	Way is a local Texas company and one of the most experienced mechanical contractors, specializing in the design/build of commercial air conditioning, plumbing/piping, energy retrofits, and the maintenance of these systems.
6	Primary Contact Name	Primary Contact Name	Jennifer Hinojosa
7	Primary Contact Title	Primary Contact Title	Texas
8	Primary Contact Email	Primary Contact Email	jhinojosa@wayservice.com
9	Primary Contact Phone	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	7135129978
10	Primary Contact Fax	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	7135129893
11	Primary Contact Mobile	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	2819952720
12	Secondary Contact Name	Secondary Contact Name	B.N. "Trip" Tripathi
13	Secondary Contact Title	Secondary Contact Title	V.P. of Green Solutions Team
14	Secondary Contact Email	Secondary Contact Email	bttripathi@wayservice.com
15	Secondary Contact Phone	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	7135129987
16	Secondary Contact Fax	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	7135129893

17	Secondary Contact Mobile	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	
18	Admin Fee Contact Name	Admin Fee Contact Name. This person is responsible for paying the admin fee to TIPS.	Yvonne Cook
19	Admin Fee Contact Email	Admin Fee Contact Email	ycook@wayholding.com
20	Admin Fee Contact Phone	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	7135129951
21	Purchase Order Contact Name	Purchase Order Contact Name. This person is responsible for receiving Purchase Orders from TIPS.	Jennifer Hinojosa
22	Purchase Order Contact Email	Purchase Order Contact Email	jhinojosa@wayservice.com
23	Purchase Order Contact Phone	Enter 10 digit phone number. (No dashes or extensions) Example: 8668398477	7135129978
24	Company Website	Company Website (Format - www.company.com)	www.thewaycompanies.com
25	Federal ID Number:	Federal ID Number also known as the Employer Identification Number. (Format - 12-3456789)	46-2882668
26	Primary Address	Primary Address	5308 Ashbrook Dr.
27	Primary Address City	Primary Address City	Houston
28	Primary Address State	Primary Address State (2 Digit Abbreviation)	Texas
29	Primary Address Zip	Primary Address Zip	77081
30	Search Words:	Please list search words to be posted in the TIPS database about your company that TIPS website users might search. Words may be product names, manufacturers, or other words associated with the category of award. YOU MAY NOT LIST NON-CATEGORY ITEMS. (Limit 500 words) (Format: product, paper, construction, manufacturer name, etc.)	HVAC, controls, building automation, air conditioning, service, installation, repairs, emergency repairs, retro-commissioning, KMC, Trane, JCI, AAON, Carrier, AC, thermostats, projects, filter, belts, VRF, VAV, VFD, Cooling Tower, Chiller, air handling unit, split system, diagnose, quote, Rcx, boiler, water, pumps, energy, savings, energy savings, guaranteed savings, build out, construction, replacement, replacement services, design build, performance, energy dashboard, preventive maintenance services, proactive maintenance, Test and Inspect, preventative maintenance, trouble calls, components, parts, supplies, system replacement, equipment, calibration, efficiency, vendor neutral
31	Yes - No	Most of our members receive Federal Government grants and they make up a significant portion of their budgets. The members need to know if your company is willing to sell to them when they spend federal budget funds on their purchase. There are attributes that follow that are provisions from the federal regulations in 2 CFR part 200. Your answers will determine if your award will be designated as Federal or Education Department General Administrative Regulations (EDGAR)compliant. Is it your intent to be able to sell to our members regardless of the fund source, whether it be local, state or federal?	Yes

32	Yes - No	<p>Certification of Residency (Required by the State of Texas) The vendor's ultimate parent company or majority owner:</p> <p>(A) has its principal place of business in Texas;</p> <p>OR</p> <p>(B) employs at least 500 persons in Texas?</p>	Yes
33	Company Residence (City)	Vendor's principal place of business is in the city of?	Houston
34	Company Residence (State)	Vendor's principal place of business is in the state of?	Texas
35	Felony Conviction Notice:	<p>(Required by the State of Texas) My firm is, as outlined on PAGE 5 in the Instructions to Bidders document: (Questions 36 - 37) Statutory citation covering notification of criminal history of contractor is found in the Texas Education Code #44.034.</p> <p>Following is an example of a felony conviction notice: State of Texas Legislative Senate Bill No. 1, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district or ESC 8/TIPS must give advance notice to the district or ESC 8/TIPS if the person or an owner or operator of the business entity has been convicted of a felony.</p> <p>The notice must include a general description of the conduct resulting in the conviction of a felony."</p> <p>Subsection (b) states "a school district may terminate a contract with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract."</p>	(No Response Required)
36	Yes - No	A publicly held corporation; therefore, this reporting requirement is not applicable?	No
37	Yes - No	Is owned or operated by individual(s) who has/have been convicted of a felony?	No
38	If your firm is owned or operated by the following individual(s) who has/have been convicted of a felony:	Please provide details of the conviction. This is not necessarily a disqualifying factor and the details of the conviction determines the eligibility. Providing false or misleading information about the conviction is illegal.	
39	Pricing Information:	Pricing information section. (Questions 39 - 43)	(No Response Required)
40	Discount Offered	What is the MINIMUM percentage discount off of any item or service you offer to TIPS Members that is in your regular catalog (as defined in the RFP document), website, store or shelf pricing? This is a ceiling on your pricing and not a floor because, in order to be more competitive in the individual circumstance, you may offer a larger discount depending on the items or services purchased and the quantity at time of sale. Must answer with a number between 0% and 100%.	10%

41	TIPS administration fee	By submitting a proposal, I agree that all pricing submitted to TIPS shall include the participation fee, as designated in the solicitation or as otherwise agreed in writing and shall be remitted to TIPS by the Vendor as agreed in the Vendor agreement. I agree that the fee shall not and will not be added by the vendor as a separate line item on a TIPS member invoice, quote, proposal or any other written communications with the TIPS member.	(No Response Required)
42	Yes - No	Vendor agrees to remit to TIPS the required administration fee? TIPS/ESC Region 8 is required by Texas Government Code § 791 to be compensated for its work and thus, failure to agree shall render your response void and it will not be considered.	Yes
43	Yes - No	Do you offer additional discounts to TIPS members for large order quantities or large scope of work?	Yes
44	Start Time	Average start time after receipt of customer order is ____ working days?	2
45	Years Experience	Company years experience in this category?	100
46	Resellers:	Does the vendor have resellers that it will name under this contract? Resellers are defined as other companies that sell your products under an agreement with you, the awarded vendor of TIPS. EXAMPLE: Walmart is a reseller of Samsung Electronics. If Samsung were a TIPS awarded vendor, then Samsung would list Walmart as a reseller. (If applicable, vendor should download the Reseller/Dealers spreadsheet from the Attachments section, fill out the form and submit the document in the "Response Attachments" RESELLERS section.	No
47	Prices are guaranteed for?	Vendor agrees to honor the pricing discount off regular catalog (as defined in the RFP document), website, store or shelf pricing for the term of the award?	YES
48	Right of Refusal	Does the proposing vendor wish to reserve the right not to perform under the awarded agreement with a TIPS member at vendor's discretion?	Yes
49	NON-COLLUSIVE BIDDING CERTIFICATE	By submission of this bid or proposal, the Bidder certifies that: 1) This bid or proposal has been independently arrived at without collusion with any other Bidder or with any Competitor; 2) This bid or proposal has not been knowingly disclosed and will not be knowingly disclosed, prior to the opening of bids, or proposals for this project, to any other Bidder, Competitor or potential competitor; 3) No attempt has been or will be made to induce any other person, partnership or corporation to submit or not to submit a bid or proposal; 4) The person signing this bid or proposal certifies that he has fully informed himself regarding the accuracy of the statements contained in this certification, and under the penalties being applicable to the Bidder as well as to the person signing in its behalf. Not a negotiable term. Failure to agree will render your proposal non-responsive and it will not be considered.	(No Response Required)

- 50 Texas HB 89- Texas Government code §2270 compliance Texas 2017 House Bill 89 has been signed into law by the governor and as of September 1, 2017 will become law codified as Texas Government Code § 2270 and 808 et seq. YES
- The relevant section addressed by this form reads as follows:
Texas Government Code Sec. 2270.002. PROVISION REQUIRED IN CONTRACT. A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.
- I verify by my "YES" response to this attribute that, as a company submitting a proposal to this solicitation, that I am authorized to respond for the company and affirm that the company (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract, or any contract with the above-named Texas governmental entity in the future. I further affirm that if our company's position on this issue is reversed and this affirmation is no longer valid, that TIPS will be notified in writing by email to TIPS@TIPS-USA.com within one (1) business day and we understand that our company's failure to affirm and comply with the requirements of Texas Government Code 2270 et seq. shall result in a "no award" determination by TIPS and if a contract exists with TIPS, be grounds for immediate contract termination without penalty to TIPS and Education Service Center Region 8.
FAILURE TO RESPOND "YES" WILL RESULT IN NO CONSIDERATION OF YOUR PROPOSAL.
I swear and affirm that the above is true and correct by a "YES" response.
- 51 CONFLICT OF INTEREST QUESTIONNAIRE - FORM CIQ If you have a conflict of interest as described in this form or the Local Government Code Chapter 176, cited therein- you are required to complete and file with TIPS, Richard Powell, 4845 US Highway 271 North, Pittsburg, Texas 75686 No
- You may find the Blank CIQ form on our website at:
Copy and Paste the following link into a new browser or tab:
<https://www.tips-usa.com/assets/documents/docs/CIQ.pdf>
- Do you have any conflicts under this statutory requirement?
- 52 Filing of Form CIQ If yes (above), have you filed a form CIQ as directed here?
- 53 Regulatory Standing I certify to TIPS for the proposal attached that my company is in good standing with all governmental agencies Federal or state that regulate any part of our business operations. If not, please explain in the next attribute question. Yes
- 54 Regulatory Standing Regulatory Standing explanation of no answer on previous question.

55 Antitrust Certification Statements (Tex. Government Code § 2155.005)

By submission of this bid or proposal, the Bidder certifies that: (No Response Required)

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

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

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

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

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

Instructions for Certification:

(No Response Required)

1. By agreeing to the Attribute question #56, the vendor and prospective lower tier participant is providing the certification set out herein in accordance with these instructions.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and / or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participants," "person," "primary covered transaction," "principal," "proposal" and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this form that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this

transaction originated may pursue available remedies, including suspension and / or debarment.

57 Suspension or Debarment Certification

Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

By submitting this offer and certifying this section, this bidder:
Certifies that no suspension or debarment is in place, which would preclude receiving a federally funded contract as described above.

58 Non-Discrimination Statement and Certification

In accordance with Federal civil rights law, all U.S. Departments, including the U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. (Title VI of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Title 7 CFR Parts 15, 15a, and 15b; the Americans with Disabilities Act; and FNS Instruction 113-1, Civil Rights Compliance and Enforcement – Nutrition Programs and Activities) All U.S. Departments, including the USDA are equal opportunity provider, employer, and lender.

Not a negotiable term. Failure to agree will render your

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

59 2 CFR PART 200 Contract Provisions Explanation

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

(No Response Required)

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

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

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

60 2 CFR PART 200 Contracts

Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. Notice: Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.
Does vendor agree?

Yes

61 2 CFR PART 200 Termination

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

Yes

62	2 CFR PART 200 Clean Air Act	<p>Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).</p> <p>Pursuant to the Clean Air Act, et al above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members requires that the proposer certify that during the term of an award by the ESC Region 8 and TIPS Members resulting from this procurement process the vendor agrees to comply with all of the above regulations, including all of the terms listed and referenced therein.</p> <p>Does vendor agree?</p>	Yes
63	2 CFR PART 200 Byrd Anti-Lobbying Amendment	<p>Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.</p> <p>Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members requires the proposer certify that during the term and during the life of any contract with ESC Region 8 and TIPS Members resulting from this procurement process the vendor certifies to the terms included or referenced herein.</p> <p>Does vendor agree?</p>	Yes
64	2 CFR PART 200 Federal Rule	<p>Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000)</p> <p>Pursuant to the above, when federal funds are expended by ESC Region 8 and TIPS Members, ESC Region 8 and TIPS Members requires the proposer certify that in performance of the contracts, subcontracts, and subgrants of amounts in excess of \$100,000, the vendor will be in compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).</p> <p>Does vendor certify that it is in compliance with the Clean Air Act?</p>	Yes

65	2 CFR PART 200 Procurement of Recovered Materials	<p>A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with</p> <p>maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.</p> <p>Does vendor certify that it is in compliance with the Solid Waste Disposal Act as described above?</p>	Yes
66	Indemnification	<p>The ESC Region 8 and TIPS is a Texas Political Subdivision and a local governmental entity; therefore, is prohibited from</p> <p>indemnifying third parties pursuant to the Texas Constitution (Article 3, Section 52) except as specifically provided by law or as</p> <p>ordered by a court of competent jurisdiction. A provision in a contract to indemnify or hold a party harmless is a promise to pay for</p> <p>any expenses the indemnified party incurs, if a specified event occurs, such as breaching the terms of the contract or negligently</p> <p>performing duties under the contract. Article III, Section 49 of the Texas Constitution states that "no debt shall be created by or on</p> <p>behalf of the State ... " The Attorney General has counseled that a contractually imposed obligation of indemnity creates a "debt" in</p> <p>the constitutional sense. Tex. Att'y Gen. Op. No. MW-475 (1982). Contract clauses which require the System or institutions to</p> <p>indemnify must be deleted or qualified with "to the extent permitted by the Constitution and Laws of the State of Texas." Liquidated</p> <p>damages, attorney's fees, waiver of vendor's liability, and waiver of statutes of limitations clauses should also be deleted or qualified</p> <p>with "to the extent permitted by the Constitution and laws of State of Texas."</p> <p>Not a negotiable term. Failure to agree will render your proposal non-responsive and it will not be considered. Do you agree</p> <p>to these terms?</p>	Yes

67 Remedies	<p>The parties shall be entitled to exercise any right or remedy available to it either at law or in equity, subject to the choice of law, venue and service of process clauses limitations agreed herein. Nothing in this agreement shall commit the TIPS to an arbitration resolution of any disagreement under any circumstances. Any Claim arising out of or related to the Contract, except for those specifically waived under the terms of the Contract, may, after denial of the Board of Directors, be subject to mediation at the request of either party. Any issues not resolved hereunder must be referred to non-binding mediation to be conducted by a mutually agreed upon mediator as a prerequisite to the filing of any lawsuit over such issue(s). The parties shall share the mediator's fee and any associated filing fee equally. Mediation shall be held in Camp or Titus County, Texas. Agreements reached in mediation shall be reduced to writing, and will be subject to the approval by the District's Board of Directors, signed by the Parties if approved by the Board of Directors, and, if signed, shall thereafter be enforceable as provided by the laws of the State of Texas.</p> <p>Do you agree to these terms?</p>	Yes, I Agree
68 Remedies Explanation of No Answer		
69 Choice of Law	<p>This agreement and any addenda or other additions and all contracts or awards resulting from this procurement process, however described, shall be governed by, construed and enforced in accordance with the laws of the State of Texas, regardless of any conflict of laws principles.</p> <p>Not a negotiable term. Failure to agree will render your proposal non-responsive and it will not be considered. Do you agree to these terms?</p>	Yes
70 Jurisdiction and Service of Process	<p>Any Proceeding arising out of or relating to this procurement process or any contract issued by TIPS resulting from or any contemplated transaction shall be brought in a court of competent jurisdiction in Camp County, Texas and each of the parties irrevocably submits to the exclusive jurisdiction of said court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the Proceeding shall be heard and determined only in any such court, and agrees not to bring any proceeding arising out of or relating to this procurement process or any contract resulting from or any contemplated transaction in any other court. The parties agree that either or both of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and freely bargained for agreement between the parties irrevocably to waive any objections to venue or to convenience of forum. Process in any Proceeding referred to in the first sentence of this Section may be served on any party anywhere in the world. Venue clauses in contracts with TIPS members may be determined by the parties.</p>	Yes

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

- 71 Alternative Dispute Resolution Yes, I Agree
Prior to filing of litigation, the parties may select non-binding mediation as a method of conflict resolution for issues arising out of or relating to this procurement process or any contract resulting from or any contemplated transaction. The parties agree that if nonbinding mediation is chosen as a resolution process, the parties must agree to the chosen mediator(s) and that all mediation venue shall be at a location in Camp or Titus, County, Texas agreed by the parties. The parties agree to share equally the cost of the mediation process and venue cost.
Do you agree to these terms?
- 72 Alternative Dispute Resolution Explanation of No Answer
- 73 Infringement(s) Yes, I Agree
The successful vendor will be expected to indemnify and hold harmless the TIPS and its employees, officers, agents, representatives, contractors, assignees and designees from any and all third party claims and judgments involving infringement of patent, copyright, trade secrets, trade or service marks, and any other intellectual or intangible property rights attributed to or claims based on the Vendor's proposal or Vendor's performance of contracts awarded and approved.
Do you agree to these terms?
- 74 Infringement(s) Explanation of No Answer
- 75 Acts or Omissions Yes, I Agree
The successful vendor will be expected to indemnify and hold harmless the TIPS, its officers, employees, agents, representatives, contractors, assignees and designees from and against any and all liability, actions, claims, demands or suits, and all related costs, attorney's fees and expenses arising out of, or resulting from any acts or omissions of the vendor or its agents, employees, subcontractors, or suppliers in the execution or performance of any agreements ultimately made by TIPS and the vendor.
Do you agree to these terms?
- 76 Acts or Omissions Explanation of No Answer
- 77 Contract Governance Yes
Any contract made or entered into by the TIPS is subject to and is to be governed by Section 271.151 et seq, Tex Loc Gov't Code. Otherwise, TIPS does not waive its governmental immunities from suit or liability except to the extent expressly waived by other applicable laws in clear and unambiguous language.

78 Payment Terms and Funding Out Clause

Payment Terms:

Yes

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

Funding Out Clause:

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

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

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

Do you agree to these terms?

79 Insurance and Fingerprint Requirements Information

Insurance

(No Response Required)

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

Fingerprint

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

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

(1) will have continuing duties related to the contracted services; and

(2) has or will have direct contact with students

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

TIPS recommends all vendors consult their legal counsel for guidance in compliance with this law. If you have questions on how to comply, see below. If you have questions on compliance with this code section, contact the Texas Department of Public Safety Non-Criminal Justice Unit, Access and Dissemination Bureau, FAST-FACT at

NCJU@txdps.state.tx.us and you should send an email identifying you as a contractor to a Texas Independent School District or ESC Region 8 and TIPS. Texas DPS phone number is (512) 424-2474.

See form in the next attribute to complete entitled:

Texas Education Code Chapter 22 Contractor Certification for Contractor Employees

80 Texas Education Code Chapter 22 Contractor Certification for Contractor Employees

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

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

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

I certify that:

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

OR

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

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

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

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

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

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

Some

81 Solicitation Deviation/Compliance

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

Yes

- 82 Solicitation Exceptions/Deviations Explanation If the bidder intends to deviate from the General Conditions Standard Terms and Conditions or Item Specifications listed in this proposal invitation, all such deviations must be listed on this attribute, with complete and detailed conditions and information included or attached.
TIPS will consider any deviations in its proposal award decisions, and TIPS reserves the right to accept or reject any bid based upon any deviations indicated below or in any attachments or inclusions.
In the absence of any deviation entry on this attribute, the proposer assures TIPS of their full compliance with the Standard Terms and Conditions, Item Specifications, and all other information contained in this Solicitation.
- 83 Agreement Deviation/Compliance Does the vendor agree with the language in the Vendor Agreement? Yes
- 84 Agreement Exceptions/Deviations Explanation If the proposing Vendor desires to deviate from the Vendor Agreement language, all such deviations must be listed on this attribute, with complete and detailed conditions and information included. TIPS will consider any deviations in its proposal award decisions, and TIPS reserves the right to accept or reject any proposal based upon any deviations indicated below. In the absence of any deviation entry on this attribute, the proposer assures TIPS of their full compliance with the Vendor Agreement.
- 85 Texas Business and Commerce Code § 272 Requirements as of 9-1-2017 SB 807 prohibits construction contracts to have provisions requiring the contract to be subject to the laws of another state, to be required to litigate the contract in another state, or to require arbitration in another state. A contract with such provisions is voidable. Under this new statute, a "construction contract" includes contracts, subcontracts, or agreements with (among others) architects, engineers, contractors, construction managers, equipment lessors, or materials suppliers. "Construction contracts" are for the design, construction, alteration, renovation, remodeling, or repair of any building or improvement to real property, or for furnishing materials or equipment for the project. The term also includes moving, demolition, or excavation. BY RESPONDING TO THIS SOLICITATION, AND WHEN APPLICABLE, THE PROPOSER AGREES TO COMPLY WITH THE TEXAS BUSINESS AND COMMERCE CODE § 272 WHEN EXECUTING CONTRACTS WITH TIPS MEMBERS THAT ARE TEXAS GOVERNMENT ENTITIES. (No Response Required)

Line Items

Response Total: \$0.00

REFERENCES

Please provide three (3) references, preferably from school districts or other governmental entities who have used your services within the last three years. Additional references may be required. DO NOT INCLUDE TIPS EMPLOYEES AS A REFERENCE.

You may provide more than three (3) references.

Entity Name	Contact Person	Email	Phone
Orange County	Judge Stephen Brinton Carlton	bcarlton@co.orange.tx.us	(409) 882-7070
Polk County	Judge Sydney Murphy	county.judge@co.polk.tx.us	(936) 327-6813
Llano County	Judge Mary Cunningham	countyjudgeassistant@yahoo.com	(325) 247-7730
Lavaca County	Judge Tramer J. Woytek	danap@lavacacounty.net	(361) 798-2301
Liberty County	Judge Jay Knight	cojudge@co.liberty.tx.us	(936) 336-4665
Boling ISD	Bryan Blonar	bblonar@bolingisd.net	(979) 657-2770
Van Vleck ISD	John O' Brien	bblonar@bolingisd.net	(979) 241-2502
New Waverly ISD	Dr. Darol Hail		(936) 344- 6751
Lovelady ISD	Dr. Micah Dyer	superintendent@loveladyisd.net	(936) 636- 2212
Lago Vista ISD	Mr. Darren Webb	darren_webb@lagovista.txed.net	(512) 267-8300
Thorndale ISD	Adam Ivy	adam.ivy@thorndale.txed.net	(512) 898-2538

Certification Regarding Lobbying

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

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

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

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

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

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

Name/Address of Organization

Name/Title of Submitting Official


Signature

Date

CERTIFICATION BY CORPORATE OFFERER

IF OFFERER IS A CORPORATION,

THE FOLLOWING CERTIFICATE SHOULD BE EXECUTED AND INCLUDED AS PART OF PROPOSAL FORM/PROPOSAL FORM.

OFFERER: _____
(Name of Corporation)

I, _____ certify that I am the Secretary of the Corporation
(Name of Corporate Secretary)

named as OFFERER herein above; that

(Name of person who completed proposal document)

who signed the foregoing proposal on behalf of the corporation offerer is the authorized person that is acting as

(Title/Position of person signing proposal/offer document within the corporation)

of the said Corporation; that said proposal/offer was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.



CORPORATE SEAL if available

[Handwritten Signature]

SIGNATURE

DATE

Federal Requirements for Procurement and Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

The Education Service Center Region 8 and TIPS Members anticipate possibly using federal funds for procurement under this potential award and is required to obtain the following compliance assurance.

1. Will you be subcontracting any of your work under this award if you are successful? (Circle one)

YES or NO

2. If yes, do you agree to comply with the following federal requirements? (Circle one)

YES or NO

2 CFR §200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

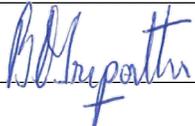
(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce ; and
- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

Company Name _____

Print name of authorized representative _____

Signature of authorized representative  _____

Date _____

Texas Government Code 2270 Verification Form

Texas 2017 House Bill 89 has been signed into law by the governor and as of September 1, 2017 will become law codified as Texas Government Code § 2270 and 808 et seq.

The relevant section addressed by this form reads as follows:

Texas Government Code Sec. 2270.002. PROVISION REQUIRED IN CONTRACT. A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

I, Bhoopendra Tripathi as an authorized representative of CES/Way, Ltd., a contractor/vendor
Insert Name of Company

engaged by

ESC Region 8/The Interlocal Purchasing System (TIPS)
4845 Highway 271 North
Pittsburg, TX, 75686

verify by this writing that the above-named company affirms that it (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract, or any contract with the above-named Texas governmental entity in the future. I further affirm that if our company's position on this issue is reversed and this affirmation is no longer valid, that the above-named Texas governmental entity will be notified in writing within one (1) business day and we understand that our company's failure to affirm and comply with the requirements of Texas Government Code 2270 et seq. shall be grounds for immediate contract termination without penalty to the above-named Texas governmental entity.

AND

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

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

B. Tripathi 2.16.18
Signature of Named Authorized Company Representative Date

FAILURE TO PROPERLY COMPLETE THIS FORM AND SUBMIT WITH YOUR RESPONSE MAY RESULT IN A WAIVER OF YOUR RIGHTS UNDER THE LAW TO MAINTAIN CONFIDENTIALITY TREATMENT OF SUBMITTED MATERIALS.

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

If you consider any portion of your proposal to be confidential information and not subject to public disclosure pursuant to Chapter 552 Tex Gov't Code or other law(s), **you must make a copy of all claimed confidential materials within your proposal and put this COMPLETED form as a cover sheet to said materials then scan, name "CONFIDENTIAL" and upload with your proposal submission.** (You must include the confidential information in the submitted proposal as well, the copy uploaded is to indicate which material in your proposal, if any, you deem confidential in the event the District receives a Public Information Request.) Education Service Center Region 8 and TIPS will follow procedures of controlling statute(s) regarding any claim of confidentiality and shall not be liable for any release of information required by law. Pricing of solicited product or service may be deemed as public information under Chapter 552 Tex Gov't Code. The Office of Texas Attorney General shall make the final determination whether the information held by Education Service Center Region 8 and TIPS is confidential and exempt from public disclosure.

If you claim that parts of your proposal are confidential, complete the top section below.

I DO NOT desire to expressly waive any claim of confidentiality as to any and all information contained within our response to the competitive procurement process (e.g. RFP, CSP, Bid, RFQ, etc.) by completing the following and submitting this sheet with our response to Education Service Center Region 8 and TIPS. The attached contains material from our proposal that I classify and deem confidential under Texas Gov't Code Sec. 552 or other law(s) and I invoke my statutory rights to confidential treatment of the enclosed materials:

Name of company claiming confidential status of material

Printed Name and Title of authorized company officer claiming confidential status of material

Address City State ZIP Phone

ATTACHED ARE COPIES OF _____ PAGES OF CONFIDENTIAL MATERIAL FROM OUR PROPOSAL

Signature _____ Date _____

If you do not claim any of your proposal to be confidential, complete the section below only.

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

Name of company expressly waiving confidential status of material

Printed Name and Title of authorized company officer expressly waiving confidential status of material

Address City State ZIP Phone

Signature BD Gupta Date 2.16.18

Vendor Certifications

Department of Energy Certified

Personnel hold other certifications and licenses including but not limited to:

Professional Engineers, Certified Energy Managers, Number Safety Council Certifications.

If requested these can be furnished at the time of selection.



Department of Energy

Washington, DC 20585

January 12, 2018

B.N. Tripathi
Vice President
Way Service, Ltd.
5308 Ashbrook Drive
Houston, TX 77081

Dear Mr. Tripathi:

Congratulations, your firm has been approved for the Department of Energy's (DOE's) Qualified List of Energy Service Companies through a process established in accordance with the Energy Policy Act of 1992. DOE's approval of your application is based on the accuracy of the submitted information and approval can be revoked if that information is determined to be inaccurate.

Firms selected for DOE's Qualified List are eligible to perform Energy Savings Performance Contracting (ESPC) at Federal agencies. Federal agencies are required to announce ESPC solicitations in the Federal Business Opportunities (FedBizOpps.gov) system, formerly the Commerce Business Daily (CBD). The FedBizOpps.gov announcements provide points of contact and instructions for obtaining solicitations. Please note that any firm may request an ESPC solicitation and respond with a proposal, but must become qualified before contract award.

Federal agencies may accept unsolicited proposals only from firms on the Qualified List. When an agency wishes to consider an unsolicited proposal, it must acknowledge receipt of the proposal in the FedBizOpps.gov and invite other firms on the Qualified List to submit competing proposals. Enclosed with this letter is a copy of 10 CFR Part 436—Federal Energy Management and Planning Programs, Subpart B—Methods and Procedures for Energy Savings Performance Contracting which details the authority of an agency to accept unsolicited proposals, as well as other procedures and methods for ESPC contracts.

Your firm's qualification is for the 2018 calendar year. To remain on the Qualified List in future years, your firm must annually certify that information previously furnished has not changed, or resubmit updated statements of qualification. The DOE Federal Energy Management Program (FEMP) initiates this update each year with a recertification letter to all firms on the Qualified List.

A copy of DOE's Qualified List is enclosed. The Qualified List can also be found on FEMP's website at: <http://energy.gov/eere/downloads/department-energy-qualified-list-energy-service-companies>. If you wish to make changes to your firm's listing, please contact Douglas Eisemann at Douglas.Eisemann@csra.com or 571-446-5637.





BOWEN MICLETTE & BRITT INSURANCE AGENCY, LLC.
1111 NORTH LOOP WEST, SUITE 400, 77008
P.O. BOX 922022
HOUSTON, TEXAS 77292-2022
(713)880-7100 FAX: (713)880-7166

January 24, 2018

Region 8 Education Service Center
4845 U.S. Hwy 271 North
Pittsburg, Texas 75686

RE: The Way Companies
RFP 180101 Comprehensive HVAC Solutions and Services

To Whom It May Concern:

We are the surety bonding agent for **The Way Companies**, of **Houston, Texas**. In this capacity, we have become very familiar with their financial, management, and operational capabilities. Way Service, Ltd. is bonded through **Hartford Fire Insurance Company (Hartford Fire)** which has an A.M. Best Rating of **A+ (Superior)** with a Financial Size Category of **XV (\$2 Billion or greater)**. **Hartford Fire** has agreed to support performance and payment bonds for single projects up to **\$10,000,000** as long as these projects fit within a **\$20,000,000** aggregate work program.

It is our understanding that Way Service, Ltd. intends to submit a proposal to you. Should you award a contract to Way Service, Ltd. and the latter accepts award, Hartford Fire is prepared to provide the 100% performance and payment bonds, and financial guarantee bonds for energy savings contracts, as required by contract, for all phases subject to the review and approval of the contract terms, conditions and related underwriting criteria. We assume no liability to third parties or to you if for any reason Hartford Fire does not execute said bonds.

We hold Way Service, Ltd. in the highest possible regard and it is our pleasure and privilege to recommend them for your consideration.

Very truly yours,

BOWEN, MICLETTE & BRITT INSURANCE AGENCY, LLC

A handwritten signature in black ink, appearing to read "David T. Miclette".

David T. Miclette
Senior Vice President

DTM/jm

Warranty information

Not Applicable

Warranty information will be provided to the customer at the time of the project or service agreement is put into place. The warranty will depend on the offering for each customer.

100

YEARS & COUNTING
 **Way Companies**

TIPS

A VALUE-ADDED SERVICE PROPOSAL

PROPOSAL: HVAC Solutions & Services

February 16, 2018

Prepared for:

Region VIII Education
Service Center
4845 US Hwy. 271 North
Pittsburg, TX 75686

Prepared by:

CES/Way, Ltd
713.512.9900
btripathi@wayservice.com

This transaction is governed by the Texas Department of Licensing and Regulation for Air Conditioning and Refrigeration Contractors, PO Box 12157, Austin, TX 78711. (512) 463-6599. License No. TACLA60624C Jeff Lovejoy.

This proposal is of a proprietary nature. It remains the property of the Way Companies.

WELCOME!

The Interlocal Purchasing System
4845 US Hwy. 271 North
Pittsburg, Texas 75686

Thank you for giving Way Companies the opportunity to provide this proposal for mechanical system services for your clients.

We are a single-source provider for facility solutions and will provide support capabilities like system design and production, modernization, replacement, and installation. We utilize a system that records, stores, and provides us with the information we need to perform the right maintenance tasks for your system. Our service technicians have access to the best technical support and training. In addition to, we have the resources to accommodate your needs because of our national account purchasing power for various parts, materials, equipment, and supplies.

All of this means, Way can save our customer's time, energy, and money through optimum comfort, efficient energy usage, system reliability, investment protection, extended equipment life, fixed maintenance costs, priority service, and peace of mind.

All Assured **Service Programs** are developed and customized with the customer based on the survey, system analysis of the facility, and previous discussions with each client. The final program is custom-tailored to meet the client's specific needs and complement the in-house staff.

We appreciate this opportunity to continue our TIPS partnership and look forward to continuing our work together.

Sincerely,

B.N. Tripathi



CONFIDENTIALITY AGREEMENT

This proposal contains proprietary information and is for the sole review and evaluation of:

This proposal contains proprietary information and is for the sole review and evaluation of:

TIPS

This proposal is the property of **The Way Companies** and may not be copied or disclosed to any other individuals or company.



PROGRAM FEATURES & OPTIONS

- Professional Proactive Maintenance
- Computerized Maintenance Scheduling
- Maintenance Supplies
- Program Administration
- Customer Assurance Reviews and Evaluations
- Refrigeration Management
- Tools & Test Equipment
- Air Filter Service
- Building Systems Analysis
- Components & Parts Replacement**
- Repair & Replacement Labor**
- Emergency Services**
- System Replacement**

PROFESSIONAL PROACTIVE MAINTENANCE

This Program includes Way's professional proactive maintenance. Without a thorough and professional preventative maintenance program, your system's performance will deteriorate while energy consumption and your operating costs will increase.

WAY'S PROGRAM INCLUDES:

- Cleaning, adjustment, lubrication, and calibration of all equipment
- Automatic temperature control service
- Operational analysis of the system
- Cleaning of equipment

WHAT THIS MEANS FOR YOU:

- Cleaning, adjustment, lubrication, and calibration of all equipment
- Automatic temperature control service
- Operational analysis of the system

COMPUTERIZED MAINTENANCE SCHEDULING

This Program includes Computerized Maintenance Scheduling for your mechanical system. Your maintenance intervals will be determined by the type of equipment you own and its operating conditions. Our maintenance experience and computer data bank of requirements will also help to determine scheduled maintenance.

WAY'S PROGRAM INCLUDES:

- Maintenance tasks based on your equipment needs
- Automatic temperature control service
- Operational analysis of the system
- Cleaning of equipment

WHAT THIS MEANS FOR YOU:

- Cleaning, adjustment, lubrication, and calibration of all equipment
- Automatic temperature control service
- Operational analysis of the system

MAINTENANCE SUPPLIES

This Program includes all required supplies to effectively implement Way's Assured Service Program.

WAY'S PROGRAM INCLUDES:

- Oils and lubricants
- Preventive maintenance materials
- Cleaning supplies

WHAT THIS MEANS FOR YOU:

- Eliminating in-house maintenance supplies minimizes administrative time
- Removes inventory costs
- Properly cleaned/maintained equipment helps prevent breakdowns, failures, and unexpected bills

PROGRAM ADMINISTRATION

This program includes local administration of the maintenance program. You will receive a detailed report following each visit by our technicians. You stay informed without having to be involved.

WAY'S PROGRAM INCLUDES:

- Monitoring maintenance performance
- Local supervision
- Performance feedback

WHAT THIS MEANS FOR YOU:

- Reduced administration involvement means lower operating costs

CARE

This Program includes **Customer Assurance Reviews and Evaluations (CARE)**. During each CARE, a Way representative will go over our performance to date, review any questions or concerns, and make necessary changes to enhance our service.

WAY'S PROGRAM INCLUDES:

- A way to constantly send/receive feedback
- Enhances our service delivery
- Helps us maintain long-term relationship

WHAT THIS MEANS FOR YOU:

- Allows us to establish and exceed your expectations
- Stay informed
- Maintain consistent, high level of service



REFRIGERANT MANAGEMENT

We support the Montreal Protocol, which limits the growth and emissions of chlorofluorocarbons (CFCs). Our goal is to implement a responsible approach for eliminating the use of CFCs. This approach allows for a realistic time frame for the development of alternatives, conservation of existing resources, and conversion of existing systems and manufacturing processes.

This Program includes all software and qualified manpower necessary to meet or exceed the EPA's requirements.

WAY'S PROGRAM INCLUDES:

- All required documentation is provided by us
- Certified and trained technicians
- Thorough record keeping

WHAT THIS MEANS FOR YOU:

- Contribute to environmental protection codes
- Meet and/or exceed legislations
- Peace of mind



TOOLS & TEST EQUIPMENT

This program includes all required tools, equipment, and training for our technicians to perform the correct maintenance and repair procedures on your equipment. In addition, we have specialty equipment used to inspect and test your systems efficiency. Our certified technicians will be informed of your requirements prior to arrival on the job site.

WAY'S PROGRAM INCLUDES:

- All required tools and test equipment
- Proper tool training for our technicians

WHAT THIS MEANS FOR YOU:

- Better troubleshooting
- Faster repairs
- Shorter down-time



AIR FILTER SERVICE

This program includes the labor to inspect and change air filters and frames. Dirty filters can cause your heating and cooling equipment to work harder and consume more energy. In fact, **dirty filters and coils can increase your energy bills by 27%**¹. Inefficient system operation caused by dirty filters and coils can result in having to repair equipment more often or replace it before its usual life expectancy. In some cases, dirty filters can even reduce employee productivity by aggravating health problems.

WAY'S PROGRAM INCLUDES:

- Filter inspection, cleaning and replacement
- Frame replacement

WHAT THIS MEANS FOR YOU:

- Extended equipment life reduces your cost of ownership
- Proper maintenance minimizes energy consumption
- Provides a cleaner, healthier environment for your employees or tenants.



BUILDING SYSTEMS ANALYSIS

The Building Systems Analysis is a comprehensive investigation and evaluation to identify any existing or potential building comfort and mechanical system problems. Expert energy and cost-effective solutions are then developed and recommended based on our Building Systems Analysis

WAY'S PROGRAM INCLUDES:

- Analysis of comfort conditions
- Complete equipment inventory
- Notations of safety hazards
- Expert recommendations on solving and preventing future problems
- HVAC system operation improvement
- Energy usage evaluation

WHAT THIS MEANS FOR YOU:

- Proactive system management
- Optimized comfort leading to improved system efficiency, reduced complaints, lower operating costs, and minimized loss potential

¹ US Department of Commerce



COMPONENTS & PARTS REPLACEMENT

The program includes the replacement of worn, failed, or doubtful components and parts. Replacements will be of like or current design to minimize system obsolescence.

WAY'S PROGRAM INCLUDES:

- Components and parts (all brands/manufacturers)
- Standard parts inventory
- Way's national purchasing power

WHAT THIS MEANS FOR YOU:

- Administrative control
- Optimized comfort leading to improved system efficiency, reduced complaints, and minimized loss potential



REPAIR & REPLACEMENT LABOR

This program includes the skilled labor to repair worn, failed or doubtful components and parts.

WAY'S PROGRAM INCLUDES:

- Labor to repair or replace all equipment
- Professionally trained technicians
- 24-hour availability
- National tech support

WHAT THIS MEANS FOR YOU:

- Controls maintenance/repair budget
- Eliminates decision of whether to repair or replace faulty components



EMERGENCY SERVICES

Every activity performed under this program is designed to minimize emergency situations, downtime, and inconvenience.

WAY'S PROGRAM INCLUDES:

- 24-hour availability
- Priority response

WHAT THIS MEANS FOR YOU:

- Reduced occupant complaints
- Reduced administrative time

SYSTEM REPLACEMENT

The program includes the replacement of the system components and parts that are non-moving and typically excluded from preventative maintenance programs. These include cabinets, coils, etc.

WAY'S PROGRAM INCLUDES:

- Total system replacement
- Guaranteed energy savings
- Troubleshooting & Labor
- 100% refrigerant replenishment

WHAT THIS MEANS FOR YOU:

- Peace of mind
- Fixed maintenance/repair costs
- Budgeted energy expenses

ASSURED SERVICE PROGRAMS BENEFITS SUMMARY

- Stabilize and control maintenance, operations, and ownership costs
- Provide a fixed and budgeted cost
- Extend your system's productive life
- Provide energy efficient operations
- Provide investment protection
- Reduce risk, downtime, breakdowns, and energy consumption
- Improve comfort conditions, productivity, and reliability
- Provide single-source responsibility and peace of mind

ADDITIONAL CAPABILITIES



Way Provides a Broad Spectrum of Facility Solutions

- Asset Management
- Innovative Funding Solutions
- Customized Service Solutions
- Full Coverage Service Agreements
- Plumbing, Lighting, & Controls
- Retro-Commissioning
- Guaranteed Energy Savings
- Turn-key solutions with in-house engineers

PROVEN SOLUTIONS

Louise ISD



Van Vleck ISD



New Waverly ISD



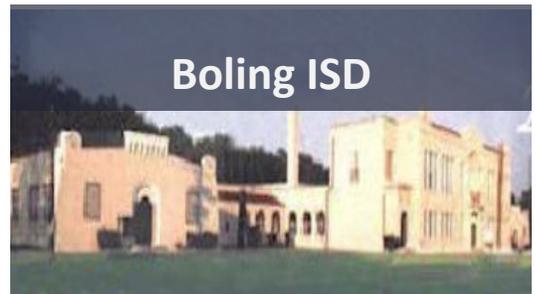
Hempstead ISD



Lago Vista ISD



Boling ISD



PLAN OF ACTION

FIRST YEAR

WEEK 1	Process agreement in system and establish account information.
WEEK 2	Introduce Operations Team, who will then gather contact/site information and procedures for our technicians to follow.
MONTH 1	Have our Service Technicians perform an initial inspection and preventive maintenance of equipment and provide a report on condition.
MONTH 2	Have Tasking Sheets complete (on track with Way's Program)
MONTH 3	Perform energy analysis.
QTR 1	Perform first CARE appointment.
QTR 2	Perform second CARE appointment.
QTR 3	Perform third CARE appointment.



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Executive Summary

The Way Companies are solely focused and dedicated to providing comprehensive energy, water and mechanical services to our clients throughout Texas. Our team of experts will develop customized solutions that meet the unique financial, environmental and sustainability goals of our.

The Way Companies' quest for building excellence began in 1918 when a modest but dedicated refrigeration business opened its doors in Houston. Few could have predicted the ensuing rise to prominence of both the city and its newest company. Today, Houston is internationally renowned and Way is one of the region's most experienced mechanical contractors, specializing in the design/build of air conditioning and plumbing systems, energy retrofits, and the maintenance of these systems.

Way has been developing and implementing performance contracts since the '80s and servicing mechanical equipment since our beginnings. The ability to remain vendor neutral and to provide a turn-key solution provides Way with an advantage over many competitors.

Our team of professionals has a proven track record of success. Members of the proposed team have worked together to deliver successful projects at local governments throughout Texas. Our team provides the highest level of quality control to consistently exceed our client's expectations.

Way very respectfully submits this statement of qualifications for TIPS RFQ for Comprehensive HVAC Solutions and Services and looks forward to working together to develop successful projects and a long-term partnership. We would like to emphasize the following differentiators that set Way apart:

Local Presence

Our experience in Texas has given us significant expertise working on permitting and managing items related to your facility's mechanical systems and energy savings performance contracting (ESPC) development and implementation. With offices in Houston, Beaumont, Austin and San Antonio, we maintain a staff dedicated to researching applicable incentive opportunities available throughout the Lone Star State. We consistently uncover grant and rebate opportunities for clients and work in collaboration to write and submit successful applications. Operating a business in today's competitive environment is difficult. Focus on productivity and service is paramount. Way can provide you with a broad spectrum of short and long-term solutions for you and your building so that you can focus on your core business.

Vendor Neutrality

As a vendor-neutral, any partnership with Way will produce an unbiased, value-based program to address the client's needs. Way is neither affiliated with nor a subsidiary of any equipment manufacturers or system manufacturers. Our HVAC and energy projects are never influenced by the sale of equipment or systems.

1.0 Business and Financial RFQs

Background and Firm Profile

General Information

Name of Firm

Way Companies

Way Service, Ltd. & CES/Way, Ltd.

Contact Information

Please reference Table 3.0 for the contact information of the pertinent members of the Way team.

Table 3.0. Pertinent Office Locations

Office	Key Contact Name, Title and Email	Address	Telephone and Fax
Primary Contacts	Kenny Milne V.P. and General Counsel bttripathi@wayservice.com	5308 Ashbrook Dr. Houston, Texas 77081	T: 713.512.9926
	Jennifer Hinojosa Marketing & Business Development jhinojosa@wayservice.com		T: 713.512.9978 F: 713.512.9893
Corporate Headquarters	David Cooper Principal dcooper@Wayholding.com	5308 Ashbrook Dr. Houston, Texas 77081	T: 713.512.9986 F: 713.666.5281
	B.N. “Trip” Tripathi Vice President bttripathi@Wayservice.com	5308 Ashbrook Dr. Houston, Texas 77081	T: 713.512.9987 F: 713.512.9893
Austin and San Antonio	Danny Kelsey Business Development dkelsey@Wayservice.com	2320 B. Donley Drive Austin, Texas 78758	T: 512.419.0909 F: 512.419.0908
Beaumont and Houston	John Riekert General Manager jriekert@Wayservice.com	1091 North Main “F” Vidor, Texas 77662	T: 409.769.1872 F: 409.769.0506
		5308 Ashbrook Dr. Houston, Texas 77081	T: 713.512.9814 F: 713.512.9893

Approach

Way’s general approach to delivering an energy performance contract is centered upon working closely with all project stakeholders to collaboratively develop solutions that meet the client’s unique operational and financial goals. We will use our expert engineering and technical capabilities to provide co-authored comprehensive solutions that maximize value—ensuring that the maximum reduction in operating costs for the lowest possible cost is delivered.

Financial Approach

Financing Sources

Way has sourced and raised project financing from various lending sources such as Tax Exempt Leasing Corp., Government Capital Corporation and other financial institutions. Using existing cash resources, cash flows from Way's operating activities, and access to credit through multiple lending relationships, Way has the resources necessary to develop, implement, and finance the clients' energy projects of nearly any size of scope. We have secured or assisted customers in securing financing for various types of utility efficiency projects ranging in size from less than \$200,000 to over \$1.5 million. Pricing varies by size, term, credit quality and structure—from 10 to over 20 years with tax-exempt interest rates from 3 to 5 percent.

Most importantly, Way will work with the client to structure a business plan that aligns with their unique goals and needs. Financing vehicles typically employed by our clients include:

- Tax-exempt lease financing
- Capital lease financing
- Installment payment financing

> Unique Funding Sources

Tax-Exempt Lease Purchase

Under a TELP structure, funds in an amount sufficient to capitalize the entire program costs are deposited at closing into an interest-bearing escrow account established by a bank escrow agent and held for the benefit of the client. These funds are invested at the direction of the client with maturities that match the timing of anticipated construction draws for program costs during the project's installation. The client will authorize the escrow agent to disburse payments to Way as work is completed during the installation period. Interest will begin to accrue at closing but the client does not make any payments until the installation period is completed. The client incurs no initial capital cost (project costs are financed through the TELP) and the aggregate annual TELP payments and any ongoing project costs (e.g. fees for monitoring and verification) would be structured such that the aggregate of those costs annually are equal to or less than guaranteed annual savings. The client retains ownership in the project, but grants a security interest to a third party financial institution during the financing term. At maturity, the security interest is released and the client retains the project free and clear.

Grants & Rebates

Way has helped a myriad of clients in obtaining creative financing. We are intimately familiar with various national grant programs and local incentive and rebate programs. We understand the various applications, the subsequent approval process and know how to fulfill the rules and regulations that govern these funding programs. The administration of these programs is delegated among many different federal government and state agencies.

- > **Bonding Letter**
See attached in separate file

Guarantee Documents and Reconciliation Process

As an integral part of its contract with our client, Way will guarantee a minimum level of energy savings over the full term of the contract. Way's guarantee provides assurance to our client that the cash inflows from the project, which include both energy and operational cost savings, if applicable, will exceed the client's cash requirements for the project, the lease payments and, if applicable and/or desired by the client, any on-going payments for the provision of operations and maintenance (O&M) services. Client will retain actual annual energy cost savings that exceed Way's guarantee.

Way believes that it is in our clients' best interests to require a savings guarantee from its energy service company partner. The chief objective of an ESPC is to use future reductions to the operating budget to amortize the cost of the energy savings performance contract over the term of the financing. Without the guarantee, the client would have no recourse against the energy service company in the event of a savings shortfall. Typically, Way clients terminate the guarantee and the associated M&V requirements after the third year of performance as long as the savings have been achieved, subject to local statutes.

At any time during the contract term, should there be a shortfall in energy cost savings identified during the annual reconciliation and correction process; Way will initially investigate the reason for the shortfall to determine if it can be remedied. If Way is unable to develop a technical solution to mitigate the savings shortfall it will make a payment to the client in the full amount of the shortfall. Payments can be in the form of a check or a credit against future billings from Way at the client's option.

2.0 Personnel RFQs

Staff Resumes

B.N. “Trip” Tripathi, PE *Vice President of the Green Solutions Team*

B.N. “Trip” Tripathi is Vice President of the Green Solutions Team for The Way Companies. The Green Solutions Team is responsible for developing and executing energy efficiency and infrastructure renewal projects in the State of Texas. He is a 39-year veteran of the energy engineering and construction industries. As an engineer, he has applied his considerable expertise to successful design build projects for a wide range of institutional applications.

Mr. Tripathi’s accomplishments in his career include overall responsibility for business development, engineering, procurement, and construction of projects across the United States. He has established and managed energy services companies in the United States, United Kingdom, Spain, and Germany.

PAST PROJECT EXPERIENCE

Houston Independent School District	\$12.75 million
<ul style="list-style-type: none">HISD received major mechanical system replacements under a guaranteed savings performance contract for 19 schools and 3 administration buildings.	
Washoe County School District <i>Reno, Nevada</i>	\$4 million
<ul style="list-style-type: none">HVAC modifications, lighting upgrades, gymnasium lighting upgrades, portable classroom improvements, transformer upgrades, computer power management, and building control systems upgrades.	
West Los Angeles College	\$14 million
<ul style="list-style-type: none">District heating and cooling plant	
City of Henderson, Nevada	\$23 million
<ul style="list-style-type: none">HVAC retrofits, 26000 street light retrofits, DDC controls, Photo Voltaic arrays, chiller and boiler replacements	
California State University	\$1.9 million
<ul style="list-style-type: none">Air handler replacements, controls, underground chilled water, and steam pole.	

**not a comprehensive list of all project experience*

EDUCATION AND LICENSES

MS, Mechanical Engineering, Clemson University
BS, Mechanical Engineering, IIT, Madras
Professional Engineer in Texas (#61845)

PROFESSIONAL AFFILIATIONS

Energy Services Coalition (Board of Directors 2003- 2009)
American Society of Heating Refrigeration and Air Conditioning Engineers

Cameron Hollomon *K-12 Market Account Manager*

Cameron Holloman is the K-12 Market Account Manager for the Green Solutions Team of The Way Companies. The Green Solutions Team is responsible for developing and executing energy efficiency and infrastructure renewal projects through capital generation for our customers. He has over a 16-year career in the facility management, energy services, environmental services, planning services and construction management. As a capital generation consultant, he has applied his considerable expertise to help clients successfully create capital dollars through energy and operational savings that funds design build projects for wide range institutional applications.

Mr. Hollomon's accomplishments in his career include overall responsibility for business development, training, funding, procurement, and construction of projects across Texas.

PAST PROJECT EXPERIENCE

Crosby ISD Bond

\$86 million

- Provided construction management and budget management for 2 years district wide. This covered all of the core facility needs of in all educational buildings in the district including but not limited to: HVAC equipment, controls, electrical, security, doors & locks, fire alarm including monitoring, fire suppression, card access, elevators, generators, chillers, boilers, pumps, lawn service, lighting, parking lots, windows, flooring, waste management, walls and ceilings, maintenance.

Silsbee ISD Bond

\$32 million

- Managed new construction and renovation including SECO project outside of bond funding. Estimated \$6 million in renovations, HVAC and controls, VAV boxes, air handler and chiller replacement, lighting retrofit, abatement and demolition. Certified test and balance and commissioning. Conducted training and warranty review for the district.

Liberty ISD Bond

\$33 million

- Total program management of 2015 bond. Energy upgrades for High School and Elementary school including total HVAC and lighting replacement, MEP, duct modifications, doors, windows, security, technology and controls. Conducted weekly and monthly budget and project updates to district administration and school board.

EDUCATION AND EXPERIENCE

Bachelor of Science, Ecology and Management, Texas A&M University, 1999

Previously TASB Planning & Construction Manager

- TASB (10 years)
- TASBO, as a consultant and presenter (2 years)
- Region IV ESC (4 years)

J. Steven Smelley | *Business Development Manager*

J. Steven Smelley, is a Business Development Manager for The Way Companies. He is responsible of implementing projects for K-12 School Districts, Counties and Cities throughout Texas. He has over 15 years of experience in the K-12 market in Texas.

Throughout his career, he is shown to be passionate about the Texas Public School System and improving the learning environment in the classroom. Smelley has served on the Texas Association of School board Administrators and was president of the Fort Bend ISD board of Trustees. He brings his Finance expertise to the K-12, City and County markets to help public entities with self-funded projects. Over 40 years, He has displayed an utmost dedication to his customer's needs. His dedication has brought him several referrals.

His motto: Service above Self

PAST PROJECT EXPERIENCE*

(D'Hanis ISD), D'Hanis, TX
\$890,000

- Completed implementation of self-funded Energy Savings project that consisted of Energy conservation measures of lighting retrofit, HVAC equipment, building control systems, occupancy sensors

(Cotulla ISD), Cotulla, TX \$1.2
million

Energy conservation measures consisted of lighting retrofit, HVAC equipment, building control systems, occupancy sensors

**not a comprehensive list of all project experience*

EDUCATION

BS Business Management, University of Houston, 1980

PROFFESIONAL AFFILIATIONS

Texas Association of School Boards

Rotary International

Cliff Finley, P.E. *Senior Project Development Engineer*

Cliff Finley is a Senior Project Development Engineer for The Way Companies. He is responsible for developing energy efficiency and infrastructure renewal projects in the State of Texas.

Cliff entered the industry in 1981 and he has become a veteran of the energy engineering and construction industry. His expertise is developing innovative solutions and finding savings to pay for them. He has the responsibility for assisting the customer in cost justification, equipment selection, and savings calculations.

PAST PROJECT EXPERIENCE

Creighton University Omaha, NE	\$1.5 million
<ul style="list-style-type: none">District Cooling System distribution system design and upgrade	
Hope ISD Hope, AR	\$2.5 million
<ul style="list-style-type: none">HVAC Modifications, Lighting Upgrades, DDC Controls, Windows, New Gymnasium HVAC	
Houston Independent School District	\$11 million
<ul style="list-style-type: none">HISD received major mechanical system replacements under a guaranteed savings performance contract including 13 ice and 3 chilled water storage systems	
Louisiana Institute of Technology	\$1.5 million
<ul style="list-style-type: none">Comprehensive performance contract with guaranteed savings validated using the IPMVP	

**not a comprehensive list of all project experience*

EDUCATION

MBA, Finance and Accounting, Saint Edward University Austin, TX
BSE, Mechanical Engineering, University of Michigan Dearborn, MI
Professional Engineer in Texas (#72646)

PROFESSIONAL AFFILIATIONS

American Society of Heating Refrigeration and Air Conditioning Engineers
Association of Energy Engineers

- Certified Energy Manager
- Certified Measurement and Verification Professional
- Green Building Engineer
- Demand Side Management Professional

Data Center Energy Practitioner

U.S. Green Building Council – Leadership in Energy and Environmental Design Accredited Professional

Derreck Aiken | *Project Supervisor*

Derreck Aiken is a Project Supervisor for *The Way Companies*. He is responsible for ensuring project completion. Covering all aspects of Project supervision like job schedules, building reputable customer relationships for the company.

With 18 years in the HVAC industry, Derreck specializes in commercial installations, as well as sheet metal work. His strenuous work in the industry is well reflected on the great relations obtained with customers

PAST PROJECT EXPERIENCE*

New Waverly ISD, *New Waverly, TX*

- Lighting, Water, and Equipment Upgrades

Liberty County, *TX*

- Lighting, Water, and Equipment Upgrades

Interfaith Ministries, *Houston, TX*

- Lighting, Water, and Equipment Upgrades

Mustang CAT (New Construction)

- Lighting, Water, and Equipment installation & upgrades

Texas Wesleyan University

- Lighting, Water, and Equipment upgrades

Concordia High School

- Lighting, Water, and Equipment upgrades

Burton ISD

- Lighting, Water, and Equipment upgrades

**not a comprehensive list of all project experience*

EDUCATION

Air Conditioning and Refrigeration Certified- Universal

Texas Class “A” Combined, Air-Conditioning & Refrigeration Contractors License

PROFFESIONAL AFFILIATIONS

American Society of Heating Refrigeration and Air Conditioning Engineers

Project Management Institute – National and Local Chapters

Maurice Mullins *Estimator/Job Development*

Maurice Mullins is a Project Estimator for The Way Companies. He is responsible of facilitating the rollout process of developing projects. Whether it's estimating, surveying, or developing scopes of work for potential projects, Maurice gets the job done efficiently.

He is a 26 year veteran of the HVAC Service/Management industry. With such tenure in the Industry, Maurice's skills range from; Estimating, pricing, as well as servicing, and running large projects.

PAST PROJECT EXPERIENCE*

Austin County, TX	\$900K
Louise ISD, Louise, TX	\$1M
Sam Houston Race Park, Houston, TX	\$200K

**not a comprehensive list of all project experience*

CERTIFICAITONS

Class A Environmental A/C license
Texas Railroad Propane Certified

Trey Calvery *Director of Project Development*

Trey Calvery is a Lead ESPC Project Developer and Energy Manager for The Way Companies Green Solutions Team. He has held various roles in the mechanical contracting and energy services industry in the last 18-years. The vast majority of that time has been spent in the design/build, project development, project management, mechanical and energy engineering realm.

His core strength is the ability to develop self-funding infrastructure redevelopment projects that not only self-fund, but also solve the most challenging issues clients face today with their existing facilities. Throughout his career, Trey has been personally instrumental in the development and execution of over \$30MM of infrastructure development and redevelopment projects. His experience, knowledge, technical expertise and relationships align him well and suite the client perfectly.

PAST PROJECT EXPERIENCE

- | | |
|---|--------|
| Llano County, <i>Llano, TX</i> | \$850K |
| <ul style="list-style-type: none">County-wide HVAC retrofit, lighting upgrades, system controls, Courthouse RCx and automation installation, energy management strategies | |
| Thorndale ISD, <i>Thorndale, TX</i> | \$350K |
| <ul style="list-style-type: none">Successfully secured a self-funding project out of minimal O&M expenses. Including HVAC, lighting and building automation upgrades. | |
| Bayou Bend Town Homes, <i>Houston, TX</i> | \$400K |
| <ul style="list-style-type: none">Complete retrofit of a 230-ton water-cooled central plant with optimized central plant controls and variable speed technologies | |
| Lago Vista ISD, <i>Lago Vista, TX</i> | \$640K |
| <ul style="list-style-type: none">Central plant optimization combined with unitary system replacement, lighting upgrades, campus wide RCx and on-going service. | |

**not a comprehensive list of all project experience*

EDUCATION AND LICENSES

Industrial Distribution – The University of Houston *Cum Laude Honors Graduate*
COC, HVAC Technology – Texas State Technical College *Presidents and Deans Honor List*

Certified Energy Manager – Association of Energy Engineers
Certified Measurement & Verification Professional – Association of Energy Engineers
Texas Class “A” Combined, Air-Conditioning Contractors License

PROFESSIONAL AFFILIATIONS AND AWARDS

Texas Energy Managers Association
American Society of Heating Refrigeration and Air Conditioning Engineers
Association of Engineers

Kenny Milne *Vice President and General Counsel*

Kenny is Vice President and General Counsel of the Way Companies. In addition to handling the company's general legal matters, he counsels the company on all legal requirements related to performance contracting with School Districts, Higher Education, Local Government, and State Agency clients, design/build contracting, and Texas Property Assessed Clean Energy statutes. Kenny works with client's legal counsel to facilitate mutually beneficial agreements for the various energy efficiency and infrastructure renewal projects as well as ensures compliance with all applicable statutes governing the projects.

Kenny's prior experience includes working as a litigator representing companies in various contractual and personal injury matters.

PAST PROJECT EXPERIENCE

New Waverly Independent School District, *New Waverly, TX*

School District of Kountze, *Kountze, TX*

Federal Flange, *Houston, TX*

Liberty County, *Liberty, TX*

Burton ISD, *Burton, TX*

EDUCATION AND LICENSES

Juris Doctor, South Texas College of Law, Cum Laude
Bachelor of Arts in Economics, The University of Texas
Texas Bar (#24051057)

PROFESSIONAL AFFILIATIONS

Texas Bar Association
Keeping PACE in Texas

Tim Rowe *Energy Analyst*

Tim Rowe is the Energy Analyst the Way Companies Green Solutions Team. He has held various roles in the mechanical contracting and energy services industry for the past 3 years. The vast majority of that time has been spent in surveying the mechanical and infrastructure conditions of facilities, gathering utility data for analysis and benchmarking, performing energy audits, and conducting the measurement & verification and reporting of our current performance contracts.

PAST PROJECT EXPERIENCE

Boling ISD, Boling, TX – *Secured an Energy Star for the district.*

Buckholts ISD, Buckholts, TX

Concordia Lutheran, Tomball, TX

Flatonia ISD, Flatonia, TX

Hempstead ISD, Hempstead, TX – *Secured an Energy Star for the district.*

Lovelady ISD, Lovelady, TX

New Waverly ISD, New Waverly, TX

Thorndale ISD, Thorndale, TX

Van Vleck ISD, Van Vleck, TX

EDUCATION AND LICENSES

Baylor University, Waco, TX
Bachelor of Arts Degree in Economics
EPA 608 Certified

PROFESSIONAL AFFILIATIONS

American Energy Engineers

Jeff Lovejoy *Director of Operations*

Jeff Lovejoy has been in the industry for over 20 years. His experience in all sectors of the business have made him the expert Director of Operations that he is today. His focus is on getting the job done right and on time. In his tenure with the Way Companies, he has successfully managed several self-funding infrastructure redevelopment projects.

PAST PROJECT EXPERIENCE

Texas Wesleyan University, Fort Worth, TX	\$6.2 million
<ul style="list-style-type: none">Co-generation driven central plant, HVAC modifications, lighting retrofits, water conservation, irrigation control, computer load management.	
City of Kountze, Texas	\$595K
<ul style="list-style-type: none">HVAC Modification, Lighting retrofits, Waste Water treatment plant upgrades.	
Liberty County	\$1.5 M
<ul style="list-style-type: none">HVAC and Lighting Retrofit, Security upgrades, Refrigeration Systems, Fire Alarm Systems	
Llano County, Llano, TX	\$850K
<ul style="list-style-type: none">County-wide HVAC retrofit, lighting upgrades, system controls, Courthouse RCx and	
Lavaca County, TX	\$721K
<ul style="list-style-type: none">County wide HVAC Retrofits and lighting upgrades, Control System Retrofits, Energy management system optimization	
New Waverly Independent School District	\$1.5 M
<ul style="list-style-type: none">HVAC and Lighting Retrofit, Security upgrades, Refrigeration Systems, Fire Alarm Systems	

**not a comprehensive list of all project experience*

EDUCATION AND LICENSES

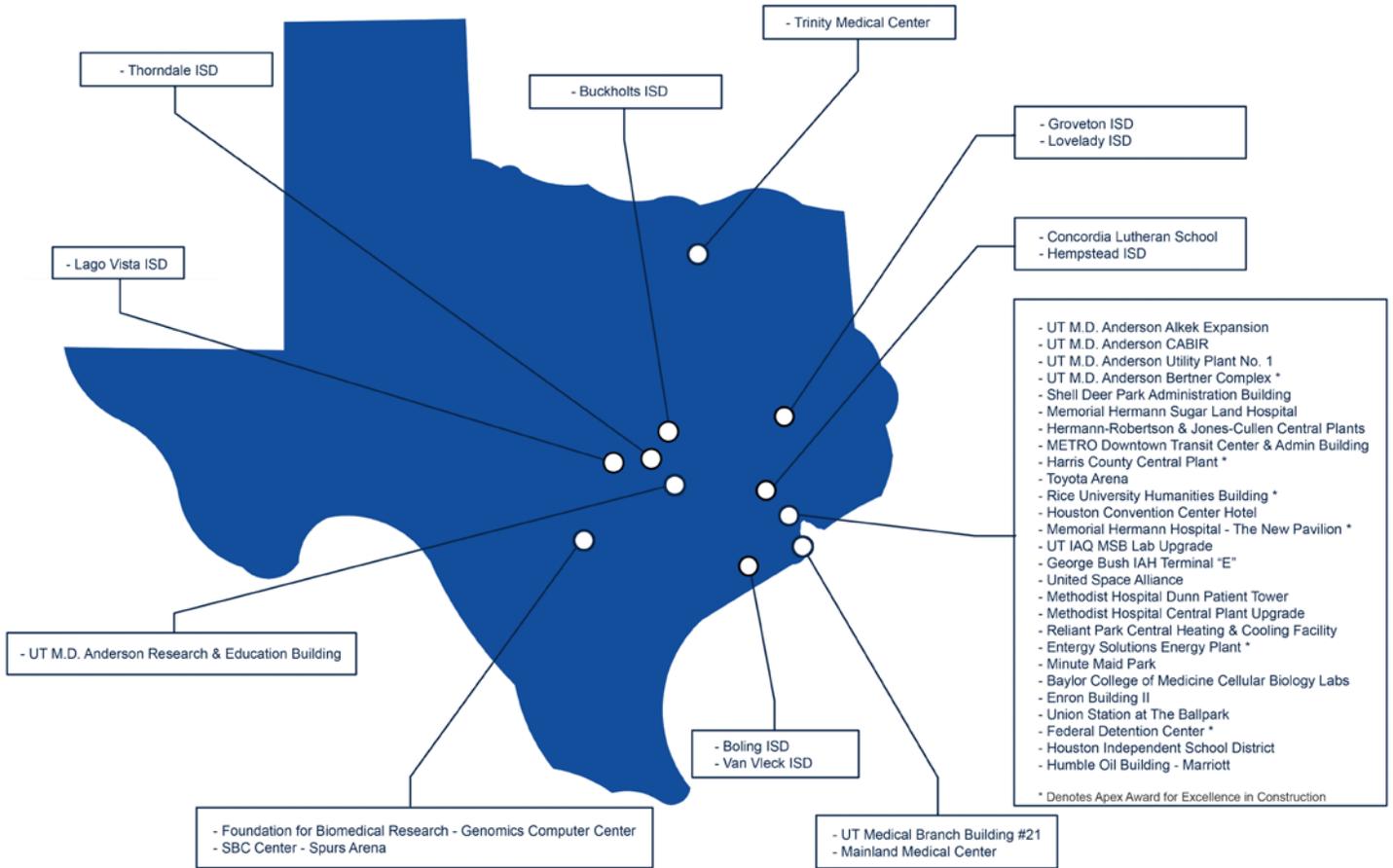
Project Management – The University of Houston
HVAC Technology – University of NH – Applied Sciences ext
HVAC Technology – Ashworth College - *Honor List*
Business Management – The University of Houston
Air Conditioning and Refrigeration Certified- Universal
Texas Class “A” Combined, Air-Conditioning & Refrigeration Contractors License
OSHA 40 Hour/CPR & First Aid Certified

PROFESSIONAL AFFILIATIONS AND AWARDS

American Society of Heating Refrigeration and Air Conditioning Engineers
Texas Air Conditioning Contractors of America
Project Management Institute – National and Local Chapters
American Water Works Association, Combined Heat and Power Association, American Schools & University Facility

3.0 Prior Project Experience

Since its formation Way has been providing energy and HVAC services throughout the state of Texas. These projects have included our in-house expertise in analysis, design, implementation and installation of ECMs. Also see resumes for more comprehensive energy conservation project experience.



Van Vleck Independent School District

Energy Saving Performance Contract

With limited capital and old buildings, Van Vleck ISD struggled to fund needed repairs throughout the district. Way introduced a solution that would upgrade the district's infrastructure, while reducing their energy and operational costs.

Total Implementation Cost

\$800,000

Achieved Energy Savings

\$150,000 annually



Services and Equipment Provided

The Way Companies arranged funding for Van Vleck ISD. The district upgrades include heating and air conditioning for the gym, as well as 40 new units of air conditioning, a campus-wide lighting upgrade, and a new roof and windows for the high school. Before the inefficient, antiquated equipment was replaced, VVISED was scheduled to pay close to \$4 million in utility bills in the next 10 years.

Louisiana State University

Energy Saving Performance Contract

LSU was the first shared savings contract to ever be executed in Louisiana. The project was so successful that LSU was able to buy out of the contract 5 years early. At the time of implementation this project was the largest performance- based energy contract to exist in the country.

Total Implementation Cost

\$18,700,000

Achieved Energy Savings

\$8,900,000



Services and Equipment Provided

The Way Companies installed a 6,200 ton chiller, driven by a 5,400 horsepower natural gas turbine. The newly installed waste heat boiler was coupled with the turbine to recover up to 25,000 pounds of steam per hour to generate up to 100,000 pounds per hour of steam using high efficiency supplemental firing. A 400,000 maintenance agreement was implemented to ensure efficient operation of the equipment.

Houston Independent School District

Energy Saving Performance Contract

HISD received major mechanical system replacements under a guaranteed savings performance contract. 19 schools and 3 administration buildings equivalent to 2,970,000 sq. feet were encompassed in the energy savings project.

Total Implementation Cost

\$12,750,000

Achieved Energy Savings

\$1,452,886



Services and Equipment Provided

The Way Companies implemented a comprehensive lighting retrofit to 22 buildings. A building energy management control system was installed to properly maintain the efficiency of the mechanical systems, helping HISD to realize potential savings. 18 chillers were either relocated or replaced to better fit each school's needs. Along with all the listed upgrades the project also included, installation of thermal storage systems, primary and secondary pumping loops, VFDs on chilled water pumps, and heat exchangers on all ice storage systems.

Thorndale Independent School

Energy Saving Performance Contract

Thorndale's school board approved a partnership with Way Companies to implement a comprehensive performance contract to make energy efficient upgrades and improve comfort conditions.

Way Companies' Green Solutions Team was able to provide a customized solution to fit Thorndale's needs. In doing so, the district decreased their energy usage and reduced the operational budget.

Total Implementation Cost

\$592,000

Achieved Energy Savings

\$106,000 annually



Services and Equipment Provided

Way's program was designed to maximize the energy savings potential for Thorndale ISD and to ensure all wish list items were covered. The program included replacement of 133 tons of HVAC equipment along with an extended parts and labor warranty. A lighting retrofit was implemented changing out all antiquated T-12 bulbs to high- efficient T-8 lighting systems. New KMC Flex stats were also installed to all operating units within the district, helping to maintain acceptable heating and cooling set points year round.

Lago Vista Independent School District

Energy Saving Performance Contract

Lago Vista's ISD school board approved a partnership with Way to implement a comprehensive performance contract to make energy efficient improvements and improve comfort conditions. The Performance Contract was entirely funded through energy and operational savings.

Total Implementation Cost

\$647,000

Achieved Energy Savings

\$95,000 annually



Services and Equipment Provided

Way's program was co-authored with Lago Vista ISD to ensure all wish list items were covered. The program included replacement of 112 tons of HVAC equipment, a campus wide lighting retrofit, an extensive recondition of the cooling tower, retro-commissioning of the existing controls, and finally the installation of variable frequency plant drives.

Hempstead Independent School District

Energy Saving Performance Contract

Way was able to fund in excess of one million dollars of equipment upgrades by using Hempstead ISD's current operational budget. After completion of the project Energy Star Certification was awarded to the school district.

Total Implementation Cost

\$1,000,000

Guaranteed Savings

\$2,500,000 over 15 year term



Services and Equipment Provided

The Way Companies' implemented a comprehensive solution which encompassed a number of energy efficient measures. A lighting retrofit was completed to include high-efficient T-8 lighting system for the entire campus. Over 300 tons of HVAC were replaced with energy efficient units. Programmable thermostats were installed on all new units throughout the campus. Extended warranties on all equipment were also secured for the district.

Additional Texas Experience

In addition to the included case studies Table 3.3 presents additional projects completed by The Way Companies.

Client	Program Implemented	Amount
Buckholts ISD	PC	\$430,000
Trinity Medical Center	Project	\$6,977,000
Groveton ISD	PC	\$450,000
Lovelady ISD	PC	\$800,000
Concordia Lutheran School	PC	\$660,000
Hempstead ISD	PC	\$1,100,000
UT M.D. Anderson Alkek Expansion	Project	\$29,915,787
UT M.D. Anderson CABIR	Project	\$12,600,000
UT M.D. Anderson UTRP Utility Plant No. 1	Project	\$5,429,424
UT M.D. Anderson Bertner Complex	Project	\$50,600,000
Shell Deer Park Administration Building	Project	\$3,400,000
Memorial Hermann Sugar Land Hospital	Project	\$10,000,000
Herrman-Robertson & Jones-Cullen Central Plants	Project	\$11,329,000
METRO Downtown Transit Center & Admin Building	Project	\$5,322,000
Harris County Central Plant	Project	\$17,500,000
Toyota Arena	Project	\$19,943,000
Rice University Humanities Building	Project	\$1,456,631
Houston Convention Center Hotel	Project	\$8,400,000
Memorial Hermann Hospital – The New Pavilion	Project	\$25,100,000
UT IAQ MSB Lab Upgrade	Project	\$15,368,954
George Bush IAH Terminal “E”	Project	\$12,188,000
United Space Alliance	Project	\$3,500,000
Methodist Hospital Dunn Patient Tower	Project	\$19,000,000
Methodist Hospital Central Plant Upgrade	Project	\$3,093,122
Reliant Park Central Heating & Cooling Facility	Project	\$6,800,000
Entergy Solutions Energy Plant	Project	\$11,900,000
Minute Maid Park	Project	\$32,000,000
Baylor College of Medicine Cellular Biology Labs	Project	\$750,000
Enron Building II	Project	\$22,900,000
Union Station at The Ballpark	Project	\$2,800,000
Federal Detention Center	Project	\$9,100,000
Houston Independent School District	Project	\$12,750,000
Humble Oil Building - Marriott	Project	\$7,635,300
UT Medical Branch Building #21	Project	\$2,736,400
Mainland Medical Center	Project	\$631,000
Boling ISD	PC	\$1,400,000
Van Vleck ISD	PC	\$960,000
Foundation for Biomedical Research – Genomics Computer Center	Project	\$2,307,000
SBC Center – Spurs Arena	Project	\$1,250,000
UT M.D. Anderson Research & Education Building	Project	\$12,950,000
Lago Vista ISD	PC	\$647,000
Thorndale ISD	PC	\$592,000

4.0 Goods and Services

Other Benefits

Way is solely focused and dedicated to providing energy services to our clients across the State of Texas, specifically within the K-12, municipal and higher educational markets. Our team of energy experts specializes in developing customized solutions that meet financial, environmental and sustainability goals through energy efficiency services, as well as alternative energy, supply management, and asset sustainability programs.

Together, we will provide a comprehensive strategy that provides a positive cash flow and economic development opportunity for our client. Through the implementation of a guaranteed savings contract with Way our client will not only address technical issues, such as HVAC, energy management, lighting, water systems, etc., but will also achieve a showcase infrastructure renewal project. Implementing a performance contract with Way will advance our client's goals because:

- We provide expert energy engineering and technical capabilities to maximize value at each phase of project development.
- We foster an environment of open and free communication to ensure the project is completed as designed on-time and within budget.
- Way has structured our business approach to identify and mitigate any technical and financial risks for the mutual benefit of the client and Way.
- Way will strictly follow the International Performance Measurement and Verification Protocol.
- Projects are developed with in-house engineering staff and projects are implemented with in-house project managers.
- Careful attention is paid to the abilities and experience of the client's staff who will be involved in the long-term operation of the new equipment and systems. We will develop a tailor made training program so your staff understands how to operate and maintain the energy and water conservation measures to maximize your return over the life of the equipment.
- Way fully guarantees its savings. Savings that exceed our guarantee will be retained by the client, and will not be allocated to shortfalls in other years. Further, we will not allocate savings that begin during the construction period to any savings guarantees.
- Our approach helps to mitigate risks by our guaranteed fixed project cost with no change orders, making sure the project will not go over budget.
- Our project teams are on-site, empowered, and encouraged to make all local site-specific decisions on all aspects of your project's performance.

While the basic concept of an ESPC is the same from one ESCO to another, each company's approach to energy audits, equipment selection, self-performance of ECMs, and many other factors differ markedly. Therefore, we would like to emphasize the key points that set us apart from the others.

- ✓ **Fast-Tracked Project Implementation:** We have experience in implementing ESPC projects from audit to construction contract with speed to meet our client's immediate schedule needs.
- ✓ **Appropriate Energy Experience:** Our team of energy professionals has a proven track record of success. Members of the proposed team have worked together to deliver successful projects for local governments (including municipalities and counties) non-profits, K-12 school districts, and others throughout Texas. Our team provides the highest level of quality control to consistently exceed our client's expectations.
- ✓ **Best Value:** Way provides a comprehensive approach to developing and managing resource conservation projects that is designed to ensure that we deliver the maximum value for the lowest possible cost. With in-house resources, Way manages development, project and construction implementation and commissioning. Because our indirect costs are lower, we can help the client implement more energy-saving measures upgrades. We directly purchase all major equipment and systems, thus avoiding the associated subcontractor markups. This approach allows Way to install our clients' preferred equipment brands rather than low-bid equipment typically furnished by subcontractors.

We also train the client's staff on the newly implemented energy saving measures and encourage behavioral modifications and community engagement to enhance resource conservation, drive additional savings, and increase overall project satisfaction.

- ✓ **Local Subcontractors (qualified and approved by the client):** Way takes pride for establishing a track record of using an average of 60 percent of our costs into the local community for construction projects.
- ✓ **Local Presence:** With offices located in Houston, Austin, San Antonio and Beaumont Way has significant expertise working on permitting and managing items related to ESPC and renewable energy development and implementation in nearly every corner of Central and South Texas. We maintain a staff dedicated to researching applicable incentive opportunities available at the local, state, and federal levels. We consistently uncover grant and rebate opportunities for our clients, and work in collaboration to write and submit successful applications.
- ✓ **Understanding of Local Climate Conditions:** Our energy professionals take the time and due diligence to understand each client's climate conditions and how to address the unique challenges and opportunities such conditions present. Texas can get very cold, hot and humid. Our history in the state has given us the knowledge to appropriately analyze the opportunities for energy savings, recommend upgrades, select materials and approach implementation, monitoring and verification of retrofits.
- ✓ **Vendor Neutrality:** As a vendor-neutral Way, a partnership with Way produces an unbiased, value-based program to address facility-wide needs. Way is neither affiliated with nor a subsidiary of any

equipment manufacturers or system manufacturers. Our energy projects are never influenced by the sale of equipment or systems. As a truly vendor neutral company, Way:

- Identifies the best solution for your facilities and priorities for the project
- Provides competitive and direct purchase of equipment, which reduces subcontractor's indirect costs
- Selects all major equipment and systems based on your unique needs
- Provides unbiased recommendations based solely on the facilities and project priorities

✓ **Community Engagement:** At any facility, three main factors influence energy consumption: equipment maintenance (i.e., the condition of that equipment), interaction with the equipment, and equipment use. To maximize the savings garnered from an ESPC, it is vitally important to educate facility users and maintenance personnel about the behaviors that affect energy consumption.

Way can also work with our client to select local subcontractors to provide jobs to community residents.

Way's truly comprehensive approach to energy efficiency gives the client the opportunity to leverage the maximum amount of savings from its investment while advancing its overarching mission of providing a healthy, sustainable, and economically robust environment for its stakeholders.

5.0 TIPS Relationship

Each of the Way operating companies (Way Service Ltd. and CES/Way Ltd.) have an existing contract with TIPS.

CONTRACT: 1032615 Comprehensive HVAC Solutions & Services
Mar-26-2015 to Mar-29-2018

CONTRACT: 170103 Energy Savings Performance Contracts
Mar-23-2017 to Mar-24-2022

6.0 Historically Underutilized Business

Not available.

7.0 Project Management Plan

Project Management

Proposal Team

Primary Responsibility	Proposed Team Member	Title
Primary Contact	Steve Smelley or Cameron Hollomon	VP of Green Solutions Team
Utility Analysis	Tim Rowe	Energy Analyst
Engineering and Design	Cliff Finely	Engineering
Contract Negotiations	Kenny Milne	V.P. General Counsel
Construction Management	Jeff Lovejoy	Project Manager
Training	Jeff Lovejoy	Project Manager
Performance Monitoring	Tim Rowe	Energy Analyst
Financing	Trip Tripathi	Vice President

Approach

Way’s approach to implementing an innovative ESPC partnership with the client is a four-phase process. We are your partner for the entire process and for the long term thereafter.

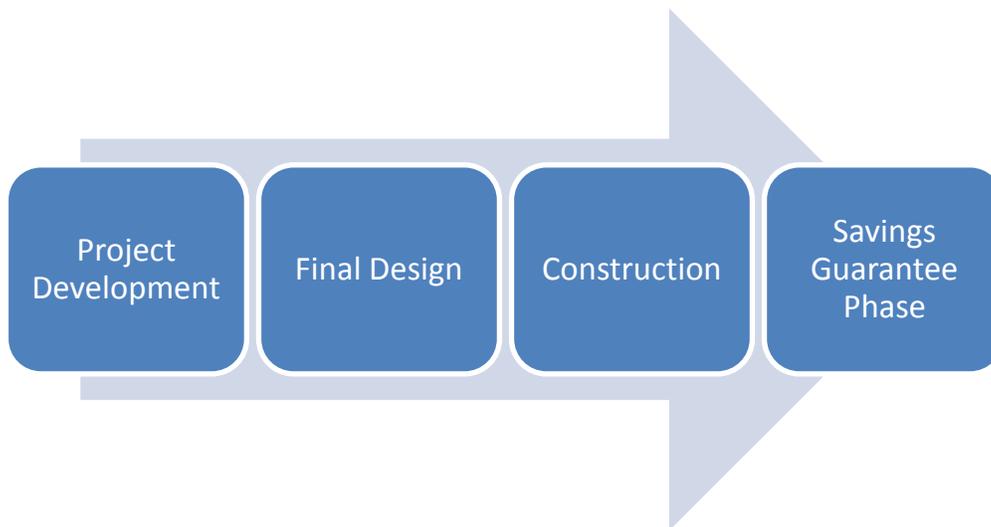


Figure 4.2. Long-Term Energy Solutions Partnership Commitment

Way's V.P. of Business Development, will ensure that effective and open lines of communication are maintained between the client and Way throughout the process. Way's V.P. of Business will work with the Way project development staff and the client to determine how best to achieve desired goals and objectives.

Phase I: Project Development

> Step 1: Customer Needs Identification

Way will partner with the client's staff to coauthor customized solutions that advance the client's fiscal, environmental and social goals and objectives. Our expert engineering and technical capabilities will provide comprehensive, mutually agreed upon solutions that maximize value, ensure the greatest reduction in operating costs for the lowest possible cost.

> Step 2: Field Data Acquisition

Way engineers gather data on utility rates, historical consumption, and facilities. This information provides the foundation needed to evaluate the technological and economic feasibility of various energy conservation measures (ECMs) and to provide insight into the greatest energy and cost savings opportunities. Way's engineers are quickly able to evaluate the feasibility of various ECMs, based on factors including utility rate structures, existing equipment and their controls, annual operating parameters and the age and condition of the building envelope. Engineers contributing to the preliminary audit will also be assigned to the detailed DEA. Way will work in close collaboration with staff and administration to gain an accurate picture of existing conditions at the client's facilities. Please reference Section 4.A, "Needs Analysis," for a detailed discussion of Way's approach to this phase of a performance contract.

> Step 3: Energy Analysis, Costing, ECM Definition

Information gathered during the field data acquisition is analyzed at this step and individual ECMs are specified. The savings potential of each ECM is determined and preliminary energy baselines are established.

In a parallel effort, the cost estimating for all of the identified ECMs is begun using a combination of contractor quotes and pricing databases. The ECMs are then subjected to further analysis, resulting in conceptual design, firm savings and implementation price. The individuals involved in the data gathering and evaluations perform the majority of the analysis. Senior project managers are also heavily involved in the cost estimating. The task of verifying and approving project implementation costs at this project development stage will typically be the responsibility of Way's General Manager.

> Step 4: Financial Modeling

The financial analysis will incorporate the cost and savings developed in the third step into the appropriate financial model(s) for the project. These models incorporate requests from the client and applicable interest rates and terms to produce a financial scenario that supports the required investment and debt service.

> Step 5: Detailed Energy audit

While the goal of the preliminary audit is to identify the potential opportunity and the ability to finance an ESPC, the DEA serves to more firmly define the scope of work and final cost. The DEA is a much deeper dive into the costs and savings associated with the project to ensure that Way has an accurate and complete understanding of all of the impacts associated with the project.

> Step 6: Permanent Financing

Once there is agreement between the client and Way on the ECMs that will be included in the project, the project can then be bid out to the financing community. This will ensure that the County secures the lowest interest rate for its loan. Our finance team will work throughout the detailed DEA process to facilitate an easy transition from audit to construction with minimal lag time and disruption. Over the past 13 years, Way personnel have financed a variety of ESPCs using vehicles such as:

- Tax-exempt lease financing
- Capital lease financing
- Off-balance, pay-from-savings financing
- Shared energy savings financing
- Installment payment financing

Based on the client's needs and objectives, a selection will be made from a variety of financing options that will be supported by Way's savings guarantee, insuring that payments will be made from the savings of the project.

> Step 7: Contract Execution

During this step, the final detailed DEA report will be presented to the client. This report will include a detailed description of the scope of work, energy calculations, measurement and verification (M&V) protocols, financing terms and conditions and facilities to be upgraded.

The resultant Energy Services Agreement will ensure that the client's facilities will be upgraded, occupants' health and safety improved and sustainability goals advanced with no up-front capital expenditure. The guaranteed energy savings will pay for the project, reduce operating costs and allow the Client to allocate more of its finite resources towards other priorities.

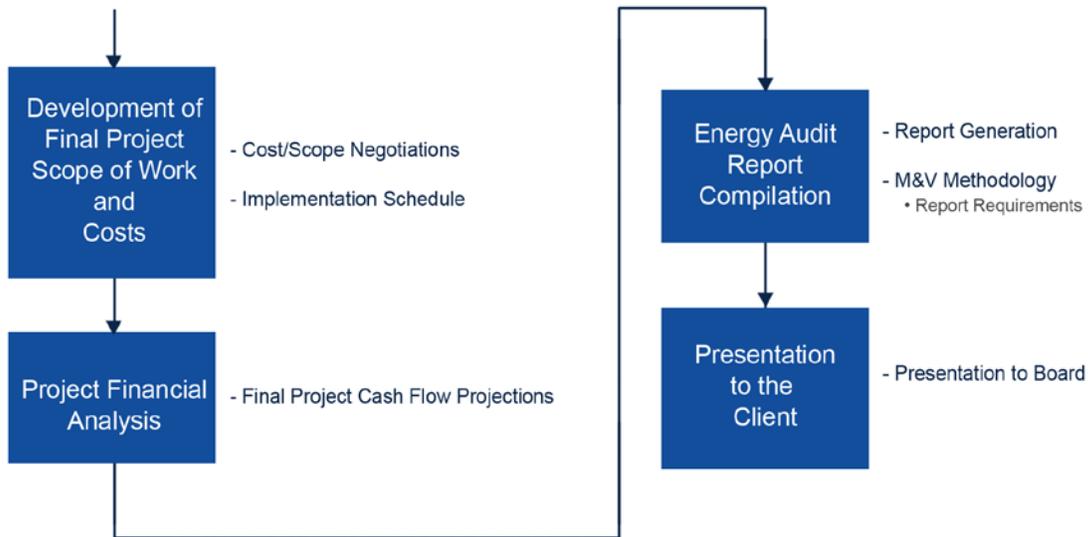


Figure 4.3. Detailed Energy audit Delivery Process Steps 5-7

Phase II: Design and Engineering

> Step 1: Detailed ECM Design

> At this step, professional engineers with many years of energy industry experience will finalize the conceptual designs. The Way engineering team will be in charge of the design and engineering work and will ensure that any intermediate design submittals are prepared for client's review in a timely fashion.

> Step 2: Equipment Specification

The final equipment selections, subject to the client's approval, will ensure that the guaranteed equipment performance and energy savings will be achieved and sustained for the full contract term.

> Step 3: Submittals, Construction Schedule, Client Approval

Following the client's final review and approval of submittals, the submittals will become formal project documents. The equipment and materials will be installed in accordance with these plans, drawings, schedules and specifications. All submittals are prepared by Way's professional engineering staff, or reviewed in the event that consultants supplemented the firm's in-house resources. A construction schedule will also be included in the submittals.

Phase III: Implementation

> Step 1: Implementation, Customer Coordination, Pre-Construction Meetings

Once the client has reviewed and approved all of the final submittals and issued a Notice to Proceed, pre-construction meetings can be held. At these meetings, client personnel and Way's project manager will confirm all of the details needed to ensure smooth implementation of the improvements at each facility including any and all site safety, security, background checks, and badging requirements.

Way's project manager will be responsible for the successful construction of the project, on schedule and within budget. Two critical roles that Way's project manager fulfills are customer service and quality assurance. The project manager will ensure a smooth and well-coordinated implementation that minimizes any negative impacts on the client's personnel, civic mission, and building constituents.

As is standard practice in all Way's construction efforts, the project manager reports directly to Way's General Manager (GM). The GM will retain ultimate responsibility for all implementation period activities. These activities include, but are not limited to, oversight of procurement and subcontracting, construction budgets/cost control, installation progress, completion, commissioning, and extending into the M&V period.

> Step 2: Equipment Procurement

As soon as Way has received the Notice to Proceed, the procurement process begins. Any equipment and materials that Way will furnish for installation will be purchased in a timely manner in order to be available for the coordinated construction efforts. Way's project manager will be responsible for procurement logistics to ensure that all of the equipment and materials meet contract specifications and that procurement is accomplished in the most cost-effective manner possible. Way is not bound by low-bid requirements and, therefore, can acquire equipment that provides the best value while meeting guaranteed performance levels. Competitive procurement solicitations are the favored and typical means of ensuring cost-effectiveness while maintaining best value.

> Step 3: Subcontract Solicitations/Executions

Similar to Way's material procurement practice, the primary focus is on the proven track record and capabilities of the firms hired to perform work at the client's facilities, whether it is installation labor only or complete turnkey service. Again, low-bid is not the deciding factor in Way's selection and award process; subcontractors are chosen based on an evaluation of their ability to add value and enhance the service provided to the client. All subcontractors must be able to accomplish the specified work on time within the budget.

Way maintains detailed subcontracting procedures that help reduce the financial and legal risks associated with subcontracting. By using standard subcontracting documents, internal review and authorization procedures, holding retainage through completion (including punch-list), requiring the client's review and sign-off on subcontracted work during the construction period and compensating our subcontractors in a timely manner, Way is well-equipped to manage the inherent risks associated with subcontracting. In this manner, Way assumes all of the performance and liability risks of its subcontractors; thereby, the client is sheltered from those same risks. Reference Tab 6.A for Way's subcontracting plan. Section I.2 includes a sample contract for subcontractors.

> Step 4: ECM Construction

As noted previously, two critical responsibilities that the senior project manager assumes are quality assurance and customer satisfaction. To fulfill the quality assurance responsibilities, Way’s project manager must ensure that equipment and materials meet the contract specifications and all work is accomplished in a timely and professional manner. To fulfill the service responsibilities, Way’s project manager will oversee all subcontractor and supply vendor activities to ensure minimal disruption. He will also serve as the primary point of contact throughout the implementation phase. All issues or concerns that arise will be addressed immediately and resolved to the client’s satisfaction. Any support that Way’s project manager requires to accomplish this level of service will be readily available, and efforts can be supplemented as needed from the reservoir of talent on Way’s staff.

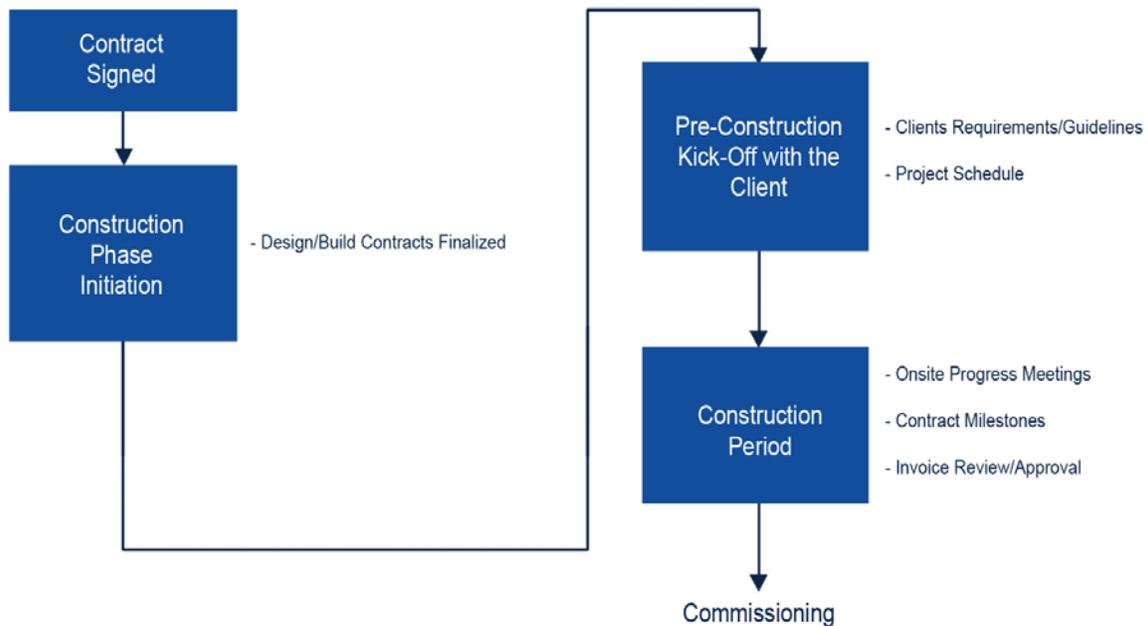


Figure 4.4. Construction Process

Way’s project manager also serves as the project safety officer and is responsible for a safe environment for all tradesmen and facility occupants. He will oversee construction-related activities to ensure compliance with all applicable OSHA, state and local codes and regulations.

> Step 5: Commissioning, Testing, Client Acceptance

When the installation of an ECM, a whole facility, or logical grouping of ECMs is completed satisfactorily, Way staff and the installation contractor will commission and test the systems in accordance with the detailed plan described in the ECM write-ups in the detailed DEA. The development and design engineering staff responsible for the conception and finalization of these measures will also assist in the commissioning phase. The client’s facilities and maintenance staff will be invited to the commissioning events to ensure their complete understanding of the new equipment and recently installed systems. Way’s operations manager will also be intimately involved in this process as part of his responsibility for long-term M&V activities.

A significant amount of responsibility is placed upon Way’s project manager. For that reason, the individuals who perform these services for Way are extremely experienced and selected for particular projects based upon their unique skill sets and base of operations. In light of the responsibility placed on Way’s project managers, they are vested with a corresponding level of authority to control the project’s progress and all related activities and provided with all the support that is required to successfully accomplish their tasks.

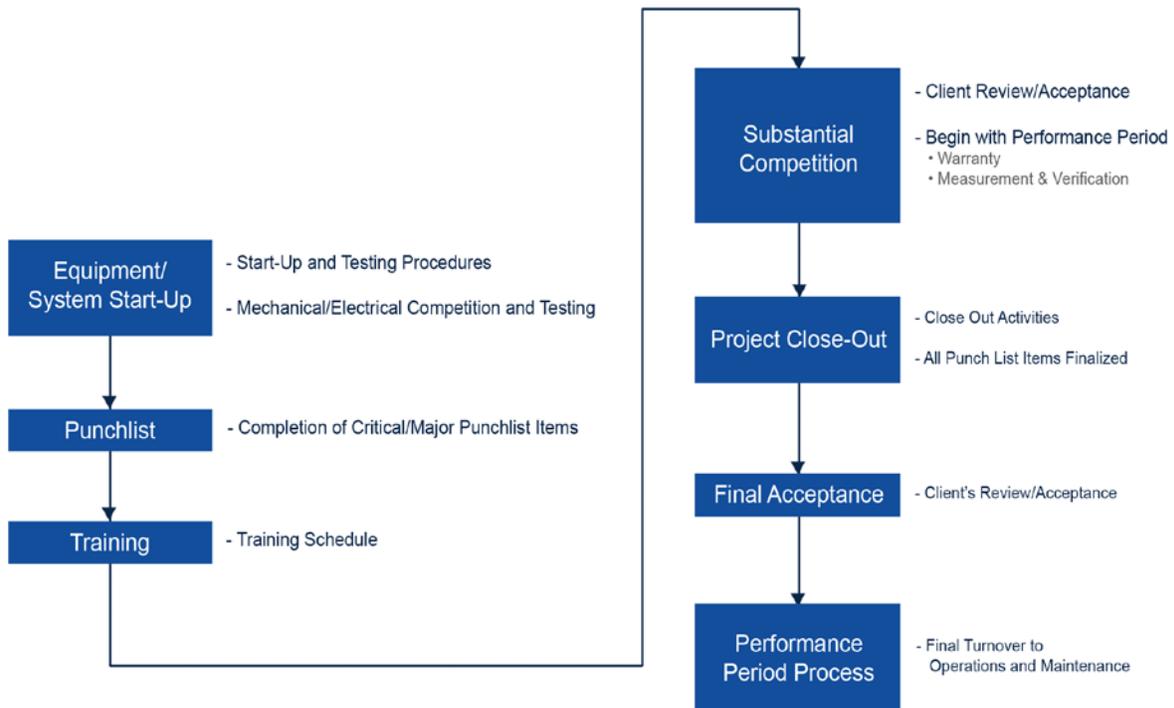


Figure 4.5. Commissioning Process

Phase IV: Performance Period Services

> Step 1: Client Training

Training of client's staff involved in the long-term operation of the new equipment and systems is of paramount importance. A strong focus on energy savings strategies and maintenance schedules will be provided to those individuals. Familiarity gained with the systems, facilities and client's personnel during the implementation phase make the senior project manager the perfect candidate to supervise those training efforts. By providing training in the proper operation and maintenance of the newly installed ECMs, both Way and the client are assured of sustained performance of the equipment and persistency of energy savings.

Training typically commences during the commissioning phase when the client staff will be acquainted with the new equipment and systems. Training will be conducted in a classroom setting at the client facilities, and will be documented on video to ease training of newly acquired staff or provide refresher courses for veterans. The basic format includes an introduction to the overall installation so everyone understands the benefits of the equipment and systems. Each ECM will be explained in detail, including how to operate, maintain and troubleshoot. Documentation will include review of operations and maintenance (O&M) manuals, drawings and equipment specification literature. A hands-on approach will be encouraged to ensure understanding of all presented material. The training will emphasize equipment users' essential role in energy conservation, as poorly maintained equipment will not perform as efficiently as possible.

Way will make provisions with the client to conduct training sessions at remote sites if needed. Informal training can also be provided throughout the contract term and may be accomplished in conjunction with an O&M contract.

> Step 2: Optional Operation & Maintenance Services

If the client desires, Way can offer a comprehensive O&M service plan in the proposal. This O&M plan will help to ensure that energy savings are maintained over the term of the contract and extend the useful life of installed equipment. Responsibility for managing this ongoing service will be assigned to Way's Operations Manager

Client shall retain full and complete authority over their equipment and facilities during the contract term. Therefore, the client may choose to perform the O&M internally and/or have the O&M performed by others at their discretion, provided all maintenance procedures meet or exceed the standards set forth in the contract. These standards shall be clear, concise and thoroughly documented as part of the training. O&M manuals will be submitted to the client upon commencement of the performance period services. In the event that the client deems it appropriate to accomplish the required O&M through a third party, these standards shall serve as a minimum level of service.

> Step 3: Long-Term Measurement and Verification, Annual Reconciliation

Long-term M&V services and annual reconciliation of performance and savings will be carried out in accordance with the site specific M&V plan. The M&V plan presented in the proposal will be written in accordance with the International Performance Measurement and Verification Protocol, the highest international guideline established to aid agencies in understanding M&V procedures. The M&V specialist will be instrumental in creating the M&V plans for the project and will finalize these plans as part of the detailed DEA process. With his responsibility for satisfactory long-term M&V and project performance, the M&V specialist will oversee the M&V of this project in conjunction with local personnel.

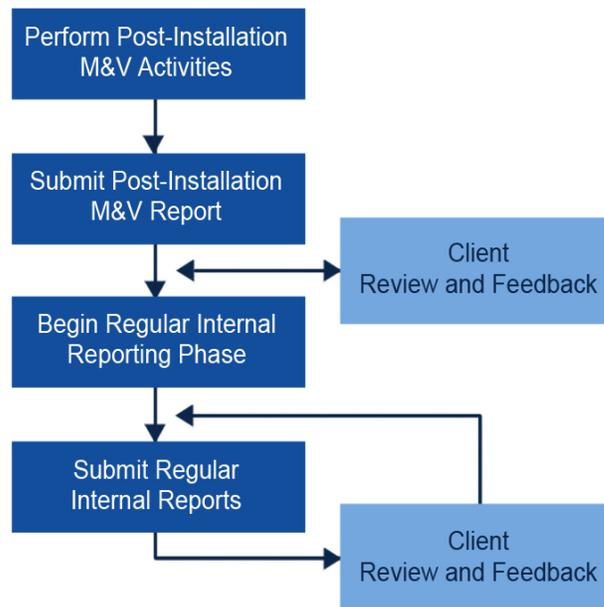


Figure 4.6. Measurement and Verification Process

C.2 Team Member Responsibilities

Way has assembled an experienced team of engineers and project managers to develop and implement an ESPC for the client. Resumes of these individuals are provided in Appendix B. At all stages of the project, a direct Way employee will be responsible for management and oversight of:

- Detailed Energy audit
- Training and commissioning

- Engineering and design
- Project and construction management
- Finance
- Measurement and verification
- Operation and maintenance

> Account Management

During the development of the project The Quarterback of Business Development, will be the primary contact for the client performance contract, and the designated Way team will support him in all aspects of the project. The Quarterback's responsibilities will include:

- Communication between all parties; ensuring client satisfaction and clarity in exchange of ideas and information
- Identifying key goals and objectives
- Ensuring that all expectations of the client personnel are met or exceeded
- Ensuring the proper development of financial and technical solutions
- Developing and coordinating all agreements, terms and conditions
- Coordinating interaction with the client's personnel and the Way team
- Expediting the approval process through all required channels
- Ensuring that all desired ECMs and improvements are included in the final scope of work and contract

Primary Contact

- Quarterback of Business Development – Cameron Hollomon or Steve Smelley

> Detailed Energy audit

Way has the in-house energy expertise necessary to design and select the appropriate technologies and improvements for an ESPC. Once the project is fully developed, the Way engineers and operations team will ensure that our subcontractors receive the necessary detailed engineering documentation.

- Complete project development, design and engineering and ensure the most technically appropriate solutions are developed
- Provide baseline energy consumption and cost savings calculations
- Provide an M&V plan
- Provide ECM development and assessment
- Select subcontractors and provide project pricing

Primary Contacts, Engineering and Design Work

- Cliff Finley, Project Developer
- Tim Rowe, Energy Auditor

Primary Contact, Utility Analysis

- Tim Rowe, Energy Auditor

> Project and Construction Management and Training

Before the contract is awarded, a Way project manager will be assigned and will be the single point of contact during the implementation phase. Regular meetings will be held with the client's ESPC program participants to ensure compliance with the schedule and a smooth installation. Project management is composed of:

- Select subcontractors and development of the related scope of work
- Evaluate the DEA to ensure competitive pricing and quality materials
- Coordinate with other construction projects that may coincide with our schedule
- Development of a construction project schedule in collaboration with client staff and administration to minimize any potential disruptions to business operations
- Compliance with all state and local regulatory, permitting, and licensing requirements
- Procure all subcontractors/vendors/suppliers
- Provide regular inspections of the work site
- Provide compliance with the contract documents
- Provide oversight of start-up, testing and balancing
- Provide commissioning
- Conduct training
- Provide and manage project safety
- Provide project closeout

Primary Contacts, Construction Management

- Jeff Lovejoy, Project Manager
- Derrick Aiken, Project Manager
- John Riekert, General Manager

Primary Contacts Training

- Jeff Lovejoy, Project Manager

All of these objectives are achieved with safety as our number one focus. Safety is a core company value and underlies all of the activities we undertake. At 0.70, Way's Experience Modification Rating is one of the best in the industry. No financial goal, work task, client deliverable, or schedule demand is worth an

injury or environmental compromise. It is the responsibility of every Way employee, supplier, contractor, partner and vendor to strive at all times and on every work assignment to work safely and in an environmentally responsible fashion.

> Performance Monitoring

Way will be responsible for the post installation M&V of energy savings associated with the ESPC project. Way's M&V specialist will:

- Develop M&V plan based on ECMs selected
- Develop the schedule for reporting
- Coordinate site visits
- Provide and retrieve documentation as required to evaluate savings
- Provide reports as outlined in the M&V plan

Primary Contacts

- Tim Rowe, Energy Auditor

> Financing

Way has the in-house project finance expertise to help secure cost effective financing. Once the project is fully developed, Way's finance team will provide the guidance necessary to obtain third party financing or assist in the development of a power purchase agreement. Responsibilities may include:

- Developing the project financial model
- Developing a finance request for proposal in conjunction with the business administration for transparent request for proposal process
- Interfacing with lenders to encourage largest potential group of respondents with most cost effective proposals from lenders experienced with financing energy conservation measures
- Reviewing and analyze bidder responses
- Preparing a summary of bid results highlighting distinguishing factors from proposals
- Providing summary and lender proposals to the client for review and consideration
- Reviewing results of financing bids and summary with the client's officials
- Introducing the entity participating in the ESPC project to chosen lender and interface with all parties to close on financing
- Setting a timetable for closing and implementation of construction of the project
- Finalizing the project financial model to reflect final financing terms

Primary Contact, Financing

- Trip Tripathi, V.P. of Business Development

Primary Contacts, Contract Negotiations

- Kenny Milne, Vice President & General Counsel

Technical Approach

Needs Analysis

Way's comprehensive approach to managing an ESPC is designed to ensure that we deliver the maximum value for the lowest possible cost. A key aspect of this approach is our project management philosophy. Way has one of the most experienced project management teams in the industry. These professionals understand that any successful energy project begins with up-front setting of expectations, planning, and organization. Successful projects also depend on Way's ability to make rapid and local decisions. Our project teams are on-site, local, empowered and encouraged to make all site-specific decisions on every aspect of project performance.

Way has a long and successful track record in the specialized areas of energy efficiency, water conservation, and renewable energy, having provided comprehensive engineering services for mechanical, water infrastructure, and electrical upgrades in the State. We have a wealth of experience in analyzing, designing and optimizing building systems. Our corporate focus is to optimize energy efficiency and system performance while managing implementation costs and ensuring efficient, high-quality installations. Our clients value our understanding of complex systems, accurate cost and savings projections, ability to coordinate efforts with other ongoing site activities, and emphasis on client service and satisfaction.

> **Audit Approach**

Way will work with the client to assess your facilities' challenges and needs, as well as understand how your resources are used. This will be accomplished through a collaborative effort between the client and Way's staff members.

Way performs detailed water and energy site surveys that clearly identify all appropriate conservation opportunities at each facility. The results of these audits form the basis of the complete water and energy savings analyses, and financial criteria included in the final audit, as well as the subsequent design of the project.

Our approach to completing the DEA is to thoroughly and quickly assess the facilities and develop specific energy and water conservation measures. Way will work with the client representatives to establish appropriate criteria for prioritizing the facilities, and divide the facility portfolios into audit groups.

Understanding Existing Conditions

Way will gain an accurate picture of existing conditions of the client facilities by using the following methods:

1. Conducting an onsite survey with Way designers, engineer(s) (PE, CEM)
2. Interviewing facility/maintenance director and staff, administration, and any other parties that are stakeholders in existing facility issues

3. Understanding the client's viewpoint on and value of LEED and ENERGY STAR concepts; determine direction in incorporating these into final program
4. Analyzing recent utility usage data, from the client and/or the utility itself, which will reveal operation schedules, or usage, possible rate structure opportunities, and areas of the facilities that demand excessive energy or water resources
5. Understanding the client's perspective of current carbon footprint and valued path to reduction and tracking of its carbon footprint
6. Investigating grants or other funding opportunities that may enhance value of an upgrade measure
7. Analyzing recent operational or capital expenditures by the client to determine issues that may require further investment
8. Reviewing any energy audits, such as an energy savings investment plan or feasibility studies recently conducted by/for the client.
9. Reviewing of a full set of as-built drawings for existing buildings
10. Analyzing any available sub meter data

Approach to Evaluating, Recommending, and Designing Solutions

Way evaluates, recommends, and designs solutions based on the data and feedback received from the above information. The goal is to leverage all areas and to provide the most value to the program. We consider factors such as which solutions:

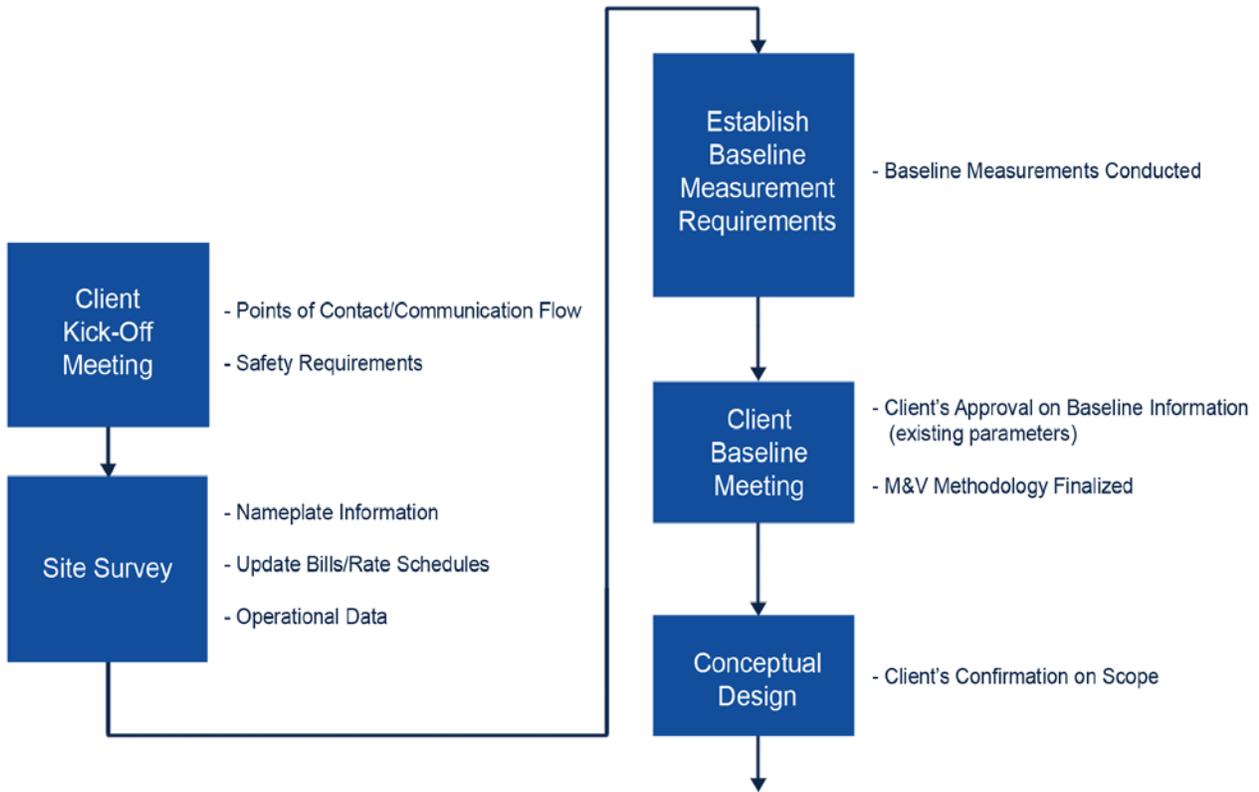
1. Will best compliment the goals and priorities of the client, including water, energy, and renewable solutions?
2. Will maximize energy and water savings?
3. Will provide the most consistent revenue streams to the client.
4. Will maximize operational and future cost avoidance savings?
5. Address behavioral and procedural issues?
6. Does the client staff and administration want to see implemented? Why?
7. Can be tied to community activities?
8. Are financially feasible for the client?
9. Will result in creating the desired working environment while being cost effective?

10. Enable the client to maximize the value of the enabling legislation and available incentive and incentives?
11. Will be easier and more cost-effective to maintain?
12. Will be aesthetically acceptable to the client and its citizens?
13. Present the least obtrusive installation conditions/liabilities?
14. Provide the client with more long-term value?

During the DEA, each type of energy use (i.e., electricity, natural gas, and propane) and the water consumed at the facilities will be examined and comprehensive energy end-use analyses performed. From this information, our engineers can determine the percentage of overall energy consumed for each end-use, such as lighting, heating, cooling, HVAC motors, plug loads, kitchen equipment, etc. To ensure these end-use analyses and subsequent audit are accurate, historical energy use for the facilities must be analyzed. Sensitivity of energy use with respect to operating parameters, weather-dependency, occupancy, and system scheduling are some examples of issues that are examined.

Energy consumption and patterns are compared to typical profiles for similar facilities, and an optimal energy usage is identified to estimate potential savings.

These detailed site surveys also identify areas where water and energy are being wasted, allowing us to pinpoint opportunities for improvement. Our expert energy engineers are trained to identify other site-specific opportunities. After careful review of each listed ECM with respect to existing equipment, systems and infrastructure, Way develops a final list of recommended ECMs.



Identification and Definition of Energy Conservation Measures

The Way technical staff has been recognized for their excellence in mechanical, electrical, and water system retrofits and replacements.

A brief description of the energy conservation measures (ECMs) typically employed in our energy conservation projects is provided as follows:

Water Loss in Distribution System

Apparent Loss and Real Loss

Way implements various measures to control water loss in municipal water distribution systems. Apparent losses are caused by a number of things such as inaccurate water meters, meters that have not been sized or typed properly, and operator error in the meter reading and billing process. Real losses are generally the water lost through system leaks and overflows. Way will work with the client to provide automated systems, more accurate meters, and leak detection systems to aid in minimizing non-revenue water.

Lighting Systems

Lighting Controls

Way implements various lighting control systems in a variety of energy conservation projects around the state. Daylighting control is performed using on/off control and dimming ballasts; occupancy based controls are applied in spaces that are used intermittently; lighting zone controls are applied where portions of buildings are unoccupied while others are in use.

Lighting Upgrades

Way retrofits or replaces over \$2 million in lighting each year. These include the retrofit and redesign of indoor and outdoor lighting throughout various facility types. Way performs tests new lamp products at our corporate office to determine which products offer reliable light output at a reduced wattage. Special attention is given to this application, assuring that the appropriate light levels are achieved or maintained in the office, working, and learning environments. Way routinely performs sample installations for clients to showcase the proposed lighting retrofits prior to large-scale installations.

Street Lights, Traffic Signals and Signage

Traffic signals, street lights and conversion of signage incandescent lamps to light-emitting diode (LED) units are measures typically implemented. LED traffic signals offer significant peak demand savings because they operate 24 hours a day, 7 days per week, 365 days per year.

Mechanical Systems

HVAC

Way's audit for the client will focus on building systems when determining opportunities for energy conservation and operational savings. Typical HVAC energy conservation projects could include the replacement of split systems, packaged DX units, chillers and cooling towers, installation of variable frequency drives, conversion of dual duct HVAC systems and multi-zone HVAC systems to variable air volume systems, replacing variable inlet vanes on fans with variable frequency drives, replacing electric

duct heaters with hot water systems, replacing electric boilers with gas or oil fired boilers and converting air-cooled chillers to water cooled systems.

Energy Management and Control Systems (EMCS)

Way's engineers have a wealth of experience in energy management control systems for large and small facilities. They have worked with all of the major manufacturers including KMC, Alerton, Tridium, Network 8000, Siemens, Johnson, Invensys, Honeywell, Automated Logic, Schneider Electric, and Andover systems, in addition to other open protocol systems (e.g., BACnet and LonWorks) with clients, as well. Way also has extensive experience converting systems from pneumatic controls to Direct Digital Controls (DDC), which is often a desired measure that will both improve the monitoring and control of the systems. A key element to Energy Management Control Systems (EMCS) savings is to eliminate simultaneous heating and cooling within a given zone.

In addition to the installation of EMCS for large and small facilities, Way has used EMCS to provide continuous commissioning and re-commissioning of HVAC and lighting systems. As part of a short-term M&V program, Way uses the EMCS to provide 30 to 60 day trend logging on various critical points to make sure that the systems are operating according the energy savings calculation parameters. By using the EMCS to continuously commission (monitor) the operation, Way is able to verify the correct operation of the system.

Building Envelope

Way will conduct evaluations of existing levels of wall, floor, ceiling and roof insulation. We will examine the design and condition of fenestration (windows/doors), any interior and exterior shading provisions and construction materials. The extent to which air infiltration may have an effect is noted and air pressurization techniques are sometimes used to determine air infiltration rates. Consideration will be given to the effect of reflective surface materials, as well as additional weather-stripping, caulking and sealing.

Windows

Way has experience replacing existing windows with new energy efficient windows. A typical replacement project would include removing the old single pane windows and replacing them with dual pane low-emissivity (low-E) windows.

Insulation

Way has experience installing insulation and modifying soffits to prevent air from infiltrating the return air stream.

Weatherization

Installing weather stripping, door gaskets, and sealing air leaks is a simple but effective energy efficiency measure that Way has performed in many projects.

Roofs

Installation of reflective cool roof technology to improve the reflectivity and emissivity of the roofs surface and provide improved comfort and lower energy consumption.

Specialty Systems

Way will audit all systems that use energy including compressed air, kitchen equipment, communication systems, trash compaction, security and pool systems. We will also investigate savings opportunities in computer power management, power quality, electrical distribution, load management and demand response.

Kitchen and Dining Facilities

There are a number of energy conservation opportunities for these facilities, including gas pilots on cooking appliances, fuel switching of kitchen equipment, to installation of variable air-volume exhaust hoods to demand control ventilation for the dining area make-up air.

Pool Systems

Pools offer a host of opportunities for cost, water, and energy savings. Way engineers and project managers have applied a variety of measures for our customers, including installation of pool covers, leak repairs and alternative heating methods.

Water and Wastewater Systems

Facilities in arid or semi-arid climates often present great opportunities for the installation of water conservation measures. Irrigation is often a significant budgetary item and can generate significant savings.

For facilities that require non-native grasses or other water-intensive species, such as sports fields, Way can install “smart” sprinkler systems which irrigate based upon the soil’s moisture content. Watering is reduced after a rainstorm, for example, and will likely occur less frequently during periods of high humidity. On average, these systems can reduce irrigation costs by upwards of 30 percent.

Inside the facilities, Way will evaluate the feasibility of a number of plumbing retrofits that replace plumbing fixtures and flush valves with lower-flow units, install low-flow aerators on faucets and, in some cases, add automatic controls on fixtures. Old diaphragm flush valves have a historically high maintenance cost for leaky rubber diaphragms. Way replaces these valves with piston-style flushometers that require virtually no maintenance and dramatically reduce the leakage rate

Training

Way consistently receives high marks from its clients in part due to the outstanding service and training during construction and throughout the contract period. Careful attention is paid to the abilities and experience of client’s staff who will be involved in the training and long-term operation of the new equipment and systems. A strong focus on key energy savings strategies and maintenance schedules will be provided to the individuals participating in the training process. Training is separated into the categories of technical and non-technical training.

Technical Training

Proper preventative and corrective maintenance on the newly installed energy conservation measures can mean the difference between a project that exceeds projected savings and one that requires

continuous issue resolution and extra staffing. To this end, Way will provide a comprehensive training program to facilities operation staff to ensure the energy program maximizes the client's investment for years to come. Further, we have found that encouraging a sense of ownership and accountability throughout your organization's staff—acting as an efficiency multiplier over time.

The technical training categories are for those groups with direct responsibility for the management, oversight, operation and maintenance of all energy systems and equipment within the client's facilities. Staff is trained on specific components and equipment, such as lighting, building controls, chillers and boilers, as well as how the overall project operates as a system. Training is often conducted at the time of commissioning, as this is one of the best opportunities to fully understand the sequence of operation of the equipment and to review the installation.

The project manager will be responsible for developing and implementing the training program in collaboration with client to ensure all needs and desires are achieved. Highlights of the training include:

- On-site training will be conducted at the client's facilities and will feature a hands-on approach to ensure adequate understanding of all materials presented. Training sessions will include a review of the overall installation and performance history so that each participant understands the benefits of the program.
- An overview of the energy system will be provided, as well as a more detailed examination of specific equipment and components.
- Documentation will include a review of the O&M manuals, drawings and equipment manufacturers' specification literature. Way has extensive experience preparing training manuals specific to the needs of our renewable and efficiency clients. The training class will use the O&M manuals as a primary textbook.
- Ongoing training will be conducted as needed throughout our relationship with the client. During day-to-day normal operations, questions may arise not discussed during the initial training process. Members of our staff will be available to address these questions to assure the continued success of the program.
- Operator training on new HVAC equipment like boilers and chillers will be provided by factory authorized technicians. Training conducted by the manufacture of specific equipment can include a formal certification process.
- Training is typically provided at the time of commissioning the ECMs as part of the construction costs. This training will be recorded for future use by the client. Way can provide additional training services as part of the preventive maintenance or M&V services

Way provides its clients with several instructional approaches depending on the subject matter and needs of the clients and its staff. Approaches include:

- Formal classroom training
 - Off-site
 - On-site with manufacturer's instructor(s)

- On-site with in-house instructor(s)
 - CD ROM-based training
 - On-the-job: Technician shadowing

Non-Technical Training

Everyone who works for or within a facility can have an impact on the level of success of an energy conservation program. Therefore, training should be offered to the broadest possible range of facility groups and building occupants to the fullest extent possible. The following describes some of the types of non-technical training programs typically considered:

- **Energy Policy Development:** Way works with its client to evaluate the need for a facility -wide energy policy. A well-defined and effective energy policy provides goals, objectives, and management direction and leadership for all energy- or sustainability-related activities and initiatives.
- **Occupant Awareness Program:** Way can work with the client to implement an outreach and awareness to educate employees and citizens about the energy and water efficiency projects being conducted. Way can develop messaging that highlights the importance of energy and water conservation, and how building users and members of the public (as applicable) can contribute to the success of the project.

Savings Projections

Approach

Please reference Section 4.A for Way’s approach to projecting energy savings.

Reporting of Energy Savings

Way provides a corporate energy savings guarantee to all of its performance contracting clients. The guarantee is based on Way verifying the annual energy and operational savings in accordance to an M&V plan acceptable to the client.

Way will coauthor the development of a detailed and comprehensive M&V Plan with the client , which will include on-going monitoring to ensure actual on-going savings are attained. This is a critical element of the performance contract because it provides the basis for the energy savings guarantee, debt-service payment, and 100 percent client satisfaction. Way will submit an M&V plan with the final DEA. It will also be included as a schedule in the Energy Services Agreement.

M&V involves two essential components:

1. Verifying the ability of the project to generate all the projected and/or guaranteed savings
2. Measuring actual, periodic performance of the project against the established baseline(s)

These baselines are developed from a rigorously derived end-use analysis, onsite measurements, and historical energy consumption data. There are a variety of options to accomplish the two primary M&V tasks, but a critical prerequisite is to establish the aforementioned baseline(s). Techniques range from stipulating all factors affecting ECM performance to installing extensive, highly accurate metering systems. When deciding the appropriate level of sophistication for a particular plan, factors such as complexity of the measure, expected magnitude of savings from the measure and the client’s aversion to risk all weigh upon the decision.

In an effort to aid agencies in gaining an understanding of M&V, an international guideline was established known as the International Performance Measurement and Verification Protocol (IPMVP). Way bases all of its site-specific M&V plans on these IPMVP guidelines. The general approach to determining energy savings in these plans involves comparing the energy use associated with a facility or certain energy consuming systems within a facility, before (baseline) and after installation of the ECM (post-installation). In general:

$$\text{Energy Savings} = (\text{Baseline Energy Use}) - (\text{Post Installation Energy Use})$$

The specific algorithms vary from measure to measure, but can be broken down into usage before and after installation of the ECM. Sometimes the baseline usage is fixed, while in other cases the baseline is calculated based on the post-installation usage depending on the specific plan used to verify the performance of the measure. All specific protocols must be explained to and accepted by the client before project construction can begin.

The general M&V process and client’s involvement are outlined in Figure 4.9.

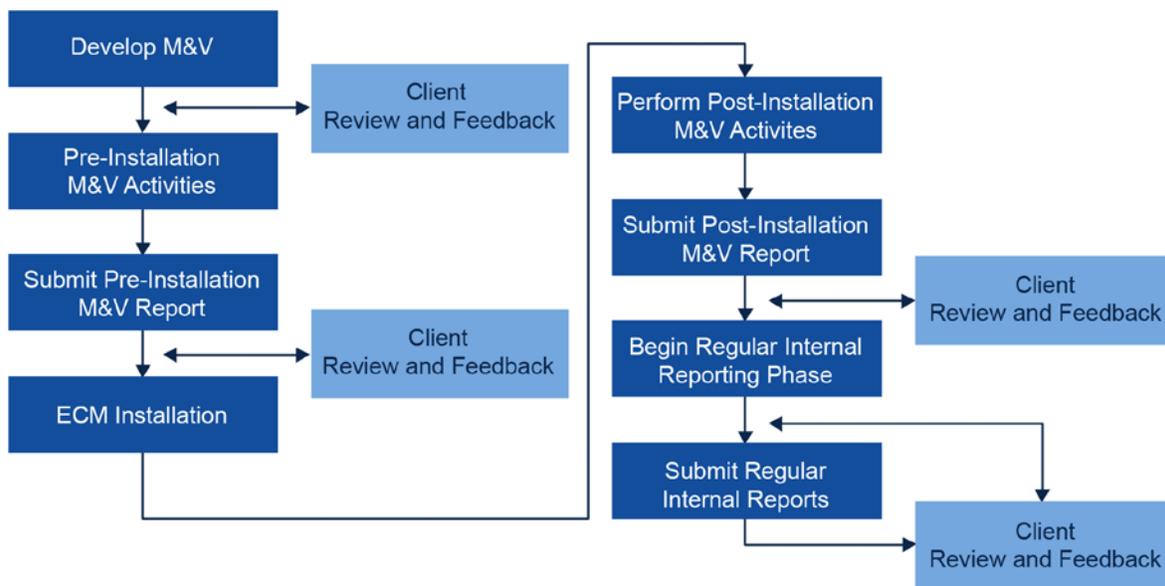


Figure 4.9. Measurement and Verification Process

> Measurement & Verification Details

Baseline Definition

To identify accurately the energy loads that ultimately constitute the baseline, Way apportions the total energy usage appropriately for each different system within a facility. This end-use analysis allows Way to identify where the excessive energy consuming areas/systems are with a relatively high degree of accuracy, and to account for 100 percent of the facility's energy consumption. Site data and system performance measurements are used to calibrate the end-use model, and the final analysis is then reconciled to actual metered utility information.

This rigorously derived end-use analysis is then used to establish the actual loads that constitute the baseline(s). Instead of estimating most of the variables used to disaggregate total usage into the individual system loads, as many energy service companies do, Way uses metered performance data obtained during the detailed energy audit. An appropriate variety and adequate quantity of short-term and long-term metering instruments are employed in the facility's energy consuming equipment/systems to provide an accurate picture of where the energy is really being used.

Way understands that long-term metering during the audit is extremely important to get a true sense of how the systems react as a function of time. Simple multiplications of instantaneous meter readings/measurements, and (sometimes arbitrarily) assumed hours of operation rarely provide an accurate baseline estimate.

Addressing Different Energy Loads

Constant Energy Loads

These loads have little or no variation in energy usage over time. Constant energy loads are the simplest to measure and verify. IPMVP Option A typically proves to be the most cost-effective method by which to measure and verify the savings associated with constant loads. This methodology involves measured demand for pre and post retrofits, and determining the actual run hours. In general, there will not be a large variation in energy usage over the term of the contract of this load; therefore, a primarily stipulated verification protocol (stipulating the measured values over the term of the contract) can be employed without sacrificing accuracy. This frees up project capital to be invested in additional infrastructure upgrades that might otherwise have been spent on a more stringent method.

Predictable Energy Loads

Energy usage varies in a Way that can be explained by identifying a measurable cause (driver). Examples of predictable loads include weather-driven energy usage (heating, cooling) and occupancy-driven energy usage (lighting). IPMVP Option B is typically the preferred method of addressing predictable energy loads. Since these loads are a function of a measurable driver, the verification protocol can be calibrated to accurately model energy usage from an input measured throughout the performance period. It is important, however, to also incorporate the other parameters in the equation in order to calibrate the model accurately. Simply because the operating hours of a fan system (for example) are being measured, does not necessarily mean that the fan system's power draw is irrelevant. With a properly calibrated (and periodically re-calibrated) model using a measured energy usage driver, predictable energy loads can be accurately calculated and the performance verified.

Random Energy Loads

The variation of energy usage follows no discernible or predictable pattern. Random loading is obviously the most difficult loading to address in the M&V plan. Oftentimes, the loading is a function of numerous variables with no immediately discernible pattern. IPMVP Option D (computer modeling) is one of the few options available to use as a relatively accurate, moderate risk approach. After extensive testing and calibration with empirical site data and performance parameters, the loading can be approximated as a function of only one or two of these variables. These can then be monitored throughout the performance period in a regularly re-calibrated computer simulation. This is the general approach used to handle many random situations, but is not necessarily the best approach for all cases. Each particular situation can be unique, and may require another approach such as combining it with other loadings to make it somewhat more predictable. Specific issues such as this are examined during the detailed energy audit, and the appropriate recommendation is then presented to the client with a detailed explanation for choosing that particular approach.

Individual Measure Performance

The IPMVP describes four options for approaching M&V for energy savings projects. Each one is applicable to different risk sharing scenarios, different project values, and different types of contracts.

Table 4.10 provides a brief description of each of the four options, taken directly from the most recent available copy of the IPMVP to ensure accuracy.

Table 4.10. Measurement and Verification Options

M&V Option	How Savings Are Calculated	Typical Applications
Option A: Partially Measured Retrofit Isolation		
<p>Savings are determined by partial field measurement of the energy use of the system(s) to which an ECM was applied, separate from the energy use of the rest of the facility. Measurements may be either short-term or continuous of the error they may introduce.</p> <p>Partial measurement means that some but not all parameter(s) may be stipulated, if the total impact of possible stipulation error(s) is not significant to the resultant savings. Careful review of ECM design and installation will ensure that stipulated values fairly represent the probable actual value. Stipulations should be shown in the M&V Plan along with analysis of the significance of the error they may introduce.</p>	<p>Engineering calculations using short-term or continuous post-retrofit measurements and stipulations.</p>	<p>Lighting retrofit where power draw is measured periodically. Operating hours of the lights are stipulated.</p>
Option B: Retrofit Isolation		
<p>Savings are determined by field measurement of the energy use of the systems to which the ECM was applied, separate from the energy use of the rest of the facility. Short-term or continuous measurements are taken throughout the post-retrofit period.</p>	<p>Engineering calculations using short-term or continuous measurements.</p>	<p>Application of controls to vary the load on a constant speed pump using a variable speed drive. Electricity use is measured by a kWh meter installed on the electrical supply to the pump motor. In the base year, this meter is in place for a week to verify constant loading. The meter is in place throughout the post-retrofit period to track variations in energy use.</p>
Option C: Whole Facility (Bill Comparison)		
<p>Savings are determined by measuring energy use at the whole facility level. Short-term or continuous measurements are taken throughout the post-retrofit period.</p>	<p>Analysis of whole facility utility meter or sub-meter data using techniques from simple comparison to regression analysis.</p>	<p>Multifaceted energy management program affecting many systems in a building. Energy use is measured by the gas and electric utility meters for a 12-month base year period and throughout the post-retrofit period.</p>

Table 4.10 provides a brief description of each of the four options, taken directly from the most recent available copy of the IPMVP to ensure accuracy.

Table 4.10. Measurement and Verification Options

M&V Option	How Savings Are Calculated	Typical Applications
Option D: Calibrated Simulation (Calibrated Building Modeling)		
Savings are determined through simulation of the energy use of components or the whole facility. Simulation routines must be demonstrated to adequately model actual energy performance measured in the facility. This option usually requires considerable skill in calibrated simulation.	Energy use simulation, calibrated with hourly or monthly utility billing data and/or end- use metering.	Multifaceted energy management program affecting many systems in a building but where no base year data are available. Post-retrofit period energy use is measured by the gas and electric utility meters. Base year energy use is determined by simulation using a model calibrated by the post-retrofit period utility data.

Meter Accuracy

Way’s performance guarantee on water meter replacements will be based on the meter accuracy. A baseline will be determined during the DEA for the average accuracy of the existing meters. Accuracy of the new meters over time will be demonstrated by testing a statistically relevant sample of meters at a pre-defined time interval after the new meters are installed. We will follow all of the measurement and verification requirements as defined Texas Local Government Code 302 Section 006 which defines Meter Guarantees.

Energy Savings Projections

Way will use a variety of energy calculation models including line calculations for simple measures and building simulation models such as eQuest for more complicated measures. These calculations will be reinforced by using ECM specific field measurements and logged data depending on the complexity of the ECM. Where savings interactions might occur, Way will use simulation programs such as the eQUEST simulation program to account for savings interaction.

The eQUEST simulation program is a user interface to the DOE 2.2 energy analysis software tool. The model’s inputs include averaged 30-year Typical Meteorological Year Version 2, weather data, occupancy schedules, building loads, building parameters, zone, and equipment details. The utility rates used in the model will be based on client’s current rate schedules, including time of use impacts.

The eQUEST energy savings program incorporates the interactive effects of the various ECMs in the savings calculations. The savings presented in the model outputs show the impact of each ECM starting with the first ECM and continuing to the last ECM. The eQuest model adjusts the baseline usage to ensure that savings are not counted twice.

For example, if there were a building that had three ECMs being modeled, the program would present four annual energy usage profiles, the first being the baseline with the building in its current state. The second annual energy profile would present the building taking into account the first ECM. The third annual energy profile would incorporate the first and second ECMs to demonstrate the new annual energy use of the building. The fourth annual energy profile would incorporate the three ECMs into the

new annual energy use of the building. By comparing the four scenarios, the energy savings associated with each ECM (scenario) can be shown individually.

Standards of Service and Comfort

Method and Documentation of Service

The standards of service and comfort will be stipulated in the DEA before the execution of the energy service agreement (ESA). Because the savings projections are dependent on the defined standard of operation, the standards will be agreed upon for the term of the contract. The schedule will be defined in close coordination and mutually-agreed-upon with the client before project implementation. If a client shifts its facilities’ standards of operation during the contract period, the baseline will be appropriately adjusted.

In general, the space temperature will be maintained as follows *in accordance with American Society of Heating, Refrigerating and Air-Conditioning Engineers* guidelines:

Table 5.1. Standards of Service and Comfort

Heading	Heating Season, Sept. – May (Max. average temp, ° F)	Cooling Season, May - Sept. (Min. average temp, ° F)
Occupied	68° F	76° F
Unoccupied	50° F	N/A
Storage area require heat	40° F, except where existing use does not permit	N/A
Areas not requiring heat	Minimum temperature required to prevent damage to the facility.	N/A

Contractual Language

> Maintenance Responsibilities

The ability of the retrofits to perform as expected over the full performance period is dependent on proper execution of the preventive maintenance activities recommended by the equipment manufacturer. Way can provide preventive maintenance services or the client may perform preventive maintenance using its own staff or another subcontractor of its choice.

Manufacturer recommended preventive maintenance is a condition of the savings guarantee. If operations and maintenance (O&M) services are procured from Way then Way will use direct employees or subcontractors to perform the work, depending on the scope of the services required.

The guarantee can be structured to cover the annual maintenance costs. O&M services will be at additional cost to the client, which will be determined on a case-by-case basis depending on project size, scope, level of equipment coverage, and other project-specific variables.

> Occupancy Schedules

The occupancy schedule (i.e., standards of operation) of the facilities included in the scope of the performance contract will be stipulated in the DEA. Because the savings projections are dependent on the defined standard of operation, the standards will be agreed upon for the term of the contract. The

schedule will be defined in close coordination with the client and mutually-agreed-upon before project implementation. If the occupancy schedule or other components of the standards shift during the contract period, the baseline will be shifted appropriately.

> Treatment of Operational (Non-Utility) Savings

Operational savings are identified during the DEA. The DEA will identify O&M savings and capital cost avoidance for the client staff. Material savings are identified using the client’s actual costs over a two or three year period. These Non-Utility savings and calculation methodology are documented and detailed in the DEA and the savings are stipulated over the term of the project.

M&V Protocol Compliance

The North American Energy Measurement and Verification Protocol has been updated numerous times and is now referred to as the International Performance Measurement and Verification Protocol (IPMVP). Way bases all of its site-specific measurement and verification plans on the International Performance Measurement and Verification Protocol (IPMVP).

Please reference Section 4.D, “Reporting of Energy Savings” for the methodology and M&V formulas of the IPMVP.

Monitoring

The specific details of the project’s monitoring will be defined in the M&V Plan, an agreement collaboratively developed with and approved by the client during design and engineering phase. M&V will commence after receipt of the utility bills from the client and will be performed at a frequency agreed to in the ESA. Most ESPCs are reconciled annually, biannually, or quarterly.

WAY'S SERVICES



Turn-key solutions in engineering,
design, installation & service



Retro-commissioning



Facility management



Self-funded infrastructure retrofits
& upgrades



Controls



Maintenance & repair budget
reduction



Innovative funding mechanisms



Lighting



Energy Star Certification



Long-term energy management



Asset management, reporting, &
planning



Plumbing & water efficiency



Customized maintenance services



Building auditing



Bundled Energy Services

PROVIDING



Improved working, learning, & teaching environments



Decreased exposure to utility price uncertainty



Increased cashflow



Increased comfort



Upgraded infrastructure



Risk management



Solutions for deferred maintenance issues



A reduction in operational costs



Increased reliability



Improved productivity & health

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A reduction in operational costs



Increased reliability



Improved productivity & health

Proposed Goods & Services

Way does not have a catalog or line cards showcasing our Proposed goods and services. However, we do have a list of Services and benefits following this sheet. To see a more descriptive representation on the types of offerings we provide our customers see our Supplementary Information – which includes:

- Our HVAC Services Proposal
- Other Offerings and Service explained.

Also check out our website for more information www.thewaycompanies.com