

May 27, 2020

Rick Edson
Deputy Superintendent
Santa Rosa City Schools
211 Ridgway Ave.
Santa Rosa, CA 95401

Mr. Gabe Johnson
Syserco Energy Solutions, Inc.
1425 N McDowell Blvd # 135
Petaluma, CA 94954

Subject: Letter of Intent to Contract and Approval to Proceed with Detailed Engineering and Final Project Development

Dear Mr. Johnson,

Santa Rosa City Schools (“District”) has reviewed Preliminary Data presented by Syserco Energy Solutions, Inc. (“SES”), that details an opportunity for the District to reduce ongoing Operational Costs without the need for any Capital outlay and requests that SES proceed with the Detailed Engineering and Final Project Development (“Work”).

The purpose of the Work is to develop the final details of additional Energy Conservation Measures (ECMs) and the details of Power Purchase Agreements (PPAs) for solar photovoltaic (“pv”) arrays to be installed at various District locations. The District intends to enter into an Energy Services Agreement (“Agreement”) with SES for Energy Conservation Measures and PPAs with a 3rd Party PPA owner in accordance with CA GC 4217.

The District intends to enter into an Agreement with SES and a 3rd Party PPA provider if the following Project Criteria is met:

1. Budget Impact: Project must not impact existing District capital budget. Capital Outlay by the District shall not be required.
2. Annual Utility Costs: Project must reduce the District’s existing annual electricity at each site to a fixed rate that is below the current “blended” rate on a per-site basis. Annual utility escalation shall be 0% and fixed for the entire duration of the contract.
3. Energy Savings: 100% of energy savings goes directly to Santa Rosa City Schools. Savings shall not be shared with SES or others.
4. Financing: 3rd party financing shall be made available in a manner such that

Santa Rosa City qualifies for financing and the District establishes a position to be able to execute a PPA financing agreement at the Discretion of the District.

5. Installation: Solar PV systems shall be designed and built by SES. The location of the arrays will be in alignment with the District's Facilities Master Plan and approved by District Staff before a PPA is presented.
6. Procurement Method: Procurement of shall meet provisions of California Government Code 4217.

The intent of the Work is to refine the Project's final Scope of Work, Utility Cost Savings, Implementation Schedule, and Financing Agreement(s).

In the event that SES cannot meet these Project Criteria, there will be no charge to Santa Rosa City Schools for the costs incurred by SES under this Agreement.

In the event that SES meets the Project Criteria as stated above, and the parties execute an Agreement and 3rd Party Ownership Agreement for the installation of solar PV systems that are designed and built by SES, then the costs associated with this Work shall be included in the Agreement or in the PPA(s).

In the event that SES meets the Project Criteria as stated above, and the District does not enter into an Agreement or a PPA, or the solar PV systems are not designed and built by SES within forty-five (45) days of completion of the Work, then Santa Rosa City Schools shall pay SES for costs incurred in the amount of: \$90,000.00

ACTIONS TO BE PERFORMED:

In order for SES to complete the Work, District shall provide SES with the following (if not already provided):

- 2-year history of utility bills or a signed form authorizing SES to act as an Agent for Santa Rosa City Schools and receive the data directly from the Utility Provider.
- Reasonable access to facilities and design drawings

The Work is a very collaborative effort. The Work is intended to form the basis of a Final Proposal and contracting documents. Therefore, District shall also:

- Assign a main Point of Contact for the Work: Beth Brose', District Consultant
- Provide reasonable access to Key Stakeholders:
 - Director of Facilities Point of Contact: Mike Braff
 - Director of Maintenance & Operations: Erik Oden
 - Deputy Superintendent Point of Contact: Rick Edson

TIMELINE AND MILESTONES: SES will initiate this Work immediately upon acceptance of this Letter. Formal progress review meetings will be conducted regularly throughout the process of the Work. During these

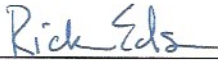
review meetings, SES will make recommendations based on preliminary analysis, while District will provide final direction regarding acceptance of the recommended measures in the Scope of Work of the Project. The goal of these review meetings is to focus engineering / project development efforts, budgeting, and savings assessment of the measures that possess a high probability for implementation. The following are proposed key milestone dates:

- May, 2020 - Authorization to Proceed based on signature of Letter
- May, 2020 - Project Development Kickoff Meeting
- June, 2020 - 30% Design Review Meeting
- August, 2020 - 60% Design Review Meeting
- October, 2020 - 90% Pre-Final Workshop Meeting
- November, 2020 - Project Development Completion
- December, 2020 - 3rd Party Ownership Agreement Approved by Board of Directors
- January, 2021 - Project Implementation begins by SES

Please signify acceptance of this Letter of Intent by signing below.

Letter of Intent Authorized by:

Rick Edson
Deputy Superintendent
Santa Rosa City Schools



Signature

Date: Jun 2, 2020

Scott Meinzen
VP General Manager
Syserco Energy Solutions, Inc.



Signature

Date: 6/2/2020