



LINCOLNWOOD SCHOOL DISTRICT 74  
BOARD OF EDUCATION  
FACILITIES COMMITTEE MEETING AGENDA  
TUESDAY, JANUARY 19, 2021 AT **6:00 PM**

BOARD OF EDUCATION  
**Scott L. Anderson**, *President*  
**Kevin Daly**, *Vice President*  
**John P. Vranas**, *Secretary*  
**Jeffrey S. Evens**  
**Myra A. Foutris**  
**Elaina Geraghty**  
**Rupal Shah Mandal**

ADMINISTRATION  
**Dr. Kimberly A. Nasshan**, *Superintendent of Schools*  
**Dr. David Russo**, *Assistant Superintendent for Curriculum and Instruction*  
**Courtney Whited**, *Business Manager/CSBO*

*Agenda of the Facilities Committee Meeting of the Board of Education of Lincolnwood School District 74,  
Cook County, Illinois, to be held in the Lincoln Hall Auditorium  
6855 North Crawford  
Lincolnwood, IL 60712,  
on Tuesday, January 19, 2021.*

- The December 10, 2020 Facilities Committee meeting was cancelled due to light agenda.
- Starting January 2021, Facilities Committee meetings will be held the 3rd Tuesday of each month at 6:00 p.m.

**IN-PERSON PARTICIPATION:** Pursuant to the Governor's disaster proclamation issued on Friday, December 11, 2020, no more than 10 people may gather at this location for the meeting. Per Board Policy 2:230, anyone who wishes to address the Board during "Audience to Visitors" as indicated on the agenda may do so when recognized by the Committee Chairman. Typically each person is allotted three minutes. Members of the public may only participate by joining through ZOOM Conferencing. The Zoom Tech Check will be at 5:45 p.m.

Join the meeting via ZOOM app (video and audio): Meeting ID: # 862 6668 7699  
(Link: <https://sd74-org.zoom.us/j/86266687699>)  
or

Join the meeting via phone (audio only): Step #1: Dial 1-312-626-6799; Step #2: Enter Meeting ID: # 862 6668 7699

**1. CALL TO ORDER/ROLL CALL**

**FACILITIES COMMITTEE MEMBERS**

John P. Vranas (BOE), Chairman  
Elaina Geraghty (BOE)  
Rupal Shah Mandal (BOE)  
Joe Ehrenberg, Community Member  
Zade Tagani, Community Member

**ADMINISTRATORS/STAFF**

Dr. Kimberly A. Nasshan, Superintendent of Schools  
Dr. David L. Russo, Assistant Superintendent of Curriculum and Instruction  
Courtney Whited, Business Manager/CSBO  
Jim Caldwell, Director of Buildings and Grounds

**2. AUDIENCE TO VISITORS**

**3. APPROVAL OF MINUTES**

a. Facilities Committee Meeting Minutes - **November 19, 2020**

**4. DISTRICT ARCHITECT OF RECORD - STUDIOGC architecture+interiors**

- a. INFORMATION/DISCUSSION/ACTION: Rutledge Hall Stairwell Flooring Bid
- b. INFORMATION/DISCUSSION/ACTION: Todd Hall and Rutledge Hall Doors

5. OLD BUSINESS

6. NEW BUSINESS

a. INFORMATION/DISCUSSION/ACTION: Amendment No. 2 to Performance Contracting Agreement

b. INFORMATION/DISCUSSION/ACTION: Baseball Fields Dressing

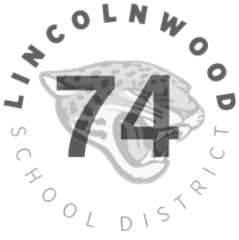
7. INFORMATION/DISCUSSION: District Facilities Update

8. ADJOURNMENT

Motion by Member: \_\_\_\_\_ Seconded by: \_\_\_\_\_

***Dr. Kimberly A. Nasshan, Superintendent of Schools***

*Lincolnwood School District 74 is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of this meeting or facility, are requested to contact the District Office at 847-675-8234 promptly to allow Lincolnwood School District 74 to make reasonable accommodations for those persons.*



LINCOLNWOOD SCHOOL DISTRICT 74  
BOARD OF EDUCATION  
FACILITIES COMMITTEE MEETING MINUTES  
THURSDAY, NOVEMBER 19, 2020 AT **3:30 PM**

BOARD OF EDUCATION  
Scott L. Anderson, *President*  
Kevin Daly, *Vice President*  
John P. Vranas, *Secretary*  
Jeffrey S. Evens  
Myra A. Foutris  
Elaina Geraghty  
Rupal Shah Mandal

ADMINISTRATION  
Dr. Kimberly A. Nasshan, *Superintendent of Schools*  
Dr. David Russo, *Assistant Superintendent for Curriculum and Instruction*  
Courtney Whited, *Business Manager/CSBO*

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*Minutes of the Facilities Committee Meeting of the Board of Education of Lincolnwood School District 74,  
Cook County, Illinois, was held in the Lincoln Hall Auditorium  
6855 North Crawford  
Lincolnwood, IL 60712,  
on Thursday, November 19, 2020.*

1. CALL TO ORDER/ROLL CALL

Chairman Vranas called the Facilities Committee meeting to order at 3:32 p.m.

2. FACILITIES COMMITTEE MEMBERS

John P. Vranas (BOE), Chairman  
Elaina Geraghty (BOE)  
Rupal Shah Mandal (BOE)

FACILITIES COMMITTEE MEMBERS NOT PRESENT

Joe Ehrenberg, Community Member

ADMINISTRATORS/STAFF

Dr. Kimberly A. Nasshan, Superintendent of Schools (Arrived at 3:38 pm)  
Dr. David L. Russo, Assistant Superintendent of Curriculum and Instruction  
Courtney Whited, Business Manager/CSBO  
Jim Caldwell, Director of Buildings and Grounds  
Christopher Edman, Director of Technology

OTHERS PRESENT:

Athi Toufexis, StudioGC

3. AUDIENCE TO VISITORS

None

4. APPROVAL OF MINUTES

a. Facilities Committee Meeting Minutes - **OCTOBER 22, 2020**

A motion was made, seconded and passed to approve the October 22, 2020 Facilities Committee meeting minutes.

5. DISTRICT ARCHITECT OF RECORD - STUDIOGC

a. Project Updates:

- I. Updated Todd Hall and Rutledge Hall Door Project Schedule  
Athi Toufexis recapped the scope of the door replacement project. The Committee viewed renderings of the complete look of the classroom entrances, the Committee preferred the look with the curved soffit. The Committee chose to repaint the exterior door frames and omit the molding of the interior classroom alcoves once the entrance renovations are complete.
  - II. Classroom Lock Options  
Athi Toufexis presented the options for the classroom locks. The Committee recommended a keyed lock on both sides of the door with a visual indicator that shows whether the door is locked or unlocked from the outside.
  - III. Lincoln Hall and Todd Hall Roofing Punch List  
The contractor will be making a final walkthrough on Monday, November 23rd and the project will be complete.
  - IV. Todd Hall Plaza Lighting  
The exterior work is complete. The contractor will be returning the week of Thanksgiving to complete the interior work.
  - b. Rutledge Hall Stairwell Floor Coverings  
A motion was made, seconded, and passed to concur with the Administration's recommendation to the Board of Education to approve the installation of Rutledge Hall Stairwell Floor Coverings in an amount not to exceed \$70,000.
6. OLD BUSINESS  
None
  7. NEW BUSINESS  
None
  8. District Facilities Update  
Courtney Whited outlined a request from Wolves Baseball, a community-based organization for indoor use. The organization must comply with all COVID-19 protocols.

The Administration has developed a Seasonal Landscaping RFP.

Starting January 2021, the Committee will meet the third Tuesday of the month at 6:00 p.m.

9. ADJOURNMENT

A motion was made, seconded and passed to adjourn the Facilities Committee meeting at 4:05 p.m.

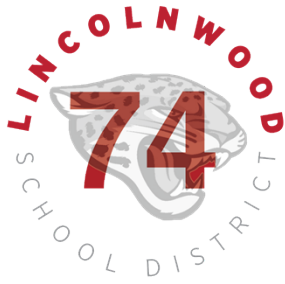
The next Facilities Committee meeting will be held Tuesday, January 19, 2021 at 6:00 p.m. The public is welcome.

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John P. Vranas, Chairman

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Elaina Geraghty, Member



## Executive Summary Facilities Committee Meeting

DATE: Tuesday, January 19, 2021

TOPIC: Rutledge Hall Stairwell Flooring Bid

PREPARED BY: Courtney Whited

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

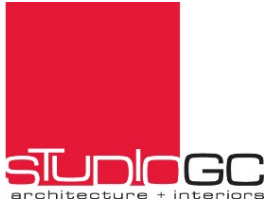
Four bids were received for the Rutledge Hall Stairwell Flooring project scheduled to begin Summer 2021. Each bid was evaluated on a criteria of 24 points in the attached document. Johnson Floor Company priced the job at \$88,540, while Iskalis American Floor Show came in \$4,740 lower at \$83,800. Both quotes include a \$10,000 contingency. Although each contractor had irregularities, Johnson Floor Company tends to meet more of the requirements than all other bidders.

### **Fiscal Impact:**

\$88,540 which includes a \$10,000 contingency.

### **Recommendation:**

It is the Administrative recommendation that the Facilities Committee concurs to recommend to the Board of Education to accept the bid from Johnson Floor Company in the amount of \$88,540 for the Rutledge Hall Stairwell Flooring project to begin and finish during the Summer 2021.



223 W. Jackson Blvd., Suite 1200  
Fax: 312.253.3401  
Chicago, IL 60606  
Phone: 312.253.3400

January 7, 2021

Mrs. Courtney Whited  
Business Manager/CSBO  
Lincolnwood School District 74  
6950 N. East Prairie Road  
Lincolnwood, IL 60712

RE: Rutledge Hall Flooring Replacement  
Project No. 20065

Dear Mrs. Whited:

Bids for the above referenced project were received at 11:00 a.m. on Tuesday, January 5, 2021. There were five (5) bidders of record; four (4) bids were received. A bid tabulation sheet is herein attached for your review.

After evaluation of the bidding documents submitted by the bidders, each has an irregularity. Attached is a summary of the documents requested from bidders as part of their bid submittal and what was received by each.

The bid amounts include contingency allowance monies in the amount of \$10,000.00 that will be returned to the school district if not used at the end of the project.

StudioGC will be at the Facilities Committee Meeting to facilitate a discussion with the committee regarding the bid results.

Please do not hesitate to contact me in the meantime if you have any questions.

Sincerely,

Athi Toufexis, AIA, LEED-AP

Enclosures – Bid Tabulation, Bidder's Review  
cc: Pat Callahan, ALEP, AIA, LEED-AP, StudioGC

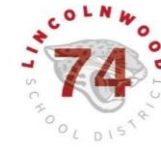


223 W. Jackson Blvd., Suite 1200  
 Chicago, IL 60606  
 P: 312.253.3400

**Client:** Lincolnwood School District 74  
**Project Name:** Rutledge Hall Flooring Replacement  
**Project No.:** 20065  
**Bid Date:** Tuesday, January 5, 2021 @ 11:00 a.m.  
**Project Architect:** Athi Toufexis ( virtual mtg)

### BID TAB WORKSHEET

Contractor	Total Bid Amount	Addendum		Bid Bond	Remarks
		#1	#2		
ATP Enterprise Group 773-787-7238	\$97,600.00	X	X	X	
Blue Reef LLC 312-719-4826	\$139,100.00	X	X	X	
Globe Line Construction 224-432-5424	NO BID				
Iskalis American Floor Show 224-610-0715	\$83,800.00	X	X	X	
Johnson Floor Co 708-355-5510	\$88,540.00	X	X	X	



20065 - Rutledge Hall Flooring - Bidder's Review

Jan. 11, 2021

ITEM	BIDDERS			
	Iskalis American Floor	Johnson	ATP Enterprise	Blue Reef LLC
004113 - Bid Form				
Bidder's Required Bid Documents Checklist	1			
Bidder's Responsibility Information				
Attachment 1 To Bidder's Responsibility Information			4	4
Financial reports for the two consecutive, most recently available years		2		
References and project names of all projects as set forth in Section 004395				
004325 - Substitutions				
004345 - Certificate of Prevailing Wage Requirements				
004347 - COVID				
004519 - Non-collusion Affidavit				
004521 - Bidder Eligibility Certificate				
004546 - Certificate of Compliance with Illinois Drug-Free Workplace Act				
004548 - Certificate Regarding Non-Discrimination in Employment – Protected Categories				
004550 - Certificate Regarding Sexual Harassment Policy				
004552 - Certificate Regarding Criminal Background Investigations				
004395 - Documentation of a minimum of five continuous years in business	5			
004395 - Documentation that the Project Manager meets the requirements	5			
004395 - Documentation that the Contractor meets the requirements	5			
Documentation that Contractor's Insurance Rating is 1.0 or less.	5	3		
Letter from President - absence of any filings under bankruptcy, etc in last 5 years	5			
Letter from President - absence of contracts terminated by owner in last 5 years	5			
Letter from bonding company - absence of claims on bond in last 5 years	5			
AIA Document A305	5			
Bid Bond				
Total Bid Amount = Base Bid + \$10,000 contingency	\$83,800.00	\$88,540.00	\$97,600.00	\$139,100.00

1. incomplete form
2. letter submitted stating financials can be reviewed in office
3. higher than 1.0
4. only provided one project
5. received after deadline

	submitted, meets requirements
	submitted, doesn't meet requirements. See notes
	not submitted



## Executive Summary Facilities Committee Meeting

DATE: Tuesday, January 19, 2021

TOPIC: Todd Hall and Rutledge Hall Doors

PREPARED BY: Courtney Whited

### Recommended for:

- Action
- Discussion
- Information

### Purpose/Background:

Eight bids were received in response to the Summer 2021 Todd Hall and Rutledge Hall Exterior/Interior Doors project. Tandem (lowest) and Stuckey (\$9,643 above Tandem) bid the lowest at \$811,000 and \$820,643, respectively. Both of these figures include the Alternate FRP Special-Lite exterior doors with hollow frames and a \$75,000 contingency. Without Alternate #1, the base bids were \$720,00 from Tandem (lowest again) and \$743,743 from Stuckey (\$23,743 above Tandem). On a criteria of 24 points, Stuckey met all requirements while Tandem had some irregularities. The attached bid review from StudioGC provides additional information for discussion.

### Fiscal Impact:

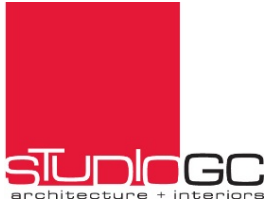
\$720,000 from Tandem **without** Alternate #1

\$811,000 from Tandem **with** Alternate #1

Alternate #1: FRP Special-lite exterior doors

### Recommendation:

It is the Administrative recommendation that the Facilities Committee concurs to recommend to the Board of Education to accept the bid from Tandem with Alternate #1 in the amount of \$811,000 for the purpose of completing Health Life Safety interior and exterior door work at Todd Hall and Rutledge Hall during the summer of 2021.



223 W. Jackson Blvd., Suite 1200  
Fax: 312.253.3401  
Chicago, IL 60606  
Phone: 312.253.3400

January 11, 2021

Mrs. Courtney Whited  
Business Manager/CSBO  
Lincolnwood School District 74  
6950 N. East Prairie Road  
Lincolnwood, IL 60712

RE: 2021 Door Replacement  
Project No. 20041

Dear Mrs. Whited:

Bids for the above referenced project were received at 11:30 a.m. on Tuesday, January 5, 2021. There were nine (9) bidders of record; eight (8) bids were received. A bid tabulation sheet is herein attached for your review.

After evaluation of the bidding documents submitted by the bidders, the apparent low bidder has irregularities. Attached is a summary of the documents requested from bidders as part of their bid submittal and what was received by the two lowest bidders.

The bid amounts include contingency allowance monies in the amount of \$75,000.00 that will be returned to the school district if not used at the end of the project. Alternate 1 pricing was also requested from bidders for the additional cost to provide FRP Special-lite exterior doors in hollow metal frames. The base bid costs include hollow metal doors in hollow metal frames.

StudioGC will be at the Facilities Committee Meeting to facilitate a discussion with the committee regarding the bid results.

Please do not hesitate to contact me in the meantime if you have any questions.

Sincerely,

Athi Toufexis, AIA, LEED-AP

Enclosures – Bid Tabulation, Bidder's Review  
cc: Pat Callahan, ALEP, AIA, LEED-AP, StudioGC



223 W. Jackson Blvd., Suite 1200  
 Chicago, IL 60606  
 P: 312.253.3400

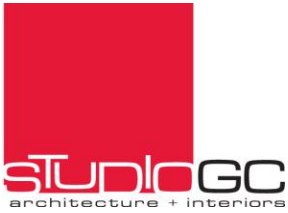
**Client:** Lincolnwood School District 74  
**Project Name:** 2021 Door Replacement

**Project No.:** 20041  
**Bid Date:** Tuesday, January 5, 2021 @ 11:30 a.m.  
**Project Architect:** Athi Toufexis ( virtual mtg)

### BID TAB WORKSHEET

Contractor	Total Bid Amount	Alternates	Total Bid + Alt. No. 1	Addendum		Bid Bond	Remarks
		No. 1		#1	#2		
Blue Reef LLC 312-719-4826	NO BID		NO BID				
Boller Construction 847-662-5566	\$792,000.00	\$81,000.00	\$873,000.00	X	X	X	
CMM Group 708-251-5910	\$825,700.00	\$79,400.00	\$905,100.00	X	X	X	
D Kersey Construction 847-919-4980	\$820,740.00	\$88,000.00	\$908,740.00	X	X	X	
F. H. Paschen 312-848-8564	\$829,500.00	\$78,000.00	\$907,500.00	X	X	X	
Kandu Construction, Inc. 847-436-4014	\$922,000.00	\$167,000.00	\$1,089,000.00	X	X	X	

Alternate #1: Provide FRP flush exterior doors.



223 W. Jackson Blvd., Suite 1200  
 Chicago, IL 60606  
 P: 312.253.3400

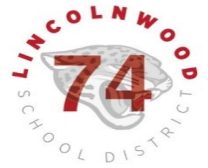
**Client:** Lincolnwood School District 74  
**Project Name:** 2021 Door Replacement

**Project No.:** 20041  
**Bid Date:** Tuesday, January 5, 2021 @ 11:30 a.m.  
**Project Architect:** Athi Toufexis (virtual mtg)

### BID TAB WORKSHEET

Contractor	Total Bid Amount	Alternates	Total Bid + Alt. No. 1	Addendum		Bid Bond	Remarks
		No. 1		#1	#2		
Stuckey Construction 847-336-8575	\$743,743.00	\$76,900.00	\$820,643.00	X	X	X	
Tandem Construction 312-764-3942	\$720,000.00	\$91,000.00	\$811,000.00	X	X	X	
Troop Contracting, Inc. 815-919-9330	\$743,969.00	\$99,000.00	\$842,969.00	X	X	X	

Alternate #1: Provide FRP flush exterior doors.



**20041 - 2021 Door Replacement - Bidders Review**

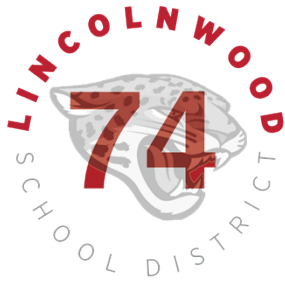
Jan. 8, 2021

ITEM	BIDDERS <i>(Note: only lowest 2 bidders shown here)</i>	
	Tandem	Stuckey
004113 - Bid Form		
Bidder's Required Bid Documents Checklist		
Bidder's Responsibility Information		
Attachment 1 To Bidder's Responsibility Information	1	
Financial reports for the two consecutive, most recently available years		
References and project names of all projects as set forth in Section 004395	1	
004325 - Substitutions		
004345 - Certificate of Prevailing Wage Requirements		
004347 - COVID		
004519 - Non-collusion Affidavit		
004521 - Bidder Eligibility Certificate		
004546 - Certificate of Compliance with Illinois Drug-Free Workplace Act		
004548 - Certificate Regarding Non-Discrimination in Employment – Protected Categories		
004550 - Certificate Regarding Sexual Harassment Policy		
004552 - Certificate Regarding Criminal Background Investigations		
004395 - Documentation of a minimum of five continuous years in business		
004395 - Documentation that the Project Manager meets the requirements	2	
004395 - Documentation that the Contractor meets the requirements	1	
Documentation that Contractor's Insurance Rating is 1.0 or less.		
Letter from President - absence of any filings under bankruptcy, etc in last 5 years		
Letter from President - absence of contracts terminated by owner in last 5 years		
Letter from bonding company - absence of claims on bond in last 5 years		
AIA Document A305		
Bid Bond		
<b>Total Bid Amount = Base Bid + \$750,000 contingency</b>	<b>\$720,000.00</b>	<b>\$743,743.00</b>
<b>Alternate 1 Amount</b>	<b>\$91,000.00</b>	<b>\$76,900.00</b>
<b>Total Bid Amount , including Alternate 1</b>	<b>\$811,000.00</b>	<b>\$820,643.00</b>

1. only one of three projects included are within 3 years and a public school, but private school experience is included (*bid general requirements for company was 3 public school projects of at least \$750,000 within 3 years*)

2. supplemental info submitted after deadline; only one reference project listed is school project (*bid general requirements for PM was 3 public school projects of at least \$500,000 within 5 years*)

	submitted, meets requirements
	submitted, doesn't meet requirements. See notes
	not submitted



## Executive Summary Facilities Committee Meeting

DATE: January 19, 2021

TOPIC: Amendment No. 2 to Performance Contracting Agreement

PREPARED BY: Courtney Whited

**Recommended for:**

- Action
- Discussion
- Information

**Purpose/Background:**

On June 5, 2014, SD74 entered into a Performance Contracting Agreement with Siemens. On March 5, 2015, SD74 signed off on Amendment No. 1 of this Performance Contracting Agreement. Within this amendment, Table B.2 (see below) displayed a Performance Assurance Program Payment Schedule spanning 15 years. The total would have been \$96,712 for the Performance Assurance Services Program (PASP) reports issued annually. Examples of these PASP reports are attached.

**Table B.2 – Performance Assurance Program Payment Schedule**

Date	Semi - Annual Payments (\$)	Notes
Installation	\$4,798	1-Time Payment at Project Completion
Year 1	\$4,942	Payments to Annual
Year 2	\$5,090	Payments to Annual
Year 3	\$5,243	Payments to Annual
Year 4	\$5,400	Payments to Annual
Year 5	\$5,562	Payments to Annual
Year 6	\$5,729	Payments to Annual
Year 7	\$5,901	Payments to Annual
Year 8	\$6,078	Payments to Annual
Year 9	\$6,260	Payments to Annual
Year 10	\$6,448	Payments to Annual
Year 11	\$6,642	Payments to Annual
Year 12	\$6,841	Payments to Annual
Year 13	\$7,046	Payments to Annual
Year 14	\$7,257	Payments to Annual
Year 15	\$7,475	Payments to Annual

A Siemens representative wrote: *“The reports for Phase I Years 1-3 and Phase 1-2 got delivered in early 2018, and possibly may have been presented to the wrong point of contact. I have no notes on who, what and where but I do apologize as the reports were not delivered via email so no electronic receipts. However, at this point all the reports have been delivered at no charge to the School District.”*

The Siemens representative also wrote:

*“No payments have been made to Siemens for any Performance Assurance (M&V) services to date as called out in Table B.2.*

*Siemens has elected to not invoice for anything. It was Siemens' mistake for not doing our bookings/billings from the jump.”*

District Legal Counsel has reviewed this cancellation amendment and the recommendation is to move forward with the cancellation amendment as presented. The District has apparently never been billed for the annual PASP services in the past, even though they eventually received the reports (brief as they are) and Siemens will not be billing the District for any prior years (reports already issued or otherwise). Both of these are positive for the District.

**Fiscal Impact:**

Savings of \$96,712

**Recommendation:**

It is the Administrative recommendation that the Facilities Committee concurs to recommend to the Board of Education to approve the Performance Assurance Service Program cancellation by signing Amendment No. 2 to the Performance Contracting Agreement with Siemens.

## Amendment No. 2 to Performance Contracting Agreement

**THIS AMENDMENT No. 2 ("Amendment")** is made this 24th day of September, 2020, by and between Siemens Industry, Inc., through its Building Technologies Division (f/k/a Siemens Building Technologies, Inc.)("SIEMENS"), and the party identified below as CLIENT, and effective upon execution, amends and modifies the Performance Contracting Agreement dated June 5, 2014 between SIEMENS and CLIENT, and all prior amendments thereto, if any (collectively the "Agreement").

**PROJECT:**

This Amendment No. 2 shall operate to terminate the PASP inclusive of the Performance Contracting Agreement and Amendment No. 1 and, by so doing, SIEMENS' Performance Guarantee obligations are fully satisfied resulting in termination of the Agreement.

**CLIENT: Lincolnwood School District 74**  
**6950 E Prairie Rd**  
**Lincolnwood, IL 60712**

**DESIGNATED REPRESENTATIVE:**  
**Courtney Whited, Business Manager**  
 Phone: 847-675-8234, Fax: N/A

**SIEMENS: Siemens Industry, Inc.**  
**1000 Deerfield Parkway**  
**Buffalo Grove IL 60089**

Local office at:  
 Siemens Industry, Inc.  
 585 Slawin Ct  
 Mt Prospect, IL 60056

**DESIGNATED REPRESENTATIVE:**  
**Ken Detina, Account Executive**  
 Phone: 847-561-7457, Fax: NA

1. The Agreement and any amendments thereto are incorporated by reference herein and made a part hereof.
2. The Parties agree to modify the Agreement as follows:
  - a. Termination of Performance Assurance Services Program.
    - i. The PASP is hereby terminated. The Parties hereby agree that the effective date of termination is retroactive to September 1, 2019;
    - ii. As a result of the termination of the PASP, the savings shall no longer be measured and verified. Therefore, the remaining savings to be realized through the otherwise remaining term of the Performance Guarantee are hereby be deemed realized;
    - iii. Other than obligations that survive termination of the Agreement, if any, SIEMENS shall have no further obligations to the CLIENT under the Agreement;
    - iv. Other than obligations that survive termination of the Agreement, the CLIENT shall have no further obligations to the SIEMENS under the Agreement; and,
    - v. The Agreement, therefore, is hereby terminated.

WHEREFORE, this Amendment amends and modifies the Agreement. The Parties have caused this Amendment to be signed by their duly authorized representatives on the date first above written, and this Amendment may be executed in counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

**CLIENT: Lincolnwood School District 74**

**SIEMENS: Siemens Industry, Inc.**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

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

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

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# **PERFORMANCE CONTRACTING AGREEMENT**

between

**LA JOLLA UNIFIED SCHOOL DISTRICT**

and

**Siemens Industry, Inc.,  
Building Technologies Division**

## TABLE OF ARTICLES

1. Agreement
2. Glossary
3. General
4. Performance Guarantee
5. Work by SIEMENS
6. The CLIENT's Responsibilities
7. Changes and Delays
8. Compensation
9. Acceptance
10. Insurance and Allocation of Risk
11. Hazardous Material Provisions
12. Miscellaneous Provisions
13. Maintenance Services Program

# PERFORMANCE CONTRACTING AGREEMENT

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Number: SAP JOB NUMBER

## Article 1 AGREEMENT

THIS PERFORMANCE CONTRACTING AGREEMENT ("Agreement") is made this 5th day of June, 2014 (the "Effective Contract Date", defined below), by and between Siemens Industry, Inc., Building Technologies Division ("SIEMENS") and the party identified below as the CLIENT.

### The CLIENT:

Lincolnwood School District 74  
6950 N. East Prairie Road  
Lincolnwood, IL 60712

DESIGNATED REPRESENTATIVE: Mr. Ken Detina  
PHONE: 847-493-7730 FAX: n/a

**Siemens Industry, Inc., Building Technologies Division**  
1000 Deerfield Parkway  
Buffalo Grove, Illinois 60089

With offices at:  
585 Slawin Ct  
Mt. Prospect, IL 60056

DESIGNATED REPRESENTATIVE: Ms. Jessica Donato  
PHONE: 847-675-8234 FAX: n/a

For Work and Services in connection with the following project (the "Project"):

[Roof Top Unit Replacement and various other work associated to cooling/ventilating Todd Hall]

The CLIENT considered performing the following FIMs but at this time, has determined to exclude them from the Scope of Work and Services, Exhibit A:

## PERFORMANCE CONTRACTING AGREEMENT

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- Todd Hall Computer Room AC Unit
- Todd Hall Chiller Replacement
- Todd Hall Unit Ventilator Replacement
- Todd Hall Boiler Burner Replacement
- Rutledge Hall Chiller Replacement
- Rutledge Hall Computer Room AC Unit
- Rutledge Hall Domestic Water Booster Pump
- Lincoln Hall Computer Room AC unit
- Lincoln Hall Domestic Water Booster Pump
- Lincoln Hall Administration Area RTU's
- Lincoln Hall Gymnasium and Locker Room AHU's
- Lincoln Hall Multi-purpose Room AHU's
- Lincoln Hall Chiller Replacement

### ALTERNATIVE SCOPE ITEMS

- Corridor and Gymnasium Lighting
- Window Security Film
- Security Cameras
- Retro-commissioning
- Computer and Printer Management
- Document Management
- Energy Dashboard
- Campus Ground Source Heat Pumps

# PERFORMANCE CONTRACTING AGREEMENT

## Articles and Attachments

This Agreement consists of this document, which includes the following articles and exhibits which are acknowledged by the CLIENT and SIEMENS and incorporated into the Agreement by this reference:

### Articles

1. Agreement
2. Glossary
3. General
4. Performance Guarantee
5. Work BY SIEMENS
6. The CLIENT's Responsibilities
7. Changes and Delays
8. Compensation
9. Acceptance
10. Insurance and Allocation of Risk
11. Hazardous Material Provisions
12. Miscellaneous Provisions
13. Maintenance Services Program

### Exhibits

- |           |                            |
|-----------|----------------------------|
| Exhibit A | Scope of Work and Services |
| Exhibit B | Payment Schedule(s)        |
| Exhibit C | Performance Assurance      |

This Agreement, when executed by an authorized representative of the CLIENT and authorized representatives of SIEMENS, constitutes the entire, complete and exclusive agreement between the Parties relative to the project scope stated in Exhibit A. This Agreement supersedes all prior and contemporaneous negotiations, statements, representations, agreements, letters of intent, awards, or proposals, either written or oral relative to the same, and may be modified only by a written instrument signed by both Parties.

## COMPENSATION/TERMS OF PAYMENT:

As full consideration for the performance of the Work and Services set forth in Exhibit A, and for the Performance Assurance set forth in Exhibit C, the CLIENT shall pay SIEMENS in such manner and amounts as agreed to in Exhibit B.

Agreed for **Lincolnwood School District 74**

(Signature) by: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

(Signature) by: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

*Scott L. Anderson*

APPROVED BY LEGAL

*Keith E. Graham*

KEITH E. GRAHAM

Agreed for **Siemens Industry, Inc**

(Signature) by: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

(Signature) by: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

*Russell DeNapoli*

Russell DeNapoli

Director

Field Finance Operations

*Mike Kearney*

MIKE KEARNEY - SR. DIRECTOR, FES

## PERFORMANCE CONTRACTING AGREEMENT

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### Article 2

#### Glossary

The following terms shall for all purposes have the meanings stated herein, unless the context otherwise specifies or requires, or unless otherwise defined in the Agreement:

**“Acceptance”** means the CLIENT has signed, or is deemed to have signed, a Certificate of Substantial Completion.

**“Acceptance Date”** means the date on which the CLIENT signs or is deemed to have signed a Certificate of Substantial Completion.

**“Annual Performance Assurance Report”** means the document prepared by SIEMENS and submitted to the CLIENT as part of the Performance Assurance Service Program, which identifies the Savings achieved for the applicable Annual Period.

**“Annual Period”** means a twelve (12) month period beginning on the Guarantee Date or on any anniversary date thereof.

**“Annual Realized Savings”** means the actual Savings achieved by the CLIENT during an Annual Period, calculated as the sum of the Measured & Verified Savings plus the Stipulated Savings.

**“Applicable Law”** means laws, ordinances, codes, rules and regulations applicable to the Work and in effect on the Effective Contract Date.

**“Baseline”** means the measurements of Facility energy usage taken prior to the Effective Contract Date, and the Facility operating practices in effect prior to the Effective Contract Date, as set forth in the Performance Assurance, Exhibit C.

**“Baseline Period”** means the period of time from which data is provided to SIEMENS to derive the Baseline measurements. The Baseline Period is set forth in the Performance Assurance, Exhibit C.

**“BTU”** means a British Thermal Unit and is a unit of thermal energy.

**“Capital Off-Set Savings”** means a sub-category of Operational Savings where Savings will result in a cost effective upgrade to the Facility to address one or more of the following issues: potential future increased costs, comfort, code non-compliance, usage requirements, user needs and/or expectations.

**“Certificate of Substantial Completion”** means the document indicating that the Work, or a designated portion of the Work, is Substantially Complete in accordance with the Agreement.

**“CLIENT Representative”** means the person identified to SIEMENS by the CLIENT as the person authorized to make decisions on behalf of the CLIENT as set forth in Section 6.1(a) hereof.

**“Construction Period”** means the period between the Effective Contract Date and the first day of the month following the date of Substantial Completion.

**“Construction Period Savings”** means the actual accumulated Measured & Verified Savings plus the Stipulated Savings achieved from the Effective Contract Date until the Guarantee Date.

**“Contracted Baseline”** means the post-FIM-implementation Facility operating profile based on parameters described in Exhibit C, which the CLIENT shall maintain throughout the Performance Guarantee Period and are relied upon by SIEMENS for the calculation of Guaranteed Savings as provided in the Performance Assurance, Exhibit C. The Contracted Baseline must also include stipulated hours of operation and plug-loads for all Facilities, and must include stipulated blended, or non-blended, utility rates.

**“Deferred Maintenance”** means a sub-category of Operational Savings where Savings result from a reduction of current or potential future repair and maintenance costs due to certain work being performed hereunder where such work had been previously postponed.

**“Deliverables”** shall mean collectively, (a) any Equipment and any Software Product deliverable to CLIENT from SIEMENS under or in connection with the Work, and (b) any Work Product Deliverables.

**“Effective Contract Date”** is the date appearing at the top of this Agreement, unless specifically indicated otherwise.

**“Energy Conservation Measure”** or **“ECM”** means the SIEMENS' Products and/or other third party equipment, devices, materials and/or software as installed by SIEMENS at the Facilities, or as repaired or replaced by SIEMENS or the CLIENT hereunder, for the purpose of improving the efficiency of utility consumption.

**“Equipment”** means the installed physical equipment to be provided by SIEMENS as described in the Scope of Work and Services, Exhibit A.

**“Escalation Rate”** means an annual percentage increase to be applied to the previous year's energy savings, operational savings and service pricing, beginning and occurring on dates outlined in the Performance Assurance, Exhibit C. A different

## PERFORMANCE CONTRACTING AGREEMENT

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Escalation Rate may be applied to differing Savings calculations and/or payment schedules depending on the percentage agreed upon by the Parties.

**“Facility” or “Facilities”** means the building(s) or structure(s) where Work will be installed or implemented.

**“Facility Improvement Measures” or “FIMs”** means the (i) Instruments, know-how and Intellectual Property, including but not limited to methods and techniques for energy conservation, owned or licensed by SIEMENS and employed by SIEMENS to perform the Work and Services under this Agreement; and, (ii) the installation of Equipment and Software Products with the intent of generating net savings or efficiencies at or in connection with the operation of the Facilities. A FIM may include one or multiple ECMs as well as any non-conservation-related activities, means or methods.

**“FEMP”** means the Federal Energy Management Program managed by the United States Department of Energy.

**“FEMP Guidelines”** means the FEMP M&V Guidelines v. 3.0 published by FEMP as *M&V Guidelines; Measurement and Verification for Federal Energy Management Projects*.

**“Guarantee Date”** means the first day of the month following the date on which the CLIENT executes the final Certificate of Substantial Completion, thus indicating that the Construction Period is complete.

**“Guaranteed Annual Savings”** are the Guaranteed Measured & Verified Savings plus the Stipulated Savings that SIEMENS guarantees will be achieved in an Annual Period of the Performance Guarantee Period.

**“Guaranteed Measured & Verified Savings”** means the Measured & Verified Savings that SIEMENS guarantees will be achieved, as described in the Performance Assurance, Exhibit C.

**“Guaranteed Savings”** means the amount of Savings that SIEMENS guarantees will be achieved at the Facility during the Performance Guarantee Period, as identified in the Performance Assurance, Exhibit C as subject to the limitation identified in Section 4.8.

**“Hazardous Materials”** refers to the definition found in Section 11.1.

**“Instruments”** means all know-how, tools and related documentation owned or licensed by SIEMENS and used by SIEMENS to install or commission Equipment and Software Products for operation at the Facility, including but not limited to tools for installing any Software Products in Equipment, performing diagnostics on Equipment as installed in the Facility as well as any reports, notes, calculations, data, drawings, estimates, specifications, manuals, documents, all computer programs, codes and computerized materials prepared by or for SIEMENS and used by SIEMENS to provide an ECM or a FIM. Instruments excludes Work Product Deliverables.

**“Intellectual Property Rights” or “Intellectual Property”** means all trade secrets, patents and patent applications, trade marks (whether registered or unregistered and including any goodwill acquired in such trade marks), services marks, trade names, internet domain names, copyrights (including rights in computer software), moral rights, database rights, design rights, rights in know-how, rights in inventions (whether patentable or not) including, but not limited to, any and all renewals or extensions thereof, and all other proprietary rights (whether registered or unregistered, and any application for the foregoing), and all other equivalent or similar rights which may subsist anywhere in the world, including, but not limited to, any and all renewals or extensions thereof.

**“IPMVP”** means the International Performance Measurement and Verification Protocol, Volume 1, EVO 10000-1.2007 as prepared by the Efficiency Valuation Organization.

**“kW” and “kWh”** means kilowatt and kilowatt hour, respectively.

**“Maintenance Services Program” or “MSP”** means the Services performed by SIEMENS to maintain the Equipment in good working order. The MSP may also contain Services unrelated to the maintenance of the Equipment. If applicable, the MSP is more fully described in the Scope of Work and Services, Exhibit A.

**“Material Change”** means a measurable deviation in the Contracted Baseline such that there is an adverse impact on the Annual Realized Savings which results or will result in a Savings Shortfall.

**“Measured & Verified Savings”** means those Savings that can be calculated and ascertained by the methodology set forth in the Performance Assurance, Exhibit C.

**“Oil”** refers to the definition found in Section 11.1.

**“Operational Savings”** means Savings derived from reduced operational expenses, including but not limited to, Deferred Maintenance, or Capital Off-Set Savings. Operational Savings can only be expressed in monetary value and are Stipulated Savings.

**“Parties”** means the CLIENT and SIEMENS.

## PERFORMANCE CONTRACTING AGREEMENT

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**“Performance Assurance”** is the process of ascertaining whether the FIMs are performing at the level necessary to achieve the Guaranteed Savings.

**“Performance Assurance Services Program” or “PASP”** means the Services required to monitor the operation of the FIMs so that SIEMENS can provide the Annual Performance Assurance Report detailing the Annual Realized Savings and comparing the same to the Annual Guaranteed Savings based upon the calculations agreed to by the Parties in the Performance Assurance, Exhibit C. The Services provided under the PASP are described in the Scope of Work and Services, Exhibit A.

**“Performance Guarantee”** means the guarantee that SIEMENS makes to the CLIENT which is reconciled and confirmed through the Performance Assurance process set forth in the Performance Assurance, Exhibit C.

**“Performance Guarantee Period”** means the timeframe from the Guarantee Date to the last day of the final Annual Period as described in Table 1.1 of the Performance Assurance, Exhibit C, or the period from the Guarantee Date until the termination of this Agreement, whichever occurs earlier.

**“Permitted Users”** means the CLIENT, its employees and agents.

**“Savings”** means the Parties' intended result from implementing all FIMs. Savings can be derived from reductions in energy or utility consumption, reductions in operating expenses, a changed utility rate classification or a combination thereof. The Savings that are achieved from reduced energy or utility consumption are converted to a dollar figure based upon the calculation in Article 4.1.1 and as detailed in the Performance Assurance, Exhibit C. When converted to a dollar figure, these Savings become energy cost savings. Operational Savings are only expressed in a dollar figure.

**“Savings Shortfall”** means the Annual Realized Savings less the Guaranteed Annual Savings for the Annual Period resulting in an amount less than zero.

**“Services”** means those services to be provided by SIEMENS as described in the Scope of Work and Services, Exhibit A.

**“SIEMENS Pre-existing Intellectual Property”** means any Intellectual Property: (i) that has been conceived or developed by an employee or subcontractor of SIEMENS before SIEMENS performs any Work or Services under this Agreement; (ii) that is conceived or developed by such employee or subcontractor at any time wholly independently of SIEMENS performing the Work under this Agreement; or, (iii) if developed while performing the Work under this Agreement, where the development of Intellectual Property for the benefit of the CLIENT is not expressly identified as a FIM or part of a FIM. SIEMENS Pre-existing Property is included in all reports, notes, calculations, data, drawings, estimates, specifications, manuals, documents, all computer programs, codes and computerized materials prepared by or for SIEMENS.

**“SIEMENS Product”** means a product, including Software Product and/or Equipment, offered for sale or license by SIEMENS or its affiliates or subsidiaries and developed prior to performing the Work or SIEMENS rendering services in connection with this Agreement. A SIEMENS Product also includes improvements or modifications to any Equipment and any Software Product developed by SIEMENS or developed as part of the Work, including any SIEMENS Product that is configured or modified for operation at a site specified by the CLIENT. Any information that is provided by the CLIENT and incorporated into a SIEMENS Product is not, by itself, a SIEMENS Product. A compilation of such information and the product of such compilation, however, is a SIEMENS Product.

**“Software Product”** means any software that is owned or licensed by SIEMENS or its affiliates and that is either separately deliverable for use in the Equipment or for use in a computer system owned by the CLIENT or delivered as firmware embedded in the Equipment.

**“Stipulated Savings”** are a sub-category of Guaranteed Savings that do not require post-FIM implementation measurement and verification because they are agreed upon by the Parties based upon representations made to SIEMENS by the CLIENT and through the application of generally accepted analytical formulae. As such, Stipulated Savings are agreed upon in advance by the Parties and cannot be changed. When used as a methodology for representing a FIM's energy savings, such methodology is not recognized as a measurement and verification methodology under IPMVP. Therefore, where the IPMVP measurement methodologies are required, a methodology other than Stipulated Savings must be used to calculate energy savings.

**“Substantial Completion” or “Substantially Complete”** means the Work, or any identifiable portion thereof, is sufficiently complete, in accordance with the provisions of this Agreement relating to the Scope of the Work and Services, Exhibit A, such that the CLIENT will be able to realize from such Work substantially all of the practical benefits intended to be gained therefrom, or otherwise employ the Work or the FIMs for their intended purposes. To the extent that the Work requires multiple Acceptances, the Work's final Substantial Completion date shall determine the Guarantee Date.

**“Therm”** is a measure of energy equal to 100,000 BTUs.

## PERFORMANCE CONTRACTING AGREEMENT

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**"Total Guaranteed Savings"** means the sum of the Savings that are guaranteed for all Annual Periods during the Performance Guarantee Period (inclusive of the Construction Period, if applicable). The Total Guaranteed Savings are reflected in Tables 1.1 and 1.2 in the Performance Assurance, Exhibit C.

**"Work"** means collective labor, Equipment and services comprising the FIMs to be performed by SIEMENS, as described in the Scope of Work and Services, Exhibit A.

**"Work Product Deliverable"** means the tangible form of a report or drawing specifically developed for, commissioned by and deliverable to the CLIENT in connection with the Work to be performed by SIEMENS under this Agreement.

### Article 3

#### General

- 3.1 The Parties hereto acknowledge and agree that this Agreement has been negotiated at arm's length and among the Parties equally sophisticated and knowledgeable as to the subject matter of this Agreement. Each party has conferred, or has had the opportunity to confer, with their respective legal counsel. Accordingly, in the event any claim is made relating to any conflict, omission, or ambiguity in this Agreement, no presumption, burden of proof, or persuasion shall be implied by virtue of the fact that this Agreement was drafted by or at the request of a particular party or its legal counsel.
- 3.2 The CLIENT hereby engages and SIEMENS hereby accepts the engagement to perform and to provide the Work and Services set forth in Exhibit A in accordance with the terms and conditions of this Agreement. By implementing various FIMS, certain benefits to which the CLIENT might be legally be entitled may, but are not required to be realized, such as but not limited to, tax deductions, rebates and incentives either at a local or federal level. SIEMENS acknowledges that the CLIENT therefore will maintain its ownership of any such "benefits" realized by implementing this project or subsequent phases of work. SIEMENS agrees to reasonably cooperate with the CLIENT or its representatives in their efforts to secure and to maximize any such benefits available.
- 3.3 SIEMENS shall perform the Work as an independent contractor with exclusive control of the manner and means of performing the Work in accordance with the requirements of this Agreement. SIEMENS has no authority to act or make any agreements or representations on behalf of the CLIENT. This Agreement is not intended, and shall not be construed to create, between the CLIENT and SIEMENS, the relationship of principal and agent, joint-venturers, co-partners or any other such relationship, the existence of which is hereby expressly denied. No employee or agent of SIEMENS shall be, or shall be deemed to be, an employee or agent of the CLIENT.
- 3.4 SIEMENS represents, warrants and covenants to the CLIENT that:
- It has all requisite corporate power to enter into this Agreement, and that its execution hereof has been duly authorized and does not and will not constitute a breach or violation of any of SIEMENS's organizational documents, any Applicable Law, or any agreements with third parties;
  - It has done and will continue to do all things necessary to preserve and keep in full force and effect its existence and the Agreement;
  - This Agreement is the legal, valid and binding obligation of SIEMENS, in accordance with its terms, and all requirements have been met and procedures have been followed by SIEMENS to ensure the enforceability of the Agreement;
  - To SIEMENS's best knowledge, there is no pending or threatened, suit, action, litigation or proceeding against or affecting SIEMENS that affects the validity or enforceability of this Agreement; and,
  - It is duly authorized to do business in all locations where the Work and Services are to be performed.
- 3.5 The CLIENT represents, warrants and covenants to SIEMENS that:
- It has all requisite corporate power and/or statutory authority to enter into this Agreement, and that its execution hereof has been duly authorized and does not and will not constitute a breach or violation of any of the CLIENT's organizational documents, any Applicable Law, or any agreements with third parties;
  - It has done and will continue to do all things necessary to preserve and keep in full force and effect its existence and the Agreement;
  - This Agreement is the legal, valid and binding obligation of the CLIENT, in accordance with its terms, and all requirements have been met and procedures have been followed by the CLIENT to ensure the enforceability of the Agreement;

## PERFORMANCE CONTRACTING AGREEMENT

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- (d) To the CLIENT's best knowledge, there is no pending or threatened, suit, action, litigation or proceeding against or affecting the CLIENT that affects the validity or enforceability of this Agreement; and,
- (e) The CLIENT has consulted with its legal counsel and is relying on the advice of its counsel concerning all legal issues related to this Agreement, and is not relying on SIEMENS in this regard.

### Article 4

#### Performance Guarantee

- 4.1 The Annual Realized Savings generated during each Annual Period will be no less than the Guaranteed Annual Savings as shown in Tables 1.1 and 1.2 of the Performance Assurance, Exhibit C, subject to the limits in Section 4.8. The measurement and verification calculation methodology for determining the Savings is set forth in the Performance Assurance, Exhibit C.
  - 4.1.1 **General.** Except as otherwise provided, energy savings will be calculated for each month of each Annual Period as the product of (a) "units of energy saved" (kWh, Therms, GJ, etc.) multiplied by (b) "cost of energy."
    - (a) Units of energy saved are calculated by 1) assuming the Contracted Baseline has been maintained per Section 4.3 below, and 2) subtracting the then current period measured units of energy consumed from the Baseline units of energy defined in Article 5 of Exhibit C.
    - (b) Costs of energy are defined in Article 6 of Exhibit C-Utility Rate Structures and Escalation Rates.
- 4.2 Any future Escalation Rates to be applied to utility, energy or other costs are set forth in Exhibit C. SIEMENS and the CLIENT agree that the Baseline data set forth in Exhibit C is a full and accurate reflection of the existing Facility, equipment, operation, business use and energy usage, and that such Baseline data will be the basis on which all future energy use will be compared in order to determine the Annual Realized Savings.
- 4.3 SIEMENS and the CLIENT agree that the Contracted Baseline fully described in Exhibit C will represent the new operating and/or equipment profile of the Facility resulting from the FIM implementation. The Performance Guarantee is dependent upon and is subject to the express condition that the CLIENT operates and maintains its Facilities within the Contracted Baseline parameters, as may be adjusted in accordance with the terms herein, during the entire term of the Performance Guarantee Period.
- 4.4 The CLIENT agrees to notify SIEMENS prior to or within thirty (30) days of CLIENT's knowledge of any Material Change.
- 4.5 Within thirty (30) days of notice of a Material Change, SIEMENS's discovery of a Material Change and with prompt notice to CLIENT, SIEMENS will either:
  - (a) Require an adjustment to the Performance Assurance and the Performance Guarantee as a result of the Material Change; or,
  - (b) Where a commercially reasonable adjustment to the Performance Guarantee is unavailable, terminate both the Performance Assurance and the Performance Guarantee.
- 4.6 A Performance Guarantee Period savings reconciliation as identified in Section 4.1 will be performed at the end of each Annual Period as follows:
  - (a) Within ninety (90) days of the Guarantee Date, the Construction Period Savings shall be reconciled and applied to the calculation of the first Annual Period's Annual Realized Savings.
  - (b) At the conclusion of each Annual Period, SIEMENS will calculate the Annual Realized Savings and compare the calculated amount to the applicable Guaranteed Annual Savings amount.
  - (c) Where the Annual Realized Savings are less than the Guaranteed Annual Savings, a Savings Shortfall shall be recorded for the applicable Annual Period.
  - (d) A Savings Shortfall shall be paid by SIEMENS within sixty (60) days following the CLIENT's acceptance of the reconciliation and once paid SIEMENS shall have fulfilled its obligations under the Performance Guarantee for the applicable Annual Period.
  - 4.6.1 As the mutual goal of the Parties is to maximize Savings, if SIEMENS can correct a Savings Shortfall through an operational improvement at no expense or material inconvenience to the CLIENT and without future operational expenses, and the CLIENT declines to allow such operational improvement, then any future Savings Shortfall that the improvement would have corrected will be negated by deeming the value of the Savings Shortfall as Savings achieved and adding the amount of same to the Annual Realized Savings calculations for each Annual Period thereafter.

## PERFORMANCE CONTRACTING AGREEMENT

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- 4.7 The Performance Guarantee is dependent upon and is subject to the express condition that the CLIENT maintains the PASP during the entire Performance Guarantee Period. If the CLIENT fails to maintain, breaches, cancels or otherwise causes the termination of the PASP then; (a) The Performance Guarantee shall terminate immediately and be void and of no force or effect; or, (b) Where termination of the Performance Guarantee acts to render the Agreement in violation of Applicable Law, all Guaranteed Savings thereafter shall be determined to have been achieved and SIEMENS shall have been deemed to have met its Performance Guarantee obligations under this Agreement for each and every Annual Period thereafter without the obligation to provide the CLIENT, or any third-party as the case may be, with any further Annual Performance Assurance Reports.
- 4.8 The payments and credits based on Savings Shortfalls, if any, are the sole remedy of the CLIENT under this Performance Guarantee. ANY PAYMENTS MADE OR TO BE MADE TO THE CLIENT UNDER THE TERMS OF THIS PERFORMANCE GUARANTEE SHALL NOT EXCEED THE PAYMENTS ACTUALLY MADE BY CLIENT TO EITHER SIEMENS AND/OR A THIRD-PARTY (IN THE EVENT THAT THE CLIENT HAS FINANCED THE TRANSACTION) FOR THE AGGREGATE OF: THE PRICE, AS DEFINED IN EXHIBIT B, ARTICLE 1.1; THE PASP PAYMENTS; THE MSP PAYMENTS, IF ANY; AND, IF APPLICABLE, THE CLIENT'S COST OF FINANCING THE WORK. The CLIENT's cost of financing the Work is the cost of financing calculated either: (a) On the date that the escrow account is funded in accordance with Exhibit B, Article 1.2; or, (b) On the Effective Contract Date if the escrow requirement is expressly waived by SIEMENS.
- 4.9 The CLIENT represents that all existing equipment that is not installed by SIEMENS under this Agreement but is deemed necessary to achieve the Performance Guarantee, is in satisfactory working condition. Prior to the beginning of the Performance Guarantee Period, SIEMENS will have inspected all such existing equipment and reported any deficiencies to the CLIENT. To the extent that the deficiencies are not remedied by the CLIENT prior to the Guarantee Date, the adverse affect on the ability of the Project to attain the necessary Guaranteed Savings shall be factored into the Annual Performance Assurance Report and, if necessary, the Performance Guarantee shall be adjusted accordingly.
- 4.10 If the Equipment or the existing equipment is altered or moved by any person (including the CLIENT) other than SIEMENS or a person authorized by SIEMENS, the CLIENT shall immediately notify SIEMENS in writing, and SIEMENS reserves the right to perform a reacceptance test on, or if necessary a re-commissioning of, the system at the CLIENT's expense in order to determine if a Material Change has occurred.
- 4.11 SIEMENS will have no liability or obligation to continue providing PASP Services or any Guaranteed Savings under the Performance Guarantee in the event that the CLIENT fails to:
- (a) Authorize a re-acceptance test or re-commissioning that SIEMENS reasonably deems necessary in order to determine if a Material Change has occurred;
  - (b) Provide access to any Facility where Work is to be performed;
  - (c) Service and maintain all Equipment in accordance with the manufacturers' recommendations in order to prevent a Savings Shortfall; or,
  - (d) Provide SIEMENS with accurate Facility operating information as soon as such information becomes reasonably available to the CLIENT, including energy usage and cost, executed preventive maintenance and repair records, building or equipment additions, and occupancy levels during each Annual Period.
- 4.12 Unless expressly contrary to Applicable Law, should the CLIENT decide to discontinue the PASP before the end of the Performance Guarantee Period, the CLIENT will give SIEMENS thirty (30) days prior written notice and in such notice indicate that the CLIENT has selected one of the following:
- (a) The CLIENT will re-invest the avoided cost of cancellation of the PASP into Facility improvements and services that improve the overall Facility's performance and which improvements and services are implemented by SIEMENS; or,
  - (b) The CLIENT will pay to SIEMENS 0% of the remaining value left in the PASP Annual Period, as a liquidated damage and not as a penalty, to compensate SIEMENS for SIEMENS's up-front costs and expenses in preparing to perform the PASP as contracted for the Annual Period.
- 4.13 Unless expressly contrary to Applicable Law, any disputes concerning the calculation of the Annual Realized Savings or changes to the Contracted Baseline that are not resolved by negotiation between the Parties within thirty (30) days of the notice of the dispute, will be resolved by a third-party professional engineering firm which is reasonably acceptable to both SIEMENS and the CLIENT. The determination of such firm will be final and binding upon CLIENT and SIEMENS. SIEMENS and the CLIENT will each be responsible for half of the fees of such firm.

## PERFORMANCE CONTRACTING AGREEMENT

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### Article 5

#### Work by SIEMENS

- 5.1 SIEMENS will perform the Work expressly described in this Agreement and in any work release documents or change orders that are issued under this Agreement and signed by both Parties. The Work performed by SIEMENS shall be conducted in a workmanlike and timely manner.
- 5.2 SIEMENS shall perform the Work during its normal hours, Monday through Friday inclusive, excluding holidays, unless otherwise agreed herein. The CLIENT shall make the Facility available so Work may proceed in an efficient manner. Except as otherwise provided herein, Siemens will be responsible for any overtime needed to complete the Project on time and without additional cost to the Client.
- 5.3 SIEMENS is not required to conduct safety, reacceptance or other tests, install new devices or equipment or make modifications to any Equipment unless expressly made a part of the Work identified in the Scope of Work and Services, Exhibit A. Any CLIENT request to change the scope or the nature of the Work or Services must be in the form of a mutually agreed change order, effective only when executed by the Parties.
- 5.4 All Work Product Deliverables shall become the CLIENT's property upon receipt by CLIENT. SIEMENS may retain file copies of such Work Product Deliverables. If any Instruments are provided to the CLIENT under this Agreement, any such Instruments shall remain SIEMENS property, including the Intellectual Property conceived or developed by SIEMENS in the Instruments. All SIEMENS Pre-existing Intellectual Property that may be included in the Deliverables provided to the CLIENT under this Agreement shall also remain SIEMENS's property including the SIEMENS Pre-existing Intellectual Property included in the Work Product Deliverables. All Work Product Deliverables and any Instruments provided to the CLIENT are for Permitted Users' use and only for the purposes disclosed to SIEMENS. SIEMENS hereby grants the CLIENT a royalty-free (once payments due under this Agreement are paid to SIEMENS), non-transferable, perpetual, nonexclusive license to use any SIEMENS Pre-existing Intellectual Property solely as incorporated into the Deliverables and SIEMENS' Intellectual Property as incorporated into any Instruments provided to the CLIENT under this Agreement. Under such license, and following agreement to be bound to such separate confidentiality provisions that may exist between the Parties, Permitted Users shall have a right to:
- (a) Use, in object code form only, the Software Products included in the Deliverables ("Software Deliverables");
  - (b) Make and retain archival and emergency copies of such Software Deliverables (subject to any confidentiality provisions) except if the Software Deliverable is embedded in the Equipment; and,
  - (c) Use all such Deliverables and such Instruments, provided however, the Deliverables and Instruments shall not be used or relied upon by any parties other than Permitted Users, and such use shall be limited to the particular project and location for which the Deliverables are provided. All Deliverables provided to the CLIENT are for Permitted Users' use only for the purposes disclosed to SIEMENS, and the CLIENT shall not transfer them to others or use them or permit them to be used for any extension of the Work or any other project or purpose, without SIEMENS's express written consent.
- 5.4.1 Any reuse of such Deliverables or such Instruments for other projects or locations without the written consent of SIEMENS, or use by any party other than Permitted Users will be at Permitted Users' risk and without liability to SIEMENS; and, the CLIENT shall indemnify, defend and hold SIEMENS harmless from any claims, losses or damages arising therefrom.
- 5.4.2 In consideration of such license, CLIENT agrees not to reverse engineer any Equipment or Software Product to reconstruct or discover any source code, object code, firmware, underlying ideas, or algorithms of such Equipment or Software Product even to the extent such restriction is allowable under Applicable Law.
- 5.4.3 Nothing contained in this Agreement shall be interpreted or construed to convey to the CLIENT the pre-existing Intellectual Property rights of any third party incorporated into the Deliverables. CLIENT agrees to take delivery of any Software Deliverables subject to any applicable SIEMENS or third party end-user license agreement accompanying such Software Deliverable.
- 5.5 SIEMENS shall be responsible for any portion of the Work performed by any subcontractor of SIEMENS. SIEMENS shall not have any responsibility, duty or authority to direct, supervise or oversee any contractor of the CLIENT or their work or to provide the means, methods or sequence of their work or to stop their work. SIEMENS's work and/or presence at the Facility shall not relieve others of their responsibility to the CLIENT or to others.
- 5.6 SIEMENS warrants that:

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- (a) Unless otherwise agreed, all Equipment shall be new and of good quality. Until one year from the date the Equipment is installed, all Equipment manufactured by SIEMENS or bearing its nameplate will be free from defects in material and workmanship arising from normal use and service.
- (b) Labor for all Work, excluding PASP or MSP Services, is warranted to be free from defects in workmanship for one year after the Work is performed. PASP Services and MSP Services are warranted to be free from defects in workmanship for ninety (90) days after the Services are performed.

### 5.7 Warranty Limitation:

- (a) The limited warranties set forth in Section 5.6 will be void as to, and shall not apply to, any Equipment (i) repaired, altered or improperly installed by any person other than SIEMENS or its authorized representative; (ii) which the CLIENT or a third party subjects to unreasonable or improper use or storage, uses beyond rated conditions, operates other than per SIEMENS's or the manufacturer's instructions, or otherwise subjects to improper maintenance, negligence or accident; (iii) damaged because of any use of the Equipment after the CLIENT has, or should have had, knowledge of any defect in the Equipment; or (iv) not manufactured, fabricated and assembled by SIEMENS or not bearing SIEMENS's nameplate. However, SIEMENS assigns to the CLIENT, without recourse, any and all assignable warranties available from any manufacturer, supplier, or subcontractor of such Equipment.
- (b) Any claim under the limited warranty granted above must be made in writing to SIEMENS within thirty (30) days after discovery of the claimed defect unless discovered directly by SIEMENS. Such limited warranty only extends to the CLIENT and not to any subsequent owner of the Equipment. The CLIENT's sole and exclusive remedy for any Equipment or Services not conforming with this limited warranty is limited to, at SIEMENS's option: (i) repair or replacement of defective components of covered Equipment; (ii) re-performance of the defective portion of the Services; or (iii) to the extent previously paid and itemized, the issuance of a credit or refund for the original purchase price of such defective component or portion of the Equipment or Services.
- (c) SIEMENS shall not be required to repair or replace more than the component(s) of the Equipment or the portion of the Work and Services actually found to be defective. SIEMENS's warranty liability shall not exceed the purchase price of such item. Repaired or replaced Equipment or Services will be warranted hereunder only for the remaining portion of the original warranty period.

5.8 THE EXPRESS LIMITED WARRANTIES PROVIDED ABOVE ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES, STATUTORY, EXPRESS, OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY EXPRESSLY DISCLAIMED. THE LIMITED EXPRESS WARRANTIES AND REPRESENTATIONS SET FORTH IN THIS AGREEMENT MAY ONLY BE MODIFIED OR SUPPLEMENTED IN A WRITING EXECUTED BY A DULY AUTHORIZED SIGNATORY OF EACH PARTY.

5.9 SIEMENS will not be responsible for the maintenance, repair or replacement of, or Services necessitated by reason of:

- (a) Non-maintainable, non-replaceable or obsolete parts of the Equipment, including but not limited to: ductwork, shell and tubes, heat exchangers, coils, unit cabinets, casings, refractory material, electrical wiring, water and pneumatic piping, structural supports, cooling tower fill, slats and basins, etc., unless covered by the warranty provisions herein or otherwise specifically stated herein; or
- (b) The CLIENT's or a third-party's negligence, abuse, misuse, improper or inadequate repairs or modifications, improper operation, lack of operator maintenance or skill, corrosion, erosion, improper or inadequate water treatment, electrolytic action, chemical action, failure to comply with manufacturer's operating and environmental requirements, Acts of God, or other reasons beyond SIEMENS's control. Unless expressly agreed in writing, SIEMENS is not responsible for the removal or reinstallation of replacement valves, dampers, or waterflow and tamper switches with respect to pipes and ductwork, including vent or drain system. SIEMENS ASSUMES NO RESPONSIBILITY FOR ANY SERVICE PERFORMED ON ANY EQUIPMENT OTHER THAN THAT PERFORMED BY SIEMENS OR ITS AGENTS.

## Article 6

### The CLIENT's Responsibilities

6.1 The CLIENT, without cost to SIEMENS, shall:

- (a) Designate a contact person with authority to make decisions for the CLIENT regarding the Work and provide SIEMENS with information sufficient to contact such person in an emergency;

## PERFORMANCE CONTRACTING AGREEMENT

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- (b) Coordinate the work of contractors under CLIENT's sole control so as not to disrupt the Work and Services proceeding in an efficient manner;
  - (c) Provide or arrange access and make all reasonable provisions for SIEMENS to enter any Facility where Work is to be performed so that Work may proceed in an efficient manner;
  - (d) Permit SIEMENS, with supervision of the CLIENT, to control and/or operate all building controls, systems, apparatus, equipment and machinery necessary to perform the Work;
  - (e) Furnish SIEMENS with blueprints, surveys, legal descriptions, waste management plans and all other available information pertinent to the Work and any Facility where the Work is to be performed as may be reasonably requested by SIEMENS. Such plans and blueprints, along with an executed copy of this Agreement, with its Exhibits, shall be kept and maintained in CLIENT's files for a period of fifteen (15) years from the Effective Contract Date;
  - (f) Furnish SIEMENS with all approvals and consents from government authorities and others as may be required for performance of the Work, except for those SIEMENS has expressly agreed in writing to obtain;
  - (g) In accordance with Article 11 hereof, promptly notify SIEMENS of all known or suspected Hazardous Materials at the Facility, of any contamination of the Facility by Oil or Hazardous Material, and of any other conditions requiring special care or which may reasonably be expected to affect the Work, and provide SIEMENS with any available documents describing the quantity, nature, location and extent of such materials, contamination or conditions;
  - (h) Comply with Applicable Law and provide any notices required to be given to any government authorities in connection with the Work, except such notices SIEMENS has expressly agreed in writing to give;
  - (i) Provide SIEMENS with legally required materials and information (including but not limited to Material Safety Data Sheets) related to all Hazardous Materials located at any Facility where the Work is to be performed;
  - (j) Furnish SIEMENS with any contingency plans, safety programs and other policies, plans or programs related to any Facility where the Work is to be performed;
  - (k) Operate, service and maintain all Equipment according to the manufacturer's recommendations including those set forth in the manufacturer's operating manuals or instructions, as well as all requirements of Applicable Law or of authorities having jurisdiction. The CLIENT shall furnish all needed servicing and parts for said FIMs, which parts shall become part of the FIMs. Such Equipment shall be operated only in the specified operating environment, which shall be supplied by the CLIENT, including without limitation: (1) suitable electrical service, including clean, stable, properly conditioned power, to all Equipment; (2) telephone lines, capacity and connectivity as required by such Equipment; and (3) heat, light, air conditioning or other environmental controls, and other utilities in accordance with the specifications for the Equipment;
  - (l) Promptly notify SIEMENS of any unusual operating conditions, hours of usage, system malfunctions, installed equipment or building alterations that may affect the Equipment or energy usage or any Services; and,
  - (m) If applicable, provide and pay for a dedicated voice grade dial-up phone line, or a mutually agreed communication method, and install a terminal block, or an equivalent communication mechanism, in a mutually agreed upon location. All on-line service Equipment (excluding the phone line) will remain the property of SIEMENS unless otherwise stated herein.
- 6.2 Unless contrary to Applicable Law, the CLIENT acknowledges that the technical and pricing information contained in this Agreement is confidential and proprietary to SIEMENS and agrees not to disclose it or otherwise make it available to others without SIEMENS's express written consent.
- 6.3 The CLIENT acknowledges that it is now and shall at all times remain in control of the Facility. Except as expressly provided herein, SIEMENS shall not be responsible for the adequacy of the health or safety programs or precautions related to the CLIENT's activities or operations, the CLIENT's other contractor(s), the work of any other person or entity, or Facility conditions. SIEMENS shall not be responsible for inspecting, observing, reporting or correcting health or safety conditions or deficiencies of the CLIENT or others at the Facility. So as not to discourage SIEMENS from voluntarily addressing health or safety issues while at the Facility, in the event SIEMENS does address such issues by making observations, reports, suggestions or otherwise, the CLIENT shall not hold, or attempt to hold, SIEMENS liable or responsible on account thereof.

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## Article 7

### Changes and Delays

- 7.1 As the Work is performed, Applicable Law or conditions may change, or circumstances outside SIEMENS's reasonable control may develop, which would require SIEMENS to expend additional costs, effort or time to complete the Work, in which case SIEMENS will notify the CLIENT and an agreed upon equitable adjustment will be made to SIEMENS's compensation and the time for performance. In the event such changes require the Work to be suspended or terminated, SIEMENS shall be compensated for Work previously performed and for costs reasonably incurred in connection with the suspension or termination.
- 7.2 Either party may request additions, deletions, modifications or changes to the Work. Any such requests shall only become effective upon execution of a written agreement by authorized representatives of both Parties.
- 7.3 SIEMENS may, in its sole discretion and with approval of the CLIENT, substitute alternative parts, goods or equipment in the performance of the Work, provided that any such substitution shall be of an equal or better quality.
- 7.4 SIEMENS shall not be responsible for loss, delay, injury, damage or failure of performance that may be caused by circumstances beyond its control, including but not restricted to acts or omissions by the CLIENT or its employees, agents or contractors, Acts of God, war, civil commotion, acts or omissions of government authorities, fire, theft, corrosion, flood, water damage, lightning, freeze-ups, strikes, lockouts, differences with workmen, riots, explosions, quarantine restrictions, delays in transportation, or shortage of vehicles, fuel, labor or materials. In the event of such delay or failure, the time for performance shall be extended by a period equal to the time lost plus a reasonable recovery period and the compensation shall be equitably adjusted to compensate for additional costs SIEMENS incurs due to such delay. If any such delay exceeds sixty (60) days, SIEMENS may terminate this Agreement upon three (3) days notice to the CLIENT and the CLIENT shall promptly pay SIEMENS for the allocable portion of the Work completed, for any costs and expenses of termination, and for any loss or damage incurred with respect to materials, equipment, tools and machinery, including reasonable overhead and profit.

## Article 8

### Compensation

- 8.1 The aggregate amount paid by CLIENT provides for and is solely in consideration of the Scope of Work and Services described in Exhibit A, and is detailed in Exhibit B.
- 8.2 SIEMENS will invoice the CLIENT in accordance with the schedules set forth in Exhibit B. Unless otherwise agreed in writing, invoices are due and payable within thirty (30) days of approval of the pay application by the CLIENT. If the CLIENT disagrees with any portion of an invoice, it shall notify SIEMENS in writing of the amount in dispute and the reason for its disagreement within 21 days of receipt of the invoice, and shall pay the portion not in dispute.
- 8.3 SIEMENS may suspend or terminate the Work or Services at any time if payment is not received when due. In such event, SIEMENS shall be entitled to compensation for the Work or Services previously performed and for costs reasonably incurred in connection with the suspension or termination.
- 8.4 On amounts not paid within forty-five (45) days of invoice date, the CLIENT shall pay interest from invoice date until payment is received at the lesser of 12% per annum or the maximum rate allowed by law. The CLIENT shall reimburse SIEMENS for SIEMENS's costs and expenses (including reasonable attorney and witness fees) incurred for collection under this Agreement.
- 8.5 Except to the extent expressly agreed herein, SIEMENS's fees do not include any taxes, excises, fees, duties or other government charges related to the Work or Services. The CLIENT shall pay such amounts or reimburse SIEMENS for any such amounts SIEMENS pays to the extent such charges are lawfully due and payable by CLIENT and have been paid or incurred by SIEMENS in furtherance thereof. If the CLIENT claims that the Work or Services is subject to a tax exemption or direct payment permit, it shall provide SIEMENS with a valid exemption certificate or permit and, unless specifically prohibited by law, shall indemnify, defend and hold SIEMENS harmless from any taxes, costs and penalties arising out of the use or acceptance of same.
- 8.6 All other work or services requested by the CLIENT, including but not limited to the following, shall be separately billed or surcharged on a time and materials basis:
  - (a) Emergency services, if inspection does not reveal any deficiency covered by the Scope of Work and Services, Exhibit A;

## PERFORMANCE CONTRACTING AGREEMENT

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- (b) Work and/or services performed at times other than during SIEMENS's normal working hours, unless otherwise agreed to in Exhibit A; or
- (c) Work and/or services performed on equipment not covered by the Scope of Work and Services, Exhibit A.

### Article 9

#### Acceptance

- 9.1 When SIEMENS believes that all, or an independent, definable phase or portion, of the Work is Substantially Complete, SIEMENS will submit a Certificate of Substantial Completion to the CLIENT which shall be subject to the following:
- (a) If the CLIENT concurs that the described portion of the Work as performed is Substantially Complete, the CLIENT will accept that Work by signing the Certificate of Substantial Completion and returning it to SIEMENS;
  - (b) If the CLIENT does not concur that the Work is Substantially Complete, then the CLIENT shall notify SIEMENS within seven (7) business days of any discrepancies;
  - (c) To the extent SIEMENS does not dispute the discrepancies raised by the CLIENT, SIEMENS shall correct the Work to conform to the description of the Work set forth herein, and resubmit the Certificate of Substantial Completion to the CLIENT;
  - (d) If SIEMENS disagrees with the discrepancies raised by the CLIENT, SIEMENS shall notify the CLIENT of a dispute and such dispute shall be resolved in accordance with Section 9.3 herein;
  - (e) If the CLIENT Representative does not deliver written notice to SIEMENS within seven (7) business days of receiving the Certificate of Substantial Completion, in the mutual interests of the Project proceeding in a timely manner, the CLIENT will be deemed to have agreed to, signed and returned the Certificate of Substantial Completion.
- 9.2 To the extent that this Project requires multiple Certificates of Substantial Completion, the final Certificate of Substantial Completion shall determine the date on which the Construction Period is completed.
- 9.3 Any disputes concerning the Substantial Completion of the Work will be resolved by submitting the issue to a third party professional engineering firm and which is reasonably acceptable to both SIEMENS and the CLIENT. The determination of this firm with respect to completion or Substantial Completion will be final and binding upon the Parties. SIEMENS and the CLIENT shall share equally the costs or fees for such firm in connection with such dispute resolution process.

### Article 10

#### Insurance and Allocation of Risk

- 10.1 SIEMENS shall maintain, at SIEMENS's expense, the following insurances while performing the Work and shall add the CLIENT as an "Additional Insured" to each policy that is referenced in subsections (c) through and including (e) hereof:
- (a) Workers' Compensation at the statutory amounts and limits as prescribed by Applicable Law.
  - (b) Employer's Liability insurance (and, where applicable, Stop Gap extended protection endorsement) limits of liability shall be:
    - \$1,000,000 per occurrence
    - \$1,000,000 Disease Policy
    - \$1,000,000 Each Employee
  - (c) SIEMENS shall carry, in the Occurrence Coverage Form, Comprehensive General Liability or Commercial General Liability, insurance covering SIEMENS's operations and providing insurance for bodily injury and property damage with limits of liability stated below and including coverage for:
    - Products and Completed Operations
    - Contractual Liability insuring the obligations assumed by SIEMENS in this Agreement
    - Broad Form Property Damage (including Completed Operations)
    - Explosion, Collapse and Underground Hazards
    - Personal Injury Liability:
      - Limits of liability shall be \$1,000,000 per occurrence/aggregate

## PERFORMANCE CONTRACTING AGREEMENT

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- (d) SIEMENS shall carry Automobile Liability Insurance in the Occurrence Coverage Form covering all owned, hired and non-owned automobiles and trucks used by or on behalf of SIEMENS providing insurance for bodily injury liability and property damage liability for the limits of:
  - \$1,000,000 per occurrence/aggregate
- (e) SIEMENS shall carry Excess Liability Insurance in the Occurrence Coverage Form with limits of:
  - \$5,000,000 per occurrence/aggregate

10.2 The CLIENT will either maintain at its own expense, or self-insure for the equivalent risks, property insurance written on a builder's "all-risk" or equivalent policy form in an amount no less than the Price identified in Exhibit B, Article 1.1, plus the value of subsequent modifications and cost of materials supplied or installed by others, on a replacement cost basis without optional deductibles. Such property insurance shall be maintained, unless otherwise provided in the Contract Documents or otherwise agreed in writing by SIEMENS, until final payment has been made to SIEMENS or no person or entity other than the CLIENT has an insurable interest in the property, whichever is later. The policy form shall include without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and start-up, rebuilding and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for SIEMENS's services and expenses required as result of such insured loss. If the insurance requires deductibles or retentions, the CLIENT shall pay costs not covered because of such deductibles or retentions. This insurance shall cover portions of the Work off the Facility, and also portions of the Work in transit. Partial occupancy or use shall not commence unless the insurance company providing this insurance has consented to such partial occupancy or use by endorsement for otherwise. The CLIENT shall purchase and maintain boiler and machinery insurance which shall specifically cover such insured objects during installation and until Acceptance by the CLIENT. The insurance required by this section shall include the interests of the CLIENT, SIEMENS, subcontractor and sub-subcontractor in the Work. SIEMENS shall be included as an additional insured on each such insurance coverage. The CLIENT and SIEMENS waive all rights against each other and any of their subcontractors, sub-subcontractors, agents and employees for damages caused by fire or other causes of loss to the extent covered by the insurance required by this section and for any other property insurance applicable to the Work, except such rights as they have to proceeds of such insurance held by the CLIENT as fiduciary. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged. Insurance certificates shall be furnished upon request.

10.3 Title and risk of loss of materials and Equipment furnished by SIEMENS shall pass to the CLIENT upon their delivery to the Facility, and the CLIENT shall be responsible for protecting them against theft and damage.

10.4 SIEMENS will indemnify the CLIENT from and against losses, claims, expenses and damages (including reasonable attorney's fees) for personal injury or physical damage to property (collectively "Damages"). Such indemnification shall be solely to the extent the Damages are caused by or arise directly from SIEMENS or its employees', consultants' or agents' negligent acts or omissions or willful misconduct in connection with SIEMENS's performance of the Work or Services. SIEMENS's obligations under this indemnity shall not extend to Damages arising out of or in any way attributable to the negligence of the CLIENT or its agents, contractors or employees. SIEMENS reserves the right to control the defense and settlement of any claim for which SIEMENS has an obligation to indemnify hereunder. UNLESS CONTRARY TO APPLICABLE LAW, IN NO EVENT SHALL THE CLIENT OR SIEMENS BE LIABLE UNDER THIS INDEMNITY OR OTHERWISE UNDER THIS AGREEMENT FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING COMMERCIAL LOSS, LOSS OF USE, OR LOST PROFITS, HOWEVER CAUSED, EVEN IF SIEMENS OR THE CLIENT HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND, IN ANY EVENT, UNLESS CONTRARY TO APPLICABLE LAW, SIEMENS'S AGGREGATE LIABILITY FOR ANY AND ALL CLAIMS, LOSSES OR EXPENSES ARISING OUT OF THIS AGREEMENT, OR OUT OF ANY GOODS OR SERVICES FURNISHED UNDER THIS AGREEMENT, WHETHER BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, AGENCY, WARRANTY, TRESPASS, INDEMNITY OR ANY OTHER THEORY OF LIABILITY, SHALL BE LIMITED TO THE LESSER OF \$1,500,000 OR THE TOTAL COMPENSATION RECEIVED BY SIEMENS FROM THE CLIENT UNDER THIS AGREEMENT. The preceding limit shall not apply to the CLIENT's remedy under the Performance Guarantee as such is limited by Section 4.8.

10.5 As to Patents and Copyrights:

## PERFORMANCE CONTRACTING AGREEMENT

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- (a) SIEMENS will, at its own expense, defend or at its option settle any suit or proceeding brought against the CLIENT in so far as it is based on an allegation that any Work (including parts thereof), or use thereof for its intended purpose, constitutes an infringement of any United States patent or copyright, if SIEMENS is promptly provided notice and given authority, information, and assistance in a timely manner for the defense of said suit or proceeding. SIEMENS will pay the damages and costs awarded in any suit or proceeding so defended. SIEMENS will not be responsible for any settlement of such suit or proceeding made without its prior written consent. In case the Work, or any part thereof, as a result of any suit or proceeding so defended is held to constitute infringement or its use by the CLIENT is enjoined, SIEMENS will, at its option and its own expense, either: (i) procure for the CLIENT the right to continue using said Work; (ii) replace it with substantially equivalent non-infringing Work; or (iii) modify the Work so it becomes non-infringing.
- (b) SIEMENS will have no duty or obligation to the CLIENT under Section 10.5(a) to the extent that the Work is: (i) supplied according to the CLIENT's design or instructions, wherein compliance therewith has caused SIEMENS to deviate from its normal course of performance; (ii) modified by the CLIENT or its contractors after delivery; or, (iii) combined by the CLIENT or its contractors with items not furnished hereunder, and by reason of said design, instruction, modification, or combination, a suit is brought against the CLIENT. If by reason of such design, instruction, modification or combination, a suit or proceeding is brought against SIEMENS, unless expressly prohibited by law, the CLIENT shall protect SIEMENS in the same manner and to the same extent that SIEMENS has agreed to protect the CLIENT under the provisions of Section 10.5(a) above.
- (c) THIS SECTION 10.5 IS AN EXCLUSIVE STATEMENT OF ALL THE DUTIES OF THE PARTIES RELATING TO PATENTS AND COPYRIGHTS, AND DIRECT OR CONTRIBUTORY PATENT OR COPYRIGHT AND OF ALL THE REMEDIES OF THE CLIENT RELATING TO ANY CLAIMS, SUITS, OR PROCEEDINGS INVOLVING PATENTS AND COPYRIGHTS. Compliance with Section 10.5 as provided herein shall constitute fulfillment of all liabilities of the Parties under the Agreement with respect to the intellectual property indemnification.

10.6 The Parties acknowledge that the price for which SIEMENS has agreed to perform the Work and obligations under this Agreement was calculated based upon the foregoing allocations of risk, and that each Party has expressly relied on and would not have entered into this Agreement but for such allocations of risk.

### Article 11

#### Hazardous Materials Provisions

- 11.1 The Work does not include directly or indirectly performing or arranging for the detection, testing, handling, storage, removal, treatment, transportation, disposal, monitoring, abatement or remediation of any contamination of any Facility at which Work is performed and any soil or groundwater at the Facility by petroleum or petroleum products (collectively called "Oil"), asbestos, PCBs or hazardous, toxic, radioactive or infectious substances, including any substances regulated under RCRA, CERCLA or any other Applicable Law (collectively called "Hazardous Materials"), including without limitation: ionization smoke detectors, ballasts, mercury bulb thermostats, used oil, contaminated filters, contaminated absorbents, and refrigerant. Except as expressly disclosed pursuant to Section 11.2, the CLIENT represents and warrants that, to the best of its knowledge following due inquiry, there are no Hazardous Materials or Oil present where the Work is to be performed. SIEMENS will notify the CLIENT immediately if it discovers or reasonably suspects the presence of any previously undisclosed Oil or Hazardous Material. All Services have been priced and agreed to by SIEMENS in reliance on the CLIENT's representations as set forth in this Article. The discovery or reasonable suspicion of Hazardous Materials or hazardous conditions at a Facility where SIEMENS is to perform Work, or of contamination of the Facility by Oil or Hazardous Materials not previously disclosed pursuant to Section 11.2, shall entitle SIEMENS to suspend the Work immediately, subject to mutual agreement of terms and conditions applicable to any further Work, or to terminate the Work and to be paid for Work previously performed.
- 11.2 The CLIENT warrants that, prior to the execution of the Agreement, it notified SIEMENS in writing of any and all Oil or Hazardous Materials, to the best of its knowledge following due inquiry, known to be present, potentially present or likely to become present at the Facility and provided a copy of any Facility safety policies and information, including but not limited to lock-out and tag procedures, chemical hygiene plan, material safety data sheets, and other items covered or required to be disclosed or maintained by Applicable Law.
- 11.3 Regardless of whether Oil or Hazardous Material was disclosed pursuant to Section 11.2, the CLIENT shall be solely responsible for properly testing, abating, encapsulating, removing, disposing, remedying or neutralizing such Oil or Hazardous Materials, and for the costs thereof. Even if an appropriate change order has been entered into pursuant to

## PERFORMANCE CONTRACTING AGREEMENT

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Section 11.1, SIEMENS shall have the right to stop the Work until the Facility is free from Oil or Hazardous Materials. In such event, SIEMENS will receive an equitable extension of time to complete the Work, and compensation for delays caused by Oil or Hazardous Materials remediation. In no event shall SIEMENS be required or construed to take title, ownership or responsibility for such Oil or Hazardous Materials. The CLIENT shall sign any required waste manifests in conformance with all government regulations, listing the CLIENT as the generator of the waste. If someone other than the CLIENT is the generator of the waste, the CLIENT shall arrange for such other person to sign such manifests.

- 11.4 Except where expressly prohibited by Applicable Law, for separate consideration of \$10 and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the CLIENT shall indemnify, defend and hold SIEMENS harmless from and against any damages, losses, costs, liabilities or expenses (including attorneys' fees) arising out of any Oil or Hazardous Materials or from the CLIENT's breach of, or failure to perform its obligations under this Article.
- 11.5 For purposes of this Article 11, in the context of the phrase "to the best of its knowledge following due inquiry"; "knowledge" means actual awareness of the facts by the CLIENT's directors, officers, employees or agents, or the presence of relevant information contained in the CLIENT's books or records; and, "due inquiry" means inquiry of those persons under the CLIENT's control who should have knowledge of the subject matter of such inquiry.

### Article 12

#### Miscellaneous Provisions

- 12.1 Notices between the Parties shall be in writing and shall be hand-delivered or sent by certified mail, express courier, or acknowledged telefax properly addressed to the appropriate party. Any such notice shall be deemed to have been received when delivered in-person or when sent by telefax, or five (5) business days subsequent to deposit in the U.S. mails, or one (1) day after deposit with express courier.
- 12.2 Neither the CLIENT nor SIEMENS shall assign or transfer any rights or obligations under this Agreement, except that either party may assign this Agreement to its affiliates and SIEMENS may use subcontractors in the performance of the Work or Services. Nothing contained in this Agreement shall be construed to give any rights or benefits to anyone other than the CLIENT and SIEMENS without the express written consent of both Parties.
- 12.3 This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and subject to the jurisdiction of the Circuit Court of Cook County, Illinois.
- 12.4 This Agreement and all provisions of this Agreement allocating responsibility or liability between the Parties shall survive the completion of the Work, the Services, and the termination of this Agreement.
- 12.5 [Reserved].
- 12.6 SIEMENS's performance of the Work and Services is expressly conditioned on the Parties assenting to all of the terms of this Agreement, notwithstanding any different or additional terms contained in any writing at any time submitted or to be submitted by a Party to the other Party relating to the Work or Services, even if signed by the Parties, unless the written statement expressly indicates that such terms supersede the terms of this Agreement.
- 12.7 Any provision of this Agreement found to be invalid, unlawful or unenforceable by a court of law shall be ineffective to the extent of such invalidity, and deemed severed herefrom, without invalidating the remainder of this Agreement. All other provisions hereof shall remain in full force and effect.
- 12.8 The waiver by a party of any breach by the other party of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach hereof. No waiver shall operate or be effective unless made in writing and executed by the party to be bound thereby.
- 12.9 In the event that Applicable Law or the CLIENT requires that SIEMENS procure a performance bond and/or a payment bond, SIEMENS shall provide a performance and payment bond in the amount of \$195,260. The performance and payment bond will solely apply to the Work performed during the Construction Period and to the required statutory lien filing period thereafter. The performance and payment bond will not apply to any of the obligations included in the Performance Assurance, Exhibit C. Furthermore, the CLIENT's funding source may be named as "Co-Obligee" on the performance bond if so requested by the CLIENT.
- 12.10 The Client may terminate this Agreement upon not less than 14 days written notice to Siemens should Siemens fail to perform the Agreement after receipt of a 14-day written notice from the Client of non-performance. Should the Agreement be terminated, Siemens shall be paid for all Work performed up to including the date of termination.

**Article 13**

**Maintenance Services Program**

- 13.1 If applicable, the scope of Services provided by SIEMENS for the Maintenance Services Program is stated in Exhibit A.
- 13.2 The CLIENT represents that all equipment not installed by SIEMENS under this Agreement and subject to a MSP is in satisfactory working condition. SIEMENS will have inspected all such equipment within the first thirty (30) days of MSP commencement or no later than the first scheduled inspection. Testing and inspection will not be deemed to be complete until all such equipment has been so tested and inspected.
- 13.3 If the equipment is altered or moved by any person, including the CLIENT, other than SIEMENS or a person authorized by SIEMENS, the CLIENT shall immediately notify SIEMENS in writing, and SIEMENS reserves the right to perform a reacceptance test on, or if necessary a re-commissioning of, the system at the CLIENT's expense.
- 13.4 If SIEMENS reasonably determines as a result of such inspection and/or testing that any equipment requires repair or replacement, the CLIENT will be so notified and shall take corrective action within thirty (30) days, or such equipment shall be removed from coverage hereunder without further action by the Parties. SIEMENS is not liable or responsible for the continued testing, maintenance, repair, replacement or operating capabilities of any portion of the equipment until it has been inspected and/or tested and has been, if necessary, restored to an acceptable initial condition at the CLIENT's sole expense. Any services provided by SIEMENS in the course of such restoration will be separately charged on a time and materials basis, and not included in fees paid hereunder. If individual items of equipment cannot, in SIEMENS's sole determination, be properly repaired or replaced due to age, obsolescence, lack of availability of refrigerant gas, halon gas, necessary parts, materials, compatibility or otherwise, or as a result of excessive wear or deterioration, SIEMENS may, within ten (10) days of such inspection, give written notice that it is withdrawing such items from coverage under the MSP and adjust the MSP payments due hereunder accordingly.
- 13.5 If the removal of equipment from coverage would compromise or impair the integrity of the Work, Services or compliance with law of any system, then SIEMENS will provide a written statement thereof for execution by the CLIENT. The CLIENT's failure to execute such statement within ten (10) days will void the MSP and release SIEMENS from any further obligations with respect to the MSP.
- 13.6 If the MSP scope of Services provides for equipment maintenance, repairs and/or replacements of equipment by SIEMENS, those Services are limited to restoring the proper working condition of such equipment. SIEMENS will not be obligated to provide replacement equipment that represents significant capital improvement compared to the original. Exchanged components become the property of SIEMENS, except Hazardous Materials, which under all circumstances remain the property and responsibility of the CLIENT.

### **Article 1: Scope of Work**

- 1.1 *Description:* Except as otherwise expressly provided herein, SIEMENS shall provide each and every item of cost and expense necessary for:  
**Todd Hall Rooftop Unit Replacement (S-2 & S-3)**
- 1.2 *Specific Elements:* The Work shall include the following:
- 1.2.1 Produce and submit permit drawings, and obtain required construction permits
  - 1.2.2 Remove and legally dispose of two (2) existing Rooftop Units (S-2 & S-3)
  - 1.2.3 Demolish and remove existing exterior ductwork associated with S-2 & S-3
  - 1.2.4 Provide two (2) new Rooftop Units (S-2 & S-3)
    - Packaged DX outdoor air handling unit
    - Non-fused disconnect
    - Hot gas bypass
    - OA enthalpy economizer
    - Modulating power exhaust
    - Staged natural gas furnace
    - Premium efficiency motors
    - 14 inch roof curb
    - OEM BACnet enabled controller
  - 1.2.5 Provide equipment startup consistent with manufacturer specifications and full commissioning on all components of new equipment.
  - 1.2.6 Reconnect existing natural gas piping
  - 1.2.7 Provide new exterior ductwork for two (2) Rooftop Units (S-2 & S-3)
    - 2 ½ inches insulation (ASJ)
    - Self-adhesive outdoor jacket
  - 1.2.8 Provide new electrical conductors and connection for two (2) new Rooftop Units (S-2 & S-3)
  - 1.2.9 Provide controls connection to two (2) new Rooftop Units (S-2 & S-3)
    - Interlock with OEM BACnet controller
    - Integrate with existing BMS system
  - 1.3 CLIENT'S Responsibilities (in addition to those in Article 6 of the Agreement):
    - 1.3.1 Provide a clean working environment around equipment in scope
  - 1.4 Provide a suitable staging area for equipment and lifting equipment

**Article 2: Work Implementation Period**

- 2.1 Commencement of Work:
  - 2.1.1  SIEMENS shall commence the Work on July 7, 2014, and shall perform the Work diligently and shall complete the Work by August 15, 2014 or sooner;

**Article 3: Scope of Services-Performance Assurance Services Program**

- 3.1 SIEMENS will manage the savings guarantee consistent with Exhibit C Article 4. SIEMENS will provide a report documenting project savings on an annual basis within 90 days of the annual reporting period. SIEMENS will interpret this report and review the findings with the CLIENT. SIEMENS will provide a binder and indexing system for storage of these annual reports. If CLIENT desires, SIEMENS will provide an electronic copy of all reports and interpretations annually.
- 3.1 Siemens will meet annually with a designated representative of CLIENT to review the savings calculations. The Performance Guarantee is dependent upon and is subject to the express condition that the CLIENT enters into and maintains, during the entire term of the Performance Guarantee Period, The PASP. If the CLIENT fails to enter into, breaches, cancels or otherwise causes the termination of the PASP, this Performance Guarantee shall terminate immediately and be void and of no force or effect.

**Article 4: Scope of Services-Maintenance Services Program**

- CLIENT has elected to self-implement maintenance. Therefore SIEMENS shall not perform any on-going maintenance services, although the Parties may negotiate a separate agreement for such services at a later date. CLIENT agrees that it will maintain the equipment per manufacturer specifications and that it will operate the Equipment in accordance with the Contracted Baseline described in Article 7 of Exhibit C. If CLIENT fails to properly maintain or operate the Equipment, SIEMENS shall have the right to modify the Performance Guarantee pursuant to Article 4 of the Agreement.

By signing below, this Exhibit is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

**CLIENT:** Lincolnwood School District 74  
Signature: [Signature]  
Printed Name: SCOTT L. ANDERSON  
Title: President  
Date: 10-5-14

APPROVED BY LEGAL  
[Signature]  
KEITH W. GALLAN

**SIEMENS:** Siemens Industry, Inc.  
Signature: [Signature]  
Printed Name: Russell DeNapoli  
Title: Director  
Date: Field Finance Operations  
  
Signature: [Signature]  
Printed Name: MIKE KEARNEY  
Title: Sr. Director, EES  
Date: 2/18/15

Exhibit B – Payment Schedules  
 Lincolnwood School District 74

**Article 1: Payment for Scope of Work**

- 1.1 **Price:** As full consideration of the Work as described in Exhibit A, Article 1: Scope of Work, the CLIENT shall pay to SIEMENS \$195,260 (plus taxes, if applicable).
- 1.2 **Escrow:** [Reserved]
- 1.3 **Timely Payments:** The CLIENT agrees to pay SIEMENS per Table B.1 below. CLIENT agrees to pay all invoices submitted by SIEMENS per Article 8 of the Agreement.

**Table B.1 – FIM Work Payment Schedule**

Project Phase	Payments (\$)	Payments (%)	Schedule
June-14	\$29,289.00	15%	
July-14	\$87,867.00	45%	
August-14	\$78,104.00	40%	
<b>PROJECT TOTAL:</b>	<b>\$195,260.00</b>	<b>100%</b>	

Article 1 of Exhibit B is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

**CLIENT:** Lincolnwood School District 74  
 Signature: \_\_\_\_\_  
 Printed Name: Scott L. Probst  
 Title: President  
 Date: 6-5-14

**SIEMENS:** Siemens Industry, Inc.  
 Signature: \_\_\_\_\_  
 Printed Name: Russell DeNapoli  
 Title: Director  
 Date: 2/17/15 Field Finance Operations

Signature: \_\_\_\_\_  
 Printed Name: MIKE KEARNEY  
 Title: SR. DIRECTOR, EES  
 Date: 2/18/15

**APPROVED BY LEGAL**  
 \_\_\_\_\_  
 KEITH E. GRAHAM

**Article 2: Payment for Performance Assurance Services Program (PASP)**

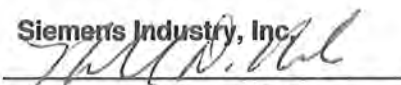
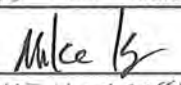
- 2.1 **Price:** As full consideration of the Services as described in Exhibit A, Article 3, the CLIENT shall pay to SIEMENS the amounts identified in Table B.2 plus taxes, if applicable, on the dates identified therein.
- 2.2 **Performance Assurance Services Program Term:** The term of the PASP shall commence on the Guarantee Date and shall extend for either: (a) the term of the Performance Guarantee Period where multi-year obligations are allowed; or (b) for twelve (12) month periods corresponding to the term of each Annual Period.
- 2.3 **Automatic Renewal:** Where the PASP term is limited to an Annual Period, the PASP shall automatically renew for successive Annual Periods beginning on the anniversary date of Guarantee Date. Either party may request to amend the PASP at the end of an Annual Period by giving the other party at least sixty (60) days prior written notice of such amendments and such amendment shall be mutually negotiated by the Parties and effective upon a written amendment signed by both Parties prior to commencement of the next Annual Period. Each automatic renewal shall be and remain subject to the terms and conditions of this Agreement. SIEMENS obligations under the Performance Guarantee are dependent upon and subject to the express condition that the CLIENT maintains the PASP during the entire Performance Guarantee Period.
- 2.4 **Termination:** See Section 4.7 of the Agreement.

**Table B.2 – Performance Assurance Program Payment Schedule**

Date	Semi - Annual Payments (\$)	Notes
Installation	\$0	Onetime payment at project completion
Year 1	\$0	Payments to annual
Year 2	\$0	Payments to annual
Year 3	\$0	Payments to annual
Year 4	\$0	Payments to annual
Year 5	\$0	Payments to annual
Year 6	\$0	Payments to annual
Year 7	\$0	Payments to annual
Year 8	\$0	Payments to annual
Year 9	\$0	Payments to annual
Year 10	\$0	Payments to annual

Article 2 of Exhibit B is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

**CLIENT:** Lincolnwood School District 74  
 Signature:   
 Printed Name: Joseph R. Baskin  
 Title: Superintendent  
 Date: 6/27/15  
 APPROVED BY LEGAL  
  
 KEITH E. GRAHAM

**SIEMENS:** Siemens Industry, Inc.  
 Signature:   
 Printed Name: Russell DeNapoli  
 Title: Director  
 Date: 2/17/15  
 Signature:   
 Printed Name: MIKE KEARNEY  
 Title: SR. DIRECTOR, EES  
 Date: 2/18/15

The following Articles and Tables are hereby included and made part of this Exhibit C:

**Article 1: Summary of Articles and Total Guaranteed Savings**

Article 1	Summary of Articles and Total Guaranteed Savings
Article 2	Measurement and Verification Options
Article 3	Performance Guarantee Period Responsibilities of CLIENT
Article 4	Measurement and Verification Plan
Article 5	Baseline Data
Article 6	Utility Rate Structures and Escalation Rates
Article 7	Contracted Baseline Data

**Table 1.1 – Total Guaranteed Savings (Units)**

Performance Period	Electric Energy Saved (kWh)	Electric Power Saved (kW)	Natural Gas Saved (Therms)
Construction	0	0	0
Annual Period 1	0	0	0

1.1 Only Annual Period 1 is shown as the energy/utility unit Savings will remain constant for each Annual Period of the Performance Guarantee Period as the CLIENT will operate the Facility in accordance with the Contracted Baseline identified in Article 7.

1.1.1 The scope of work as defined in exhibit A will result in a net addition of electric kWh consumption estimated at 140,000 kWh. The electrical addition will not be measured or reconciled per this agreement.

**Table 1.2 – Total Guaranteed Savings (Cost)**

Performance Period	Energy/Utility Savings	Operational Savings	Total Savings
Annual Period 1	\$0	\$181,600	\$181,600
Annual Period 2	\$0	\$1,648	\$1,648
Annual Period 3	\$0	\$1,697	\$1,697
Annual Period 4	\$0	\$1,748	\$1,748
Annual Period 5	\$0	\$1,800	\$1,800
Annual Period 6	\$0	\$1,854	\$1,854
Annual Period 7	\$0	\$1,910	\$1,910
Annual Period 8	\$0	\$1,967	\$1,967
Annual Period 9	\$0	\$2,026	\$2,026
Annual Period 10	\$0	\$2,087	\$2,087
<b>TOTALS</b>	<b>\$0</b>	<b>\$198,342</b>	<b>\$198,342</b>

1.2 Table 1.2 shows the CLIENT’S guaranteed cost Savings for each Annual Period that are extrapolated from the guaranteed energy/utility unit Savings shown in Table 1.1 by multiplying the energy/utility Savings by the Baseline energy/utility rates including the stipulated Escalation Rates found in Article 6.

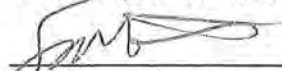
1.3 SIEMENS cannot and does not predict fluctuations in utility rates or the cost of energy. Therefore, the CLIENT and SIEMENS agree that the energy/utility cost Savings for each Annual Period will be calculated by multiplying the verified units

of energy/utility Savings by the Annual Period's stipulated energy/utility rate and Escalation Rates and not the Annual Period's actual utility rate.

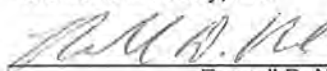
- 1.4 The determination of energy/utility Savings will follow current best practice, as defined in the IPMVP, or the FEMP Guidelines where required, unless otherwise agreed to by the Parties.
- 1.5 The Performance Guarantee does not operate to guarantee the Savings per-FIM. Rather, the calculation of Savings is based on aggregate performance of all of the FIMs contained in the Project. The projected value of such aggregate performance is contained in Table 1.2 above representing the Total Guaranteed Savings as monetized.

This Exhibit C, comprising 10 pages, is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

**CLIENT:** Lincolnwood School District 74

Signature:   
Printed Name: Scott L. Anderson  
Title: President  
Date: 6-5-14

**SIEMENS:** Siemens Industry, Inc.

Signature:   
Printed Name: Russell DeNapoli  
Title: Director  
Field Finance Operations  
Date: 2/17/15

Signature:   
Printed Name: MIKE KEARNEY  
Title: SR. DIRECTOR, EES  
Date: 2/18/15

  
**PROVED BY LEGAL**  
KEITH E. GRAHAM

**Article 2: Measurement and Verification Options**

2.1 Measurement and Verification Options: There are five measurement and verification options to measure and verify energy/utility Savings: Option A - Retrofit Isolation: Key Parameter Measurement; Option B - Retrofit Isolation: All Parameter Measurement; Option C - Whole Facility; and, Option D – Calibrated Simulation. Options A through and including D are part of the IPMVP. Option E- Stipulated is based on industry accepted engineering standards and is the Option used for purposes of calculating Operational Savings.

**Option E – Stipulated:** This Option is the method of measurement and verification applicable to FIMS consisting either of Operational Savings or where the end use capacity or operational efficiency; demand, energy consumption or power level; or manufacturer’s measurements, industry standard efficiencies or operating hours are known in advance, and used in a calculation or analysis method that will stipulate the outcome. Both CLIENT and SIEMENS agree to the stipulated inputs and outcome(s) of the analysis methodology. Based on the established analytical methodology the Savings stipulated will be achieved upon completion of the FIM and no further measurements or calculations will be performed during the Performance Guarantee Period. If applicable, the methodology and calculations to establish Savings value will be defined in Section 4.6 of this Exhibit C.

2.2 Table 2.1 below summarizes the first Annual Period’s Guaranteed Savings (See Article 1, Tables 1.1 and 1.2) utilizing the applicable Measurement and Verification Options as applied to the referenced FIMs valued pursuant to the agreed upon amounts identified in Article 6 hereof.

**Table 2.1 – Savings for First Annual Period by Option**

FIM	Energy/Utility Savings \$						Operational Savings \$	Total Savings \$
	Measurement and Verification Options							
	A Retrofit Isolation: Key Parameter Measurement	B Retrofit Isolation: All Parameter Measurement	C Whole Facility	D Calibrated Simulation	E Stipulated	Total Energy/Utility Savings	E Stipulated	
RTUs	NA	NA	NA	NA	\$0	\$0	\$181,600	\$181,600
TOTALS	NA	NA	NA	NA	\$0	\$0	\$181,600	\$181,600

2.3 Table 2.2 identifies the source of Operational Savings defined and quantified by the Parties. The Parties affirm that such amounts are Stipulated Savings for purposes of calculating Annual Realized Savings and acknowledge that the Guaranteed Savings identified herein have been based on CLIENT’S affirmation.

**OPERATIONAL SAVINGS SHALL NOT BE MEASURED OR MONITORED  
 DURING THE PERFORMANCE GUARANTEE PERIOD.**

**Table 2.2 - Source of Operational Savings**

Account/Vendor	Description	Annual Cost \$	# of Annual Periods Savings Are Applied	Annual Period Savings Begin
Capital Offset	Planned RTU Replacement in 10 <sup>th</sup> Year of Performance Contract	180,000	1	1
Labor and Materials	Unit repair and maintenance	\$1,600	10	1
<b>TOTAL</b>		<b>\$181,600</b>	<b>-</b>	<b>-</b>

2.4 SIEMENS has explained to the CLIENT and the CLIENT has satisfied itself as to how Operational Savings are incorporated into the Annual Realized Savings.

2.5 The Escalation Rate applicable to the Operational Savings is 3%.

BY SIGNING BELOW, THE PARTIES CONFIRM THAT THEY HAVE REVIEWED THE INCLUDED MEASUREMENT AND VERIFICATION OPTIONS AND THEIR APPLICATION TO BE USED IN CALCULATING SAVINGS UNDER THE AGREEMENT.

**CLIENT:** Lincolnwood School District 74

Signature: [Signature]  
 Printed Name: SCOTT L. ANDREWS  
 Title: President  
 Date: 10-5-14

**SIEMENS:** Siemens Industry, Inc.

Signature: [Signature]  
 Printed Name: Russell DeNapoli  
 Title: Director  
 Date: 2/17/15  
 Title: Field Finance Operations

Signature: [Signature]  
 Printed Name: MIKE KEARNEY  
 Title: SR. DIRECTOR, EES  
 Date: 2/18/15

**APPROVED BY LEGAL**  
[Signature]  
 KEITH E. GRAHAM

**Article 3: Performance Guarantee Period Responsibilities of the CLIENT**

In addition to the CLIENT'S responsibilities under Article 6 of the Agreement, this Article details the responsibilities of the CLIENT in connection with the management and administration of the Performance Guarantee.

- 3.1 The CLIENT will provide a representative at each Facility to coordinate work and provide required data described below.
- 3.2 The CLIENT will provide SIEMENS with accurate Facility operating information as defined below and in the Contracted Baseline article of this Exhibit C during each Annual Period, within thirty (30) days of any Material Change that may increase or decrease energy usage.
- 3.3 If applicable, the CLIENT will provide SIEMENS with copies of utility bills within thirty (30) days of receipt by the CLIENT or provide access to utility vendor information to allow SIEMENS to include a utility bill analysis in the Annual Performance Assurance Report. The utility bill analysis does not take the place of the Measurement and Verification Plan identified in Article 4 of this Exhibit C and is not used to measure the Project's performance.
- 3.4 If required for the Work, CLIENT will provide telephone/data remote access, through SIEMENS Insight® software package or otherwise, as SIEMENS reasonably requests. All charges related to telephone/data line installation, activation and communication services are the responsibility of the CLIENT.
- 3.5 If required for the Work, CLIENT will provide and coordinate utility meter upgrade for interface with SIEMENS metering and data collection. All charges related for these upgrades are the responsibility of the CLIENT.

## **Article 4: Measurement and Verification Plan**

The following information is applicable to this Agreement:

Article 4.1 General Overview

Article 4.6 Option E – Stipulated-Energy/Utility Savings

### **4.1 General Overview –**

The purpose of the Measurement and Verification (M&V) Plan is to identify the methods, measurements, procedures and tools that will be used to verify the Savings for each FIM which has energy/utility Savings. Savings are determined by comparing prior usage, consumption or efficiencies (defined as the “Baseline”) against the post-FIM implementation usage, consumption or efficiencies. The Baseline usage, consumption or efficiencies are described in this Exhibit C, Article 5. The post-FIM implementation usage, consumption or efficiencies is defined as the Contracted Baseline and are described in this Exhibit C, Article 7.

### **4.2 Option A - Retrofit Isolation: Key Parameter Measurement**

None

### **4.3 Option B - Retrofit Isolation: All Parameter Measurement**

None

### **4.4 Option C - Whole Facility**

None

### **4.5 Option D – Calibrated Simulation**

None

### **4.6 Option E - Stipulated-Energy/Utility Savings**

None

**Article 5: Baseline Data**

5.1 The year(s) selected as the Baseline Electrical Period starts on January 2013 and ends on December 2013. The year(s) selected as the Baseline Natural Gas Period starts on December 2012 and ends on April 2013. Table 5.1 outlines the utility consumption that occurred during this Baseline Period. This Baseline Period's Facility utility consumption will be used as the reference for comparing the Facility's utility consumption during the Performance Guarantee Period in order to determine the Annual Realized Savings.

**Table 5.1 – Todd Hall Baseline Utility Consumption**

	Units	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Electric	kWh	64,365	75,533	56,747	50,327	44,591	51,021	45,032	57,423	50,307	45,513	63,740	56,973
Electric	kW	145	142	143	143	195	161	171	217	219	206	142	139
N. Gas	Therm	21,319	22,100	17,900	8,847	NA	NA	NA	NA	288	5,812	12,253	14,987

5.2 The operating practices during the Baseline Period determine the utility consumption shown in Table 5.1. This data indicates the operating characteristics that were in effect during the Baseline Period. The Guaranteed Savings provided under this Agreement are based on the efficiencies gained by implementing the Work and implementing the Contracted Baseline in Article 7 of this Exhibit C.

**Table 5.2.1** Summer/Winter Operating Hours

Day of Week	Occupied Run Hours	Unoccupied Run Hours
Monday-Friday	8am-4pm	4pm-8am
Saturday/Sunday	Intermittent	24 hours
Holiday	Intermittent	24 hours

**Table 5.2.2** Summer/Winter Operating Temperatures

Day of Week	Occupied Cooling DEG F	Occupied Heating DEG F	Unoccupied Cooling DEG F	Unoccupied Heating DEG F
Monday-Friday	75	68	75	68
Saturday/Sunday	75	68	75	68
Holiday	75	68	75	68

**Table 5.2.3** Occupancy Summer/Winter

Day of Week	Day	Afternoon	Night
Monday-Friday	Occupied	Occupied	Unoccupied
Saturday/Sunday	Intermittent	Intermittent	Intermittent
Holiday	Unoccupied	Unoccupied	Unoccupied

5.3 Applicable codes - Federal, State, County or Municipal codes or regulations are applicable to the use and operation of the Facility. SIEMENS will maintain the current level of Facility compliance relative to applicable codes unless specifically outlined to the contrary below. Unless specifically set forth in the Scope of Work and Services, Exhibit A, nothing herein should be construed as to require SIEMENS to provide additional work or services in the event that the current applicable code or regulation is modified.

5.3.1 Current code compliance:

- a. 1997 Illinois Accessibility Code
- b. 2004 Illinois State Plumbing Code
- c. 2005 National Electric Code
- d. 2006 International Building Code
- e. 2006 International Fire Code
- f. 2012 International Energy Conservation Code

5.3.2 Code changes:  
Intentionally Blank

5.4 Building Inventory - The following information summarizes the equipment inventory that existed in the Facility during the Baseline Period.

- Self Contained Unit Ventilator (4)
- CHW/HW Unit Ventilator (27)
- CHW Fan Coil (1)
- Exhaust Fans (37)
- Packaged DX RTU (2)
- HV RTU (4)
- 150 Ton Air Cooled Chiller (1)
- 2 Ton Split System AC (1)
- Dual Temp Water Pumps (10)
- Chilled Water RTU (1, Library)
- Cabinet Unit Heaters (7)
- Finned Tube (23)
- HW Convector (30)
- HW Unit Heater (4)

**Article 6: Utility Rate Structures and Escalation Rates**

6.1 Utility costs used for Savings calculations will be based on the utility rates and rate escalation percentages, as provided in the table(s) below. Each escalation rate will be applied annually to the utility rate.

<b>Table 6.1.2</b>	Natural gas
Tariff Number or Designation:	Rate 2 – General Service - Heating
Utility Name:	Constellation
Rate Structure:	0.548 \$ per Therm
Rate Escalation:	3 % per Annual Period

**Article 7: Contracted Baseline Data**

7.1 The following tables detail the Facility operating parameters that are required to be implemented on the Guarantee Date or on such time as agreed upon by the Parties. This specific configuration of Facility operating parameters is the Contracted Baseline and failure of the CLIENT to maintain the Contracted Baseline may result in a Material Change which may require a modification of the Performance Guarantee pursuant to Article 4 of the Agreement.

**Table 7.2.1** Summer/Winter Operating Hours

Day of Week	Occupied Run Hours	Unoccupied Run Hours
Monday-Friday	8am-4pm	4pm-8am
Saturday/Sunday	Intermittent	24 hours
Holiday	Intermittent	24 hours

**Table 7.2.2** Summer/Winter Operating Temperatures

Day of Week	Occupied Cooling DEG F	Occupied Heating DEG F	Unoccupied Cooling DEG F	Unoccupied Heating DEG F
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Saturday/Sunday	75	68	75	68
Holiday	75	68	75	68

**Table 7.2.3** Occupancy Summer/Winter

Day of Week	Day	Afternoon	Night
Monday-Friday	Occupied	Occupied	Unoccupied
Saturday/Sunday	Intermittent	Intermittent	Intermittent
Holiday	Unoccupied	Unoccupied	Unoccupied

## Amendment No. 1 to Performance Contracting Agreement

**THIS AMENDMENT No. 1 ("Amendment")** is made this 5th day of March, 2015, by and between Siemens Industry, Inc., through its Building Technologies Division (f/k/a Siemens Building Technologies, Inc.) ("SIEMENS"), and the party identified below as CLIENT, and effective upon execution, amends and modifies the Performance Contracting Agreement dated May 27, 2014 [SIEMENS Job No.44OP-150966 between SIEMENS and CLIENT, and all prior amendments thereto, if any (collectively the "Agreement").

**PROJECT:**

The original PCA agreement consisted of the implementation of a single FIM, Gym RTU replacement, from a variety of energy savings projects that had originally been considered as part of the original procurement. This amendment extends the scope of work to include the implementation of the remaining energy savings measures including replacement of failing, inefficient chillers for each of the 3 schools on campus and mechanical equipment serving the Lincoln Hall Main Gymnasium, East Gym, computer rooms and offices. The project also includes additional energy savings projects such as pump VFDs and high efficiency boiler burners/controls.

**CLIENT:** Lincolnwood School District 74

**SIEMENS:** Siemens Industry, Inc.  
1000 Deerfield Parkway  
Buffalo Grove IL 60089

**DESIGNATED REPRESENTATIVE:**  
**Mrs. Jessica Donato, Business Manager**  
Phone: 847-675-8234, Fax: N/A

Local office at:  
585 Slawin Ct.  
Mt. Prospect, IL 60056  
**DESIGNATED REPRESENTATIVE:**  
**Mr. Ken Detina, Sr. Acct. Mgr**  
Phone: 847-493-7730, Fax: N/A

1. The Agreement and any amendments thereto are incorporated by reference herein and made a part hereof.
2. The Parties agree to modify the Agreement as follows:
3. The Parties have decided to proceed with additional FIMs subject of the original procurement, but not undertaken as part of Phase I of the Work (the "Work"), which are described in the Amendment No. 1 Exhibits A – C attached hereto and incorporated herein. The work subject of this amendment is the Phase II Work. That term shall be treated for interpretational purposes as the Work, except that it shall only reference the work done as phase II of the Performance Contracting project, which is the subject matter of the Agreement.

The attached exhibits to this Amendment supplement the Agreement's original exhibits in that they memorialize the Phase II Work which is the subject of this Amendment No. 1.

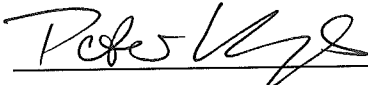
- i. Amendment No. 1 Exhibit A: Scope of Work and Services;
- ii. Amendment No. 1 Exhibit B: Payment Schedules;
- iii. Amendment No. 1 Exhibit C: Performance Assurance

WHEREFORE, this Amendment amends and modifies the Agreement. In all other respects, the terms and conditions of the Agreement remain in full force and effect. The Parties have caused this Amendment to be signed by their duly authorized representatives on the date first above written, and this Amendment may be executed in counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

**CLIENT:** Lincolnwood School District 74

**SIEMENS:** Siemens Industry, Inc.

Signature: 

Signature: 

Printed Name: SCOTT L. ANDERSON

Printed Name: PETER KAMPS  
VICE PRESIDENT

Title: President

Title: FINANCE & BUSINESS ADMINISTRATION

### **Article 1: Scope of Work – Phase II**

1.1 *Description:* Except as otherwise expressly provided herein, SIEMENS shall provide each and every item of cost and expense necessary to implement the following FIMs, which are further described in Section 1.2 (collectively, the “Phase II Work”):

- Todd Hall – Server Room AC Unit Replacement
- Todd Hall – Chiller Replacement
- Todd Hall – Unit Ventilator Replacement
- Todd Hall – Hot Water Boiler Burner Replacement
- Todd Hall – Pump VFD’s
- Rutledge Hall – Chiller Replacement
- Rutledge Hall – Server Room AC Unit Replacement
- Rutledge Hall – Booster Pump Replacement
- Lincoln Hall – Server Room AC Unit Replacement
- Lincoln Hall – Booster Pump Replacement
- Lincoln Hall – Office RTU Replacements
- Lincoln Hall – Main Gym & Locker AHU Replacement
- Lincoln Hall – East Gym RTU Replacement
- Lincoln Hall – Chiller Replacement

1.2 *Specific Elements:* The Phase II Work shall include the following:

1.2.1 Todd Hall – Server Room AC Unit Replacement

- Obtain required construction permits
- Demolish, remove, and legally dispose of (1) existing split air conditioning unit
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Provide (1) new 2-ton, split air conditioning unit to cool the server room.
  - Provide with low ambient operation
  - Provide BACnet enabled thermostat
- Install new condensing unit on existing roof curb
- Provide insulated line set from evaporator to condensing unit
- Reconnect condensate discharge to existing drain connection
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.2 Todd Hall – Chiller Replacement

- Obtain required construction permits
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Demolish, remove, and legally dispose of (1) existing air cooled chiller
- Demolition includes dumpsters, hauling, and non-hazardous waste disposal
- School District shall furnish (1) 150-Ton air cooled scroll chiller
  - Unit shall have published turndown of 10%
  - Unit’s condenser fans shall be high efficiency variable speed
  - Unit shall be provided with freeze protection
  - Unit shall have Alerton/BACnet compatible controls

- Unit shall be provided with Insulation kit
- Ultra Low Sound Option
- (1) Non-fused disconnect
- Install new chiller in existing location
- Reconnect existing chilled water piping
- Insulate new chilled water piping
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.3 Todd Hall – Unit Ventilator Replacement

- Demolish, remove, and legally dispose of (4) existing unit ventilators. Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Provide (4) new self-contained unit ventilators with the following features and accessories:
  - 2 pipe HW heating
  - DX cooling
  - 115V/1Ph/60Hz
  - Digital ready with factory installed sensors and actuators
  - Site coordinated adapter back
  - 1st year parts warranty
- Provide (4) new outdoor air louvers
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.4 Todd Hall – Hot Water Boiler Burner Replacement

- Demolish, remove, and legally dispose of (2) existing gas burners
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Provide (2) new power flame high efficiency burners with the following features and accessories:
  - Linkage-less controls
  - Burner control panel
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.5 Todd Hall – Pump VFD's

- Demolish, remove, and legally dispose of (2) primary hot water pumps
- Demolish, remove, and legally dispose of (2) secondary dual temperature water pumps
- Demolition includes dumpsters, hauling, and non-hazardous waste disposal
- Provide (2) new 30HP centrifugal base mounted primary water pumps
- Provide (2) new 15HP centrifugal base mounted secondary dual temperature water pumps

- Provide (4) new variable frequency drives, 1 each for (2) 30HP and (2) 15HP pumps referenced aboveProvide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.6 Rutledge Hall – Chiller Replacement

- Obtain required construction permits
- Demolish, remove, and legally dispose of (1) existing air cooled chiller
- Demolition includes dumpsters, hauling, and non-hazardous waste disposal
- School District shall furnish (1) 200-Ton air cooled scroll chiller with the following features and accessories:
  - Published 10% turndown
  - High efficiency variable condenser fans
  - Freeze protection
  - Suction service valves
  - Alerton/BACnet compatible controls
  - Insulation kit
  - Ultra Low Sound Option
  - Non-fused disconnect
  - Convenience Outlet
- Install new chiller in existing location
- Reconnect existing chilled water piping
- Insulate new chilled water piping
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.7 Rutledge Hall – Server Room AC Unit Replacement

- Obtain required construction permits
- Demolish, remove, and legally dispose of (1) existing split air conditioning unit
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Provide (1) new 2-ton, spit air conditioning unit to cool the server room with the following features and accessories:
  - Low ambient operation
  - BACnet enabled thermostat
- Install new condensing unit on existing roof curb
- Provide insulated line set from evaporator to condensing unit
- Reconnect condensate discharge to existing drain connection
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.8 Rutledge Hall – Booster Pump Replacement

- Demolish, remove and legally dispose of (1) domestic water booster pump
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Provide (1) new skid mounted, domestic water booster pump package

- Replace (1) existing non-GFCI duplex outlet with (1) GFCI duplex outlet
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.9 Lincoln Hall – Server Room AC Unit Replacement

- Obtain required construction permits
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Demolish, remove, and legally dispose of (1) existing split air conditioning unit
- Provide (1) new 2-ton, spit air conditioning unit to cool the server room with the following features and accessories:
  - Low ambient operation
  - BACnet enabled thermostat
- Install new condensing unit on existing roof curb
- Provide insulated line set from evaporator to condensing unit
- Reconnect condensate discharge to existing drain connection
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.10 Lincoln Hall – Booster Pump Replacement

- Demolish, remove and legally dispose of (1) domestic water booster pump
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Provide (1) new skid mounted, domestic water booster pump package
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.11 Lincoln Hall – Office RTU Replacements

- Obtain required construction permits
- Demolish, remove, and legally dispose of (2) existing rooftop units (S-14 and S-15)
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Provide (1) new 7.5 Ton direct expansion roof top unit (S-14) with the following features and accessories:
  - 100% economizer
  - Medium heat
  - Two stage compressor
  - Medium static
  - Al/cu fins and coils
  - BACnet controls
  - New roof curb
- Provide (1) new 5 Ton direct expansion roof top unit (S-15) with the following features and accessories:
  - 100% economizer
  - Medium heat

- Two stage compressor
- Medium static
- Al/cu fins and coils
- BACnet controls
- New roof curb
- Reconnect each of two rooftop units to existing ductwork and natural gas pipe
- Insulate new ductwork
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.12 Lincoln Hall – Main Gym & Locker AHU Replacement

- Obtain required construction permits
- Demolish, remove, and legally dispose of (4) existing air handling units
- Provide (4) new chilled water air handling units, each with (1) dual temperature heating and cooling coil
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Reconnect (4) units to existing ductwork and insulate supply ductwork
- Provide new piping connection to dual temperature water supply and return
- Insulate new dual temperature water piping
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.13 Lincoln Hall – East Gym RTU Replacement

- Obtain required construction permits
- Demolish, remove, and legally dispose of (2) existing rooftop units
- Demolish, remove, and legally dispose of (2) existing air handling units
- Demolition includes dumpsters, hauling and non-hazardous waste disposal.
- Demolish existing piping serving air handling units to main and cap
- Provide (2) new 12.5 Ton direct expansion roof top unit with the following features and accessories:
  - 100% OA economizer
  - Medium heat
  - Two stage compressor
  - Medium static
  - Al/cu fins and coils
  - BACnet controls
  - Adapt to existing curb
- Provide new supply ductwork to supply air diffusers
- Insulate new ductwork
- Route natural gas from existing main to each of two new rooftop units
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.2.14 Lincoln Hall – Chiller Replacement

- Obtain required construction permits
- Demolish, remove, and legally dispose of (1) existing air cooled chiller
- Demolition includes dumpsters, hauling, and non-hazardous waste disposal
- School District shall furnish (1) 300-Ton air cooled scroll chiller with the following features and accessories:
  - Published 10% turndown
  - High efficiency variable condenser fans
  - Freeze protection
  - Suction service valves
  - Alerton/BACnet compatible controls
  - Insulation kit
  - Ultra Low Sound Option
  - Non-fused disconnect
  - Convenience Outlet
- Install new chiller in existing location
- Reconnect existing chilled water piping
- Insulate new chilled water piping
- Provide power and control wiring
- Provide equipment startup
- Provide operator training
- Provide O&M manual

1.3 Reserved

1.4 CLIENT'S Responsibilities (in addition to those in Article 6 of the Agreement):

- Procure directly with a third-party vendor a contract for abatement of asbestos containing materials (ACM) included in scope of Phase II Work prior to commencement of demolition.
- Remove non-fixed furniture and classroom materials from areas included in scope of Phase II Work.
- Remove non-essential equipment and non-fixed furniture from MER and Electric Rooms.

**Article 2: Phase II Work Implementation Period**

2.1 SIEMENS shall commence the Phase II Work on February 15, 2015, and shall perform the Phase II Work diligently and shall complete the Phase II Work no later than October 16, 2015

**Article 3: Scope of Services-Performance Assurance Services Program**

3.1 SIEMENS will manage the savings guarantee consistent with Exhibit C Article 4. SIEMENS will provide a report documenting project savings on an annual basis within 90 days of each annual reporting period during the PASP term. SIEMENS will interpret this report and review the findings with the CLIENT. SIEMENS will provide a binder and indexing system for storage of these annual reports. If CLIENT desires, SIEMENS will provide an electronic copy of all reports and interpretations annually.


- 3.2 Siemens will meet annually with a designated representative of CLIENT to review the savings calculations. The Performance Guarantee is dependent upon and is subject to the express condition that the CLIENT enters into and maintains, during the entire term of the Performance Guarantee Period, the PASP. If the CLIENT fails to enter into, breaches, cancels or otherwise causes the termination of the PASP, this Performance Guarantee shall terminate immediately and be void and of no force or effect.

**Article 4: Scope of Services-Maintenance Services Program**

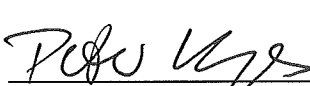
4.1 CLIENT has elected to self-implement maintenance. Therefore SIEMENS shall not perform any on-going maintenance services, although the Parties may negotiate a separate agreement for such services at a later date. CLIENT agrees that it will maintain the equipment per manufacturer specifications and that it will operate the Equipment in accordance with the Contracted Baseline described in Article 7 of Exhibit C. If CLIENT fails to properly maintain or operate the Equipment, SIEMENS shall have the right to modify the Performance Guarantee pursuant to Article 4 of the Agreement.

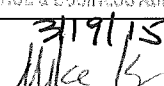
By signing below, this Exhibit is attached to and made a part of the Agreement between SIEMENS and the CLIENT.


**CLIENT:** Lincolnwood  
School District 74

Signature:   
Printed Name: Scott Anderson  
Title: President  
Date: 3/5/15

**SIEMENS:** Siemens Industry, Inc.

Signature:   
Printed Name: PETER KAMIS  
Title: VICE PRESIDENT  
Date: FINANCE & BUSINESS ADMINISTRATION

Signature:   
Printed Name: MIKE KEARNEY  
Title: SR. DIRECTOR, BPS EES  
Date: 3/20/15

APPROVED BY LEGAL  
  
KEITH E. GRAHAM

**Article 1: Payment for Scope of Work – Phase II**

- 1.1 **Price:** As full consideration of the Phase II Work as described in Exhibit A, Article 1: Scope of Phase II Work, the CLIENT shall pay to SIEMENS \$1,390,838 (plus taxes, if applicable).
- 1.2 **Escrow:** [Reserved]
- 1.3 **Timely Payments:** The CLIENT agrees to pay SIEMENS by progress billing. The Table B.1 below is an estimated payment schedule only. CLIENT agrees to pay all invoices submitted by SIEMENS per Article 8 of the Agreement

**Table B.1 – FIM Work Payment Schedule**

Project Phase	Payments (\$)	Payments (%)
Feb-15	0	0%
Mar-15	\$41,725	3%
Apr-15	\$72,324	5.2%
May-15	\$59,806	4.3%
Jun-15	\$458,977	33%
Jul-15	\$503,483	36.2%
Aug-15	\$134,911	9.7%
Sep-15	\$62,588	4.5%
Oct-15	\$57,024	4.1%
Nov-15	0	0
Dec-15	0	0
Jan-15	0	0
<b>PROJECT TOTAL:</b>	<b>\$ 1,390,838</b>	<b>100%</b>

Article 1 of Exhibit B is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

**CLIENT:** Lincolnwood School District 74  
 Signature: \_\_\_\_\_  
 Printed Name: Scott L. Anderson  
 Title: Business  
 Date: 3/5/15

**SIEMENS:** Siemens Industry, Inc.  
 Signature: Peter Kamps  
 Printed Name: PETER KAMPS  
 Title: VICE PRESIDENT  
 Date: 3/19/15  
 Signature: Mike Kearney  
 Printed Name: MIKE KEARNEY  
 Title: SR. DIRECTOR, BPS EES  
 Date: 3/20/15

**APPROVED BY LEGAL**  
REITH E. GRAHAM


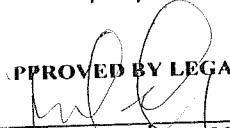
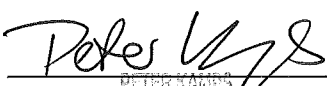
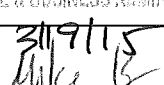
**Article 2: Payment for Performance Assurance Services Program (PASP)**

- 2.1 **Price:** As full consideration of the Services as described in Exhibit A, Article 3, the CLIENT shall pay to SIEMENS the amounts identified in Table B.2 plus taxes, if applicable, on the dates identified therein.
- 2.2 **Performance Assurance Services Program Term:** The term of the PASP shall commence on the Guarantee Date and shall extend for either: (a) the term of the Performance Guarantee Period where multi-year obligations are allowed; or (b) for twelve (12) month periods corresponding to the term of each Annual Period.
- 2.3 **Automatic Renewal:** Where the PASP term is limited to an Annual Period, the PASP shall automatically renew for successive Annual Periods beginning on the anniversary date of Guarantee Date. Either party may request to amend the PASP at the end of an Annual Period by giving the other party at least sixty (60) days prior written notice of such amendments and such amendment shall be mutually negotiated by the Parties and effective upon a written amendment signed by both Parties prior to commencement of the next Annual Period. Each automatic renewal shall be and remain subject to the terms and conditions of this Agreement. SIEMENS obligations under the Performance Guarantee are dependent upon and subject to the express condition that the CLIENT maintains the PASP during the entire Performance Guarantee Period.
- 2.4 **Termination:** See Section 4.7 of the Agreement.

**Table B.2 – Performance Assurance Program Payment Schedule**

Date	Semi - Annual Payments (\$)	Notes
Installation	\$4,798	1-Time Payment at Project Completion
Year 1	\$4,942	Payments to Annual
Year 2	\$5,090	Payments to Annual
Year 3	\$5,243	Payments to Annual
Year 4	\$5,400	Payments to Annual
Year 5	\$5,562	Payments to Annual
Year 6	\$5,729	Payments to Annual
Year 7	\$5,901	Payments to Annual
Year 8	\$6,078	Payments to Annual
Year 9	\$6,260	Payments to Annual
Year 10	\$6,448	Payments to Annual
Year 11	\$6,642	Payments to Annual
Year 12	\$6,841	Payments to Annual
Year 13	\$7,046	Payments to Annual
Year 14	\$7,257	Payments to Annual
Year 15	\$7,475	Payments to Annual

Article 2 of Exhibit B is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

<p><b>CLIENT:</b></p> <p>Lincolnwood School District 74</p> <p>Signature: </p> <p>Printed Name: <u>Scott L. Anderson</u></p> <p>Title: <u>President</u></p> <p>Date: <u>3/5/15</u></p> <p>  <b>APPROVED BY LEGAL</b>                  KEITH E. GRAHAM</p>	<p><b>SIEMENS:</b></p> <p>Siemens Industry, Inc.</p> <p>Signature: </p> <p>Printed Name: <u>PETER KAMPS</u></p> <p>Title: <u>VICE PRESIDENT</u></p> <p>Date: <u>FINANCE &amp; BUSINESS ADMINISTRATION</u></p> <p>Signature: </p> <p>Printed Name: <u>MIKE KEARNEY</u></p> <p>Title: <u>SR. DIRECTOR, BPS EES</u></p> <p>Date: <u>3/20/15</u></p>
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The following Articles and Tables are hereby included and made part of this Exhibit C:

**Article 1: Summary of Articles and Total Guaranteed Savings**

Article 1	Summary of Articles and Total Guaranteed Savings
Article 2	Measurement and Verification Options
Article 3	Performance Guarantee Period Responsibilities of CLIENT
Article 4	Measurement and Verification Plan
Article 5	Baseline Data
Article 6	Utility Rate Structures and Escalation Rates
Article 7	Contracted Baseline Data

**Table 1.1 – Total Guaranteed Savings (Units)**

Performance Period	Electric Energy Saved (kWh)	Electric Power Saved (kW)	Natural Gas Saved (Therms)	No. 2 Fuel Oil Saved (Gallons)	Water Saved (Gallons)
Annual Period 1	257,601	674	5,790	0	0

1.1 Only Annual Period 1 is shown as the energy/utility unit Savings will remain constant for each Annual Period of the Performance Guarantee Period as the CLIENT will operate the Facility in accordance with the Contracted Baseline identified in Article 7.

Performance Period	Energy Savings	Operational Savings	Total Savings
Construction	NA	NA	NA
Annual Period 1	\$28,839	\$1,416,582	\$1,445,421
Annual Period 2	\$29,704	\$18,746	\$48,450
Annual Period 3	\$30,595	\$19,308	\$49,904
Annual Period 4	\$31,513	\$19,888	\$51,401
Annual Period 5	\$32,459	\$20,484	\$52,943
Annual Period 6	\$33,432	\$21,099	\$54,531
Annual Period 7	\$34,435	\$21,732	\$56,167
Annual Period 8	\$35,468	\$22,384	\$57,852
Annual Period 9	\$36,532	\$23,055	\$59,588
Annual Period 10	\$37,628	\$23,747	\$61,375
Annual Period 11	\$38,757	\$24,459	\$63,216
Annual Period 12	\$39,920	\$25,193	\$65,113
Annual Period 13	\$41,118	\$25,949	\$67,066
Annual Period 14	\$42,351	\$26,727	\$69,078
Annual Period 15	\$43,622	\$27,529	\$71,151
<b>TOTALS</b>	\$536,374	\$1,736,882	\$2,273,257

1.2 Table 1.2 shows the CLIENT'S guaranteed cost Savings for each Annual Period that are extrapolated from the guaranteed energy/utility unit Savings shown in Table 1.1 by multiplying the energy/utility Savings by the Baseline energy/utility rates including the stipulated Escalation Rates found in Article 6.

1.3 SIEMENS cannot and does not predict fluctuations in utility rates or the cost of energy. Therefore, the CLIENT and SIEMENS agree that the energy/utility cost Savings for each Annual Period will be calculated by multiplying the verified units of energy/utility Savings by the Annual Period's stipulated energy/utility rate and Escalation Rates and not the Annual Period's actual utility rate.

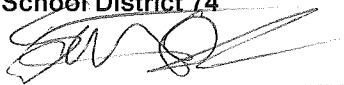
Amendment No. 1 Exhibit C – Performance Assurance  
Lincolnwood School District 74 – Phase II

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- 1.4 The determination of energy/utility Savings will follow current best practice, as defined in the IPMVP, or the FEMP Guidelines where required, unless otherwise agreed to by the Parties.
- 1.5 The Performance Guarantee does not operate to guarantee the Savings per-FIM. Rather, the calculation of Savings is based on aggregate performance of all of the FIMs contained in the Project. The projected value of such aggregate performance is contained in Table 1.2 above representing the Total Guaranteed Savings as monetized.

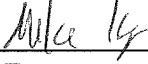
This Exhibit C, comprising 11 pages, is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

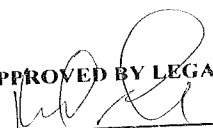
**CLIENT:** Lincolnwood  
School District 74

Signature:   
Printed Name: Scott L. Anderson  
Title: President  
Date: 3/5/15

**SIEMENS:** Siemens Industry, Inc.

Signature:   
Printed Name: PETER KAMP  
Title: VICE PRESIDENT  
Date: 3/19/15

Signature:   
Printed Name: MIKE KEARNEY  
Title: SR. DIRECTOR, BPS EES  
Date: 3/20/15

  
**APPROVED BY LEGAL**  
**KEITH E. GRAHAM**

**Article 2: Measurement and Verification Options**

2.1 Measurement and Verification Options: Option E-Stipulated, will be used to calculate savings and is based on industry accepted engineering standards.

**Option E – Stipulated:** This Option is the method of measurement and verification applicable to FIMS consisting either of Operational Savings or where the end use capacity or operational efficiency; demand, energy consumption or power level; or manufacturer’s measurements, industry standard efficiencies or operating hours are known in advance, and used in a calculation or analysis method that will stipulate the outcome. Both CLIENT and SIEMENS agree to the stipulated inputs and outcome(s) of the analysis methodology. Based on the established analytical methodology the Savings stipulated will be achieved upon completion of the FIM. If applicable, the methodology and calculations to establish Savings value will be defined in Section 4.6 of this Exhibit C.

2.2 Table 2.1 below summarizes the first Annual Period’s Guaranteed Savings (See Article 1, Tables 1.1 and 1.2) utilizing the applicable Measurement and Verification Options as applied to the referenced FIMs valued pursuant to the agreed upon amounts identified in Article 6 hereof.

**Table 2.1 – Savings for First Annual Period by Option**

FIM	Energy/Utility Savings		Operational Savings	Total Savings
	M&V Options			
	E Stipulated	Total Energy/Utility Savings		
Todd Hall – Server Room AC Unit Replacement	\$131	\$131	\$44,167	\$44,298
Todd Hall – Chiller Replacement	\$7,850	\$7,850	\$58,690	\$66,540
Todd Hall –Unit Ventilator Replacement	\$562	\$562	\$128,323	\$128,885
Todd Hall – Hot Water Boiler Burner Replacement	\$3,173	\$3,173	\$140,147	\$143,320
Todd Hall – Pump VFD’s	\$3,075	\$3,075	\$79,640	\$82,715
Rutledge Hall – Chiller Replacement	\$8,410	\$8,410	\$56,203	\$64,613
Rutledge Hall – Server Room AC Unit Replacement	\$131	\$131	\$44,167	\$44,298
Rutledge Hall –Booster Pump Replacement	\$263	\$263	\$33,600	\$33,863
Lincoln Hall – Server Room AC Unit Replacement	\$131	\$131	\$42,215	\$42,346
Lincoln Hall – Booster Pump Replacement	\$263	\$263	\$32,120	\$32,383
Lincoln Hall – Office RTU Replacements	-	-	\$43,038	\$43,038
Lincoln Hall – Main Gym & Locker AHU Replacement	-	-	\$360,440	\$360,440
Lincoln Hall – East Gym RTU Replacement	-	-	\$291,357	\$291,357
Lincoln Hall – Chiller Replacement	\$4,850	\$4,850	\$62,475	\$67,325
<b>TOTALS</b>	<b>\$28,839</b>	<b>\$28,839</b>	<b>\$1,416,582</b>	<b>\$1,445,421</b>

2.3 Table 2.2 identifies the source of Operational Savings defined and quantified by the Parties. The Parties affirm that such amounts are Stipulated Savings for purposes of calculating Annual Realized Savings and acknowledge that the Guaranteed Savings identified herein have been based on CLIENT’S affirmation. **OPERATIONAL SAVINGS SHALL NOT BE MEASURED OR MONITORED DURING THE PERFORMANCE GUARANTEE PERIOD.**

**Table 2.2 – Source of Operational Savings (“OS”)/Capital Offset / (“CO”)**

Account/ Vendor	Description	Annual Cost \$	# of Annual Periods Savings Are Applied	Annual Period Savings Begin
OS / CO	Todd Hall – Server Room AC Unit Replacement	\$43,687	1	1
OS / CO	Todd Hall – Chiller Replacement	\$55,690	1	1
OS / CO	Todd Hall –Unit Ventilator Replacement	\$127,363	1	1
OS / CO	Todd Hall – Hot Water Boiler Burner Replacement	\$138,147	1	1
OS / CO	Todd Hall – Pump VFD's	\$77,240	1	1
OS / CO	Rutledge Hall – Chiller Replacement	\$53,203	1	1
OS / CO	Rutledge Hall – Server Room AC Unit Replacement	\$43,687	1	1
OS / CO	Rutledge Hall –Booster Pump Replacement	\$33,120	1	1
OS / CO	Lincoln Hall – Server Room AC Unit Replacement	\$41,735	1	1
OS / CO	Lincoln Hall – Booster Pump Replacement	\$31,640	1	1
OS / CO	Lincoln Hall – Office RTU Replacements	\$42,558	1	1
OS / CO	Lincoln Hall – Main Gym & Locker AHU Replacement	\$359,960	1	1
OS / CO	Lincoln Hall – East Gym RTU Replacement	\$290,877	1	1
OS / CO	Lincoln Hall – Chiller Replacement	\$59,475	1	1
OS / CO	Todd Hall – Server Room AC Unit Replacement	\$480	15	1
OS / CO	Todd Hall – Chiller Replacement	\$3,000	15	1
OS / CO	Todd Hall –Unit Ventilator Replacement	\$960	15	1
OS / CO	Todd Hall – Hot Water Boiler Burner Replacement	\$2,000	15	1
OS / CO	Todd Hall – Pump VFD's	\$2,400	15	1
OS / CO	Rutledge Hall – Chiller Replacement	\$3,000	15	1
OS / CO	Rutledge Hall – Server Room AC Unit Replacement	\$480	15	1
OS / CO	Rutledge Hall –Booster Pump Replacement	\$480	15	1
OS / CO	Lincoln Hall – Server Room AC Unit Replacement	\$480	15	1
OS / CO	Lincoln Hall – Booster Pump Replacement	\$480	15	1
OS / CO	Lincoln Hall – Office RTU Replacements	\$480	15	1
OS / CO	Lincoln Hall – Main Gym & Locker AHU Replacement	\$480	15	1
OS / CO	Lincoln Hall – East Gym RTU Replacement	\$480	15	1
OS / CO	Lincoln Hall – Chiller Replacement	\$3,000	15	1
TOTAL	(15 year total with escalation)	\$1,736,882		

Amendment No. 1 Exhibit C – Performance Assurance  
Lincolnwood School District 74 – Phase II


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2.4 SIEMENS has explained to the CLIENT and the CLIENT has satisfied itself as to how Operational Savings are incorporated into the Annual Realized Savings.


2.5 The Escalation Factor applicable to the Operational Savings is 3%.

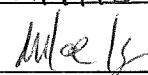
BY SIGNING BELOW, THE PARTIES CONFIRM THAT THEY HAVE REVIEWED THE INCLUDED MEASUREMENT AND VERIFICATION OPTIONS AND THEIR APPLICATION TO BE USED IN CALCULATING SAVINGS UNDER THE AGREEMENT.


**CLIENT:** Lincolnwood  
School District 74

Signature:   
Printed Name: Scott L. Anderson  
Title: President  
Date: \_\_\_\_\_

**SIEMENS:** Siemens Industry, Inc.

Signature:   
Printed Name: PETER KEARNEY  
Title: VICE PRESIDENT  
Date: 3/19/15

Signature:   
Printed Name: MIKE KEARNEY  
Title: SR. DIRECTOR, BPSLES  
Date: 3/20/15

**APPROVED BY LEGAL**  
  
**KEITH E. GRAHAM**

**Article 3: Performance Guarantee Period Responsibilities of the CLIENT**

In addition to the CLIENT’S responsibilities under Article 6 of the Agreement, this Article details the responsibilities of the CLIENT in connection with the management and administration of the Performance Guarantee.

- 3.1 The CLIENT will provide a representative at each Facility to coordinate work and provide required data described below.
- 3.2 The CLIENT will provide SIEMENS with accurate Facility operating information as defined below and in the Contracted Baseline article of this Exhibit C during each Annual Period, within thirty (30) days of any Material Change that may increase or decrease energy usage.
- 3.3 If applicable, the CLIENT will provide SIEMENS with copies of utility bills within thirty (30) days of receipt by the CLIENT or provide access to utility vendor information to allow SIEMENS to include a utility bill analysis in the Annual Performance Assurance Report. The utility bill analysis does not take the place of the Measurement and Verification Plan identified in Article 4 of this Exhibit C and is not used to measure the Project’s performance.
- 3.4 If required for the Work, CLIENT will provide telephone/data remote access, through SIEMENS Insight® software package or otherwise, as SIEMENS reasonably requests. All charges related to telephone/data line installation, activation and communication services are the responsibility of the CLIENT.
- 3.5 If required for the Work, CLIENT will provide and coordinate utility meter upgrade for interface with SIEMENS metering and data collection. All charges related for these upgrades are the responsibility of the CLIENT.

**Article 4: Measurement and Verification Plan**

The following information is applicable to this Agreement:

- Article 4.1 General Overview
- Article 4.2 Option A - Retrofit Isolation: Key Parameter Measurement
- Article 4.3 Option B - Retrofit Isolation: All Parameter Measurement
- Article 4.4 Option C - Whole Facility
- Article 4.5 Option D - Calibrated Simulation
- Article 4.6 Option E – Stipulated-Energy/Utility Savings

**4.1 General Overview –**

The purpose of the Measurement and Verification (M&V) Plan is to identify the methods, measurements, procedures and tools that will be used to verify the Savings for each FIM which has energy/utility Savings. Savings are determined by comparing prior usage, consumption or efficiencies (defined as the “Baseline”) against the post-FIM implementation usage, consumption or efficiencies. The Baseline usage, consumption or efficiencies are described in this Exhibit C, Article 5. The post-FIM implementation usage, consumption or efficiencies is defined as the Contracted Baseline and are described in this Exhibit C, Article 7.

4.2 **Option A - Retrofit Isolation: Key Parameter Measurement**

NONE

4.3 **Option B - Retrofit Isolation: All Parameter Measurement**

NONE

4.4 **Option C - Whole Facility**

NONE

4.5 **Option D – Calibrated Simulation**

NONE

4.6 **Stipulated-Energy/Utility Savings**

The energy savings for the following FIMS have been stipulated and agreed upon by Siemens and the client. The client will be provided with an annual M&V report for the duration of the PASP that summarizes the calculated and agreed upon savings.

4.6.1 Todd Hall – Server Room AC Unit Replacement

4.6.2 Todd Hall – Chiller Replacement

4.6.3 Todd Hall –Unit Ventilator Replacement

4.6.4 Todd Hall – Hot Water Boiler Burner Replacement

4.6.5 Todd Hall – Pump VFD's

4.6.6 Rutledge Hall – Chiller Replacement

4.6.7 Rutledge Hall – Server Room AC Unit Replacement

4.6.8 Rutledge Hall –Booster Pump Replacement

4.6.9 Lincoln Hall – Server Room AC Unit Replacement

4.6.10 Lincoln Hall – Booster Pump Replacement

4.6.11 Lincoln Hall – Chiller Replacement

**Article 5: Baseline Data**

5.1 The year(s) selected as the Baseline Period starts on October 2012 and ends on September 2013. Table 5.1 outlines the utility consumption that occurred during this Baseline Period. This Baseline Period’s Facility utility consumption will be used as the reference for comparing the Facility’s utility consumption during the Performance Guarantee Period in order to determine the Annual Realized Savings.

Table 5.1

Baseline Utility Consumption													
	Units	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Electric	kWh	121096.8	109830.1	95292.62	92710.54	84836.63	30000	30000	30,000	119,645	99,267	109,858	109862.9
Electric	kW	275.27	272.23	260.66	244.65	212.2	75	75	75	288	248	259	258.28
N. Gas	Therm	18601.44	17211.38	15847.03	6497.87	405.32	85.93	270.92	4,990	3,243	4,083	10,190	14310.4

5.2 The operating practices during the Baseline Period determine the utility consumption shown in Table 5.1. This data indicates the operating characteristics that were in effect during the Baseline Period. The Guaranteed Savings provided under this Agreement are based on the efficiencies gained by implementing the Work and implementing the Contracted Baseline in Article 7 of this Exhibit C.

**Table 5.2.1** Summer/Winter Operating Hours

Day of Week	Occupied Run Hours	Unoccupied Run Hours
Monday-Friday	8am-4pm	4pm-8am
Saturday/Sunday	Intermittent	24 hours
Holiday	Intermittent	24 hours

**Table 5.2.2** Summer/Winter Operating Temperatures

Day of Week	Occupied Cooling DEG F	Occupied Heating DEG F	Unoccupied Cooling DEG F	Unoccupied Heating DEG F
Monday-Friday	75	68	75	68
Saturday/Sunday	75	68	75	68
Holiday	75	68	75	68

**Table 5.2.3** Occupancy Summer/Winter

Day of Week	Day	Afternoon	Night
Monday-Friday	Occupied	Occupied	Unoccupied
Saturday/Sunday	Intermittent	Intermittent	Intermittent
Holiday	Unoccupied	Unoccupied	Unoccupied

5.3 Applicable codes - Federal, State, County or Municipal codes or regulations are applicable to the use and operation of the Facility. SIEMENS will maintain the current level of Facility compliance relative to applicable codes unless specifically outlined to the contrary below. Unless specifically set forth in the Scope of Work and Services, Exhibit A, nothing herein should be construed as to require SIEMENS to provide additional work or services in the event that the current applicable code or regulation is modified.

5.3.1 Current code compliance (identify the applicable code citation):

- a. 1997 Illinois Accessibility Code
- b. 2004 Illinois State Plumbing Code
- c. 2005 National Electric Code
- d. 2006 International Building Code
- e. 2006 International Fire Code
- f. 2012 International Energy Conservation Code

5.4 Building Inventory - The following equipment existed in the Facility during the Baseline Period.

- Self Contained Unit Ventilator (4)
- CHW/HW Unit Ventilator (27)
- CHW Fan Coil (1)
- Exhaust Fans (37)
- Packaged DX RTU (2)
- HV RTU (4)
- 300 HP Hot Water Boilers (2)
- 150 Ton Air Cooled Chiller (1)
- 200 Ton Air Cooled Chiller (1)
- 250 Ton Air Cooled Chiller (1)
- 2 Ton Split System AC (1)
- Dual Temp Water Pumps (10)
- Chilled Water RTU (1)
- Cabinet Unit Heaters (7)
- Finned Tube (23)
- HW Convector (30)
- HW Unit Heater (4)

**Article 6: Utility Rate Structures and Escalation Rates**

6.1 Utility costs used for Savings calculations will be based on the utility rates and rate escalation percentages, as provided in the table(s) below. Each escalation rate will be applied annually to the utility rate.

**Table 6.1.1** Electricity

Tariff Number or Designation:  
 Utility Name: ComEd / Integrys  
 Rate Structure: 0.064 \$ per kWh  
 6.07 \$ per kW  
 Rate Escalation: 3 % per Annual Period

**Table 6.1.2** Natural gas

Tariff Number or Designation: Rate 2 – General Service - Heating  
 Utility Name: Excelon  
 Rate Structure: 0.548 \$ per Therm  
 Rate Escalation: 3 % per Annual Period

**Article 7: Contracted Baseline Data**

7.1 The following tables detail the Facility operating parameters that are required to be implemented on the Guarantee Date or on such time as agreed upon by the Parties. This specific configuration of Facility operating parameters is the Contracted Baseline and failure of the CLIENT to maintain the Contracted Baseline may result in a Material Change which may require a modification of the Performance Guarantee pursuant to Article 4 of the Agreement.

**Table 7.2.1** Summer/Winter Operating Hours

Day of Week	Occupied Run Hours	Unoccupied Run Hours
Monday-Friday	8am-4pm	4pm-8am
Saturday/Sunday	Intermittent	24 hours
Holiday	Intermittent	24 hours

**Table 7.2.2** Summer/Winter Operating Temperatures

Day of Week	Occupied Cooling DEG F	Occupied Heating DEG F	Unoccupied Cooling DEG F	Unoccupied Heating DEG F
Monday-Friday	75	68	75	68
Saturday/Sunday	75	68	75	68
Holiday	75	68	75	68

**Table 7.2.3** Occupancy Summer/Winter

Day of Week	Day	Afternoon	Night
Monday-Friday	Occupied	Occupied	Unoccupied
Saturday/Sunday	Intermittent	Intermittent	Intermittent
Holiday	Unoccupied	Unoccupied	Unoccupied

BUDGET SUMMARY


Acct #	Description	(10) Educational	(20) Operations & Maintenance	(30) Debt Service	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
	<b>Begin entering data on EstRev 5-10 and EstExp 11-17 tabs.</b>									
	<b>ESTIMATED BEGINNING FUND BALANCE July 1, 2014<sup>1</sup></b>	16,571,452	4,098,426	990,547	1,976,727	1,058,039	90,494	4,182,545	2,105,951	953,215
	<b>RECEIPTS/REVENUES</b>									
1000	LOCAL SOURCES	17,056,300	1,531,500	17,000	393,000	394,500	1,000	87,500	11,100	168,000
2000	FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	0	0	0	0	0	0	0	0	0
3000	STATE SOURCES	1,144,775	0	0	286,500	0	0	0	0	0
4000	FEDERAL SOURCES	365,050	0	0	0	0	0	0	0	0
	Total Direct Receipts/Revenues <sup>8</sup>	18,577,165	1,531,500	17,000	679,500	394,500	1,000	87,500	11,100	168,000
3998	Receipts/Revenues for "On-Behalf" Payments <sup>2</sup>	2,900,000								
	Total Receipts/Revenues	21,477,165	1,531,500	17,000	679,500	394,500	1,000	87,500	11,100	168,000
	<b>DISBURSEMENTS/EXPENDITURES</b>									
1000	INSTRUCTION	12,954,475				254,000				
2000	SUPPORT SERVICES	4,642,375	2,559,500		1,188,000	286,500	600,000		340,000	218,000
3000	COMMUNITY SERVICES	1,000	0	0	0	0	0	0	0	0
4000	PAYMENTS TO OTHER DISTRICTS & GOVT UNITS	1,236,000	0	0	0	0	0	0	0	0
5000	DEBT SERVICES	0	0	0	0	0	0	0	0	0
6000	PROVISION FOR CONTINGENCIES	0	0	0	0	0	0	0	0	0
	Total Direct Disbursements/Expenditures <sup>9</sup>	18,833,850	2,559,500	0	1,188,000	520,500	600,000	0	340,000	218,000
4180	Disbursements/Expenditures for "On-Behalf" Payments <sup>2</sup>	2,900,000	0	0	0	0	0	0	0	0
	Total Disbursements/Expenditures	21,733,850	2,559,500	0	1,188,000	520,500	600,000	0	340,000	218,000
	Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures	(256,685)	(1,028,000)	17,000	(508,500)	(126,000)	(599,000)	87,500	(328,900)	(50,000)
	<b>OTHER SOURCES/USES OF FUNDS</b>									
	<b>PERMANENT TRANSFER FROM VARIOUS FUNDS</b>									
7110	Abolishment the Working Cash Fund <sup>16</sup>									
7110	Abatement of the Working Cash Fund <sup>16</sup>	300,000					600,000			
7120	Transfer of Working Cash Fund Interest	0								
7130	Transfer Among Funds									
7140	Transfer of Interest									
7150	Transfer from Capital Projects Fund to O&M Fund								0	0
7160	Transfer of Excess Fire Prev & Safety Tax & Interest <sup>3</sup>									
	Proceeds to O&M Fund									
7170	Transfer of Excess Accumulated Fire Prev & Safety Bond and Int <sup>3a</sup> Proceeds to Debt Service Fund			0						
	<b>SALE OF BONDS (7200)</b>									
7210	Principal on Bonds Sold <sup>4</sup>		0	0			0	0		
7220	Premium on Bonds Sold									
7230	Accrued Interest on Bonds Sold									
7300	Sale or Commission for Fixed Assets <sup>5</sup>	0								
7400	Transfer to Debt Service Fund to Pay Principal on Capital Leases									
7500	Transfer to Debt Service Fund to Pay Interest on Capital Leases									
7600	Transfer to Debt Service Fund to Pay Principal on Revenue Bonds									
7700	Transfer to Debt Service Fund to Pay Interest on Revenue Bonds									
7800	Transfer to Capital Projects Fund						0			
7900	ISBE Loan Proceeds									
7980	Other Sources Not Classified Elsewhere									
	Total Other Sources of Funds <sup>8</sup>	300,000	0	0	0	0	600,000	0	0	0

BUDGET SUMMARY

Description	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Service	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
<b>OTHER USES OF FUNDS (8000)</b>										
<b>TRANSFER TO VARIOUS OTHER FUNDS (8100)</b>										
Abolishment of Abatement of the Working Cash Fund <sup>10</sup>	8110							900,000		
Transfer of Working Cash Fund Interest	8120							0		
Transfer Among Funds	8130			0						
Transfer of Interest <sup>6</sup>	8140									
Transfer from Capital Projects Fund to O&M Fund	8150									
Transfer of Excess Fire Prev & Safety Tax & Interest <sup>3</sup> In O&M Fund	8160									0
Transfer of Excess Accumulated Fire Prev & Safety Bond <sup>3a</sup> In Proceeds to Debt Services Fund	8170									
Taxes Pledged to Pay Principal on Capital Leases	8410									
Grants/Reimbursements Pledged to Pay Principal on Capital Leases	8420									
Other Revenues Pledged to Pay Principal on Capital Leases	8430									
Fund Balance Transfers Pledged to Pay Principal on Capital Leases	8440									
Taxes Pledged to Pay Interest on Capital Leases	8510									
Grants/Reimbursements Pledged to Pay Interest on Capital Leases	8520									
Other Revenues Pledged to Pay Interest on Capital Leases	8530									
Fund Balance Transfers Pledged to Pay Interest on Capital Leases	8540									
Taxes Pledged to Pay Principal on Revenue Bonds	8610									
Grants/Reimbursements Pledged to Pay Principal on Revenue Bonds	8620									
Other Revenues Pledged to Pay Principal on Revenue Bonds	8630									
Fund Balance Transfers Pledged to Pay Principal on Revenue Bonds	8640			0						
Taxes Pledged to Pay Interest on Revenue Bonds	8710									
Grants/Reimbursements Pledged to Pay Interest on Revenue Bonds	8720									
Other Revenues Pledged to Pay Interest on Revenue Bonds	8730									
Fund Balance Transfers Pledged to Pay Interest on Revenue Bonds	8740									
Taxes Transferred to Pay for Capital Projects	8810									
Grants/Reimbursements Pledged to Pay for Capital Projects	8820									
Other Revenues Pledged to Pay for Capital Projects	8830									
Fund Balance Transfers Pledged to Pay for Capital Projects	8840									
Transfer to Debt Service Fund to Pay Principal on ISBE Loans	8910									
Other Uses Not Classified Elsewhere	8990	0								
<b>Total Other Users of Funds<sup>8</sup></b>		300,000	0	0	0	0	0	900,000	0	0
<b>Total Other Sources/Uses of Fund</b>		16,614,767	3,070,426	1,007,547	1,468,227	932,039	91,494	3,370,045	1,777,051	903,215
<b>ESTIMATED ENDING FUND BALANCE June 30, 2015</b>										

SUMMARY OF EXPENDITURES (by Major Object)

Description	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Service	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety	Total By Object
Salaries	100	11,969,500	405,000								12,374,500
Employee Benefits	200	1,979,000	86,000								2,065,000
Purchased Services	300	1,243,650	755,000	0	1,155,000	520,500			140,000	18,000	3,311,650
Supplies & Materials	400	877,375	513,000		2,000						1,392,375
Capital Outlay	500	808,500	789,500		31,000		600,000		200,000	200,000	2,629,000
Other Objects	600	1,241,125	2,000	0							1,243,125
Non-Capitalized Equipment	700	144,700	9,000								153,700
Termination Benefits	800	550,000	0								550,000
<b>Total Expenditures</b>		18,833,850	2,559,500	0	1,188,000	520,500	600,000		340,000	218,000	24,259,850



Lincolnwood School District 74  
Phase I

Year 1 Savings Report  
September 1, 2014 – August 31, 2015

**SIEMENS**

Prepared by:

Siemens Industry, Inc.

585 Slawin Court

Mount Prospect, IL

T: 847.215.1000

**EXECUTIVE SUMMARY**

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  - II. Year 1 Savings (September 1, 2014 – August 31, 2015)
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**Tables**

- Table 1 – Total Guaranteed Savings
- Table 2 – Annual Savings Guarantee Reconciliation Summary
- Table 3 – Year 1 Savings Breakdown

### Background

Lincolnwood School District 74 and Siemens Industry, Inc. entered into an Energy Savings Performance Contract on June 5, 2014. A brief summary of the project scope of work is presented below:

- Replacement of Todd Hall Rooftop Units S2 & S3

### Reporting Frequency

The installation period for the project scope of the work was from June 2014 through September 2014. The guarantee start period began September 1, 2014 and will follow for the remaining 10 years of the contract. Siemens is required to issue an annual savings report to Lincolnwood School District 74 within 90 days of the guarantee year end.



### Performance Assurance Guarantee Plan - Definitions

Stipulated Capital Contributions: The Performance Contracting legislation for Illinois (Public Act #87-1106) states that “A school district may use funds designated for operating or capital expenditures for any guaranteed savings contract...” These stipulated capital expenditures are dollars that would need to be budgeted in future years due to the deferred maintenance and/or abandoned projects. It is a funding vehicle to accomplish work that has been identified as important work to a school district, without the district having to come up with up-front capital necessary to complete the work. Typically, the annual offset number is calculated by dividing the project cost by the term, in years, of the agreement. This allows the district to realize the benefit of the project immediately while proactively budgeting for the work over the term of the agreement. As such, capital contributions are cost avoidances to be reallocated and not a utility reduction.

Energy/Utility Savings: The measurement and verification options that are used to measure and verify energy/utility savings include Option A - Retrofit Isolation: Key Parameter Measurement; Option B - Retrofit Isolation: All Parameter Measurement; Option C - Whole Facility; and, Option D – Calibrated Simulation. Options A through and including D are part of the IPMVP. Option E-Stipulated is based on industry accepted engineering standards and is the Option used for purposes of calculating Operational Savings.

Measured & Verified (M&V) Energy: M&V energy is based on the physical measurement of some aspect of an individual Facility Improvement Measurement (FIM). Measurements of a piece of equipment will be taken before and after the retrofit. The differences in the measurement form the basis of FIM’s savings. The customer and the company agree to other, non-measurable variables. Items such as hours of equipment operation, run-times, set points, and power consumption can be measured if the controls system allows for sufficient trending or monitoring.

Stipulated Energy Savings: Option E or stipulated energy savings are savings that were calculated prior to the measure being installed. This option is the method of measurement and verification applicable to FIMs where the input parameters are known in advance and used in a calculation or analysis method that will stipulate the outcome. These input parameters can often include end use capacity or operational efficiency, demand, energy consumption or power level, manufacturer’s measurements, industry standard efficiencies or operating hours. Both the school

## EXECUTIVE SUMMARY

district and Siemens agree to the stipulated inputs and outcomes of the analysis methodology. These types of savings are typically used when the actual measurement of an improvement's operation is not practical.

When savings are stipulated, the period savings have been agreed to and are typically the same value as the period guarantee savings. As a result, there is often no period variance and the cumulative savings are also equal to the project guarantee value to date.

### Savings Guarantee

The total guaranteed savings for the Lincolnwood School District 74 project is summarized in Table 1 for each year of the ten year contract term. As noted in the Exhibit C Article 1 of the Performance Contract, the scope of the work as defined in Exhibit A resulted in a net addition of electric kWh consumption estimated at 140,000 kWh. The electrical addition will not be measured or reconciled per this agreement.

**Table 1 – Total Guaranteed Savings**

Annual Savings Period	Years	Energy/Utility Stipulated Savings	Operational and Capital Stipulated Savings	Total Guaranteed Savings
Year 1	2014-2015	\$0	\$181,600.00	\$181,600.00
Year 2	2015-2016	\$0	\$1,648.00	\$1,648.00
Year 3	2016-2017	\$0	\$1,697.44	\$1,697.44
Year 4	2017-2018	\$0	\$1,748.36	\$1,748.36
Year 5	2018-2019	\$0	\$1,800.81	\$1,800.81
Year 6	2019-2020	\$0	\$1,854.84	\$1,854.84
Year 7	2020-2021	\$0	\$1,910.48	\$1,910.48
Year 8	2021-2022	\$0	\$1,967.80	\$1,967.80
Year 9	2022-2023	\$0	\$2,026.83	\$2,026.83
Year 10	2023-2024	\$0	\$2,087.64	\$2,087.64
Totals		\$0	\$198,342.21	\$198,342.21

**Note: Annual savings period runs from September 1 through August 31  
Energy Savings are escalated at 3% per annual period.**

## ANNUAL SAVINGS SUMMARY

### Annual Savings Guarantee Summary

The Annual Savings Guarantee Summary for Lincolnwood School District 74 may be found in Table 2. For the year 1 guarantee period, savings totaled \$181,600.00 meeting the guarantee of \$181,600.00.

Cumulative savings to date total \$181,600.00, versus a total project guarantee to date of \$181,600.00.

**Table 2 – Annual Savings Guarantee Summary**

Annual Period Report	Years	Energy/Utility Stipulated Savings	Operational and Capital Stipulated Savings	Period Guarantee	Period Savings	Period Variance
Year 1	2014-2015	\$0.00	\$181,600.00	\$181,600.00	\$181,600.00	\$0.00
Year 2	2015-2016	\$0.00	\$1,648.00	\$1,648.00		
Year 3	2016-2017	\$0.00	\$1,697.44	\$1,697.44		
Year 4	2017-2018	\$0.00	\$1,748.36	\$1,748.36		
Year 5	2018-2019	\$0.00	\$1,800.81	\$1,800.81		
Year 6	2019-2020	\$0.00	\$1,854.84	\$1,854.84		
Year 7	2020-2021	\$0.00	\$1,910.48	\$1,910.48		
Year 8	2021-2022	\$0.00	\$1,967.80	\$1,967.80		
Year 9	2022-2023	\$0.00	\$2,026.83	\$2,026.83		
Year 10	2023-2024	\$0.00	\$2,087.64	\$2,087.64		
Total		\$0.00	\$198,342.21	\$198,342.21	\$181,600.00	\$0.00

**ANNUAL SAVINGS SUMMARY**

**Year 1 Savings (September 1, 2014 – August 31, 2015)**

Table 3 below is the year 1 savings breakdown report showing the FIM number along with the measure description within each facility. Total year 1 savings is listed in the far right column. Below the savings spreadsheet is a comparison of Total Period Savings and Total Period Guarantee. In addition, Total Project Savings and Total Project Savings Guarantee (Installation through Year 1) are shown.

**Table 3 – Year 1 Savings Breakdown**

*Performance Contracting Savings Report*  
**For**  
*Lincolnwood School District 74*  
**Phase I - Year 1**  
**September 1, 2014 - August 30, 2015**

F.I.M. #	Measure Description	Period Program Savings			Total Period Savings
		Period Electric Savings	Period Gas Savings	Period Operational and Capital Stipulated Savings	
1	Todd Hall Rooftop Units S2 and S3	\$0.00	\$0.00	\$181,600.00	\$181,600.00
<b>TOTALS:</b>		\$0.00	\$0.00	\$181,600.00	\$181,600.00

<b>Total Period Savings:</b>	<b>\$181,600.00</b>	<b>Project Savings to Date:</b>	<b>\$181,600.00</b>
<b>Total Period Guarantee:</b>	<b>\$181,600.00</b>	<b>Savings Guarantee to Date:</b>	<b>\$181,600.00</b>
<b>Variance for Period:</b>	<b>\$0.00</b>	<b>Project Variance to Date:</b>	<b>\$0.00</b>

- I. Acknowledgement Form
  - a. Please read the attached acknowledgement form, sign, date, and return it to Siemens Industry, Inc. to via email or standard mail to the address listed in cover letter.

**ACKNOWLEDGEMENT FORM**

**Project Name:** Lincolnwood School District 74

**Report Type:** Performance Assurance Report

**Reporting Period:** Year 1 (September 1, 2014 to August 31, 2015)

**Acknowledgement of Receipt of Annual Performance Assurance Report**

Relative to the energy performance contract Annual Guaranteed Savings Report delivered by Siemens Industry, Inc. dated 3/5/2018, I hereby acknowledge on behalf of Lincolnwood School District 74 that I have received the Annual Performance Report referenced above.

\_\_\_\_\_  
Siemens Industry, Inc.

\_\_\_\_\_  
Authorized Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Client's Name (printed)

\_\_\_\_\_  
Date

Please sign and return this acknowledgement form to Jonathan Aardsma at:  
Email: [Jonathan.Aardsma@Siemens.com](mailto:Jonathan.Aardsma@Siemens.com)



Lincolnwood School District 74  
Phase II

**Year 1 Savings Report**  
**September 1, 2015 – August 31, 2016**

**SIEMENS**

Prepared by:

Siemens Industry, Inc.

585 Slawin Court

Mount Prospect, IL

T: 847.215.1000

**EXECUTIVE SUMMARY**

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- 1. Executive Summary ..... 2**
- 2. Annual Savings Summary ..... 6**
  - I. Annual Savings Summary
  - II. Year 1 Savings (September 1, 2015 – August 31, 2016)
- 3. Attachments.....8**
  - I. Acknowledgement Page

**Tables**

- Table 1 – Total Guaranteed Savings
- Table 2 – Annual Savings Guarantee Reconciliation Summary
- Table 3 – Year 1 Savings Breakdown

**EXECUTIVE SUMMARY**

**Background**

Lincolnwood School District 74 and Siemens Industry, Inc. entered into an Energy Savings Performance Contract on June 5, 2014 with a second phase of work initiated on March 5, 2015. A brief summary of the project scope of work is presented below:

**Todd Hall**

- Server Room AC Unit Replacement
- Chiller Replacement
- Unit Ventilator Replacement
- Hot Water Boiler Burner Replacement
- Pump VFD's



**Rutledge Hall**

- Chiller Replacement
- Server Room AC Unit Replacement
- Booster Pump Replacement

**Lincoln Hall**

- Server Room AC Unit Replacement
- Booster Pump Replacement
- Office RTU Replacement
- Main Gym & Locker AHU Replacement
- East Gym RTU Replacement
- Chiller Replacement

**Reporting Frequency**

The installation period for the project scope of the work was from May 2015 through September 2015. The guarantee start period began September 1, 2015 and will follow for the remaining 15 years of the contract. Siemens is required to issue an annual savings report to Lincolnwood School District 74 within 90 days of the guarantee year end.

**Performance Assurance Guarantee Plan - Definitions**

Stipulated Capital Contributions: The Performance Contracting legislation for Illinois (Public Act #87-1106) states that “A school district may use funds designated for operating or capital expenditures for any guaranteed savings contract...” These stipulated capital expenditures are dollars that would need to be budgeted in future years due to the deferred maintenance and/or abandoned projects. It is a funding vehicle to accomplish work that has been identified as important work to a school district, without the district having to come up with up-front capital necessary to complete the work. Typically, the annual offset number is calculated by dividing the project cost by the term, in years, of the agreement. This allows the district to realize the benefit of the project immediately while proactively budgeting for the work over the term of the agreement. As such, capital contributions are cost avoidances to be reallocated and not a utility reduction.

Energy/Utility Savings: The measurement and verification options that are used to measure and verify energy/utility savings include Option A - Retrofit Isolation: Key Parameter Measurement; Option B - Retrofit Isolation: All Parameter Measurement; Option C - Whole Facility; and,

## EXECUTIVE SUMMARY

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Option D – Calibrated Simulation. Options A through and including D are part of the IPMVP. Option E-Stipulated is based on industry accepted engineering standards and is the Option used for purposes of calculating Operational Savings.

Measured & Verified (M&V) Energy: M&V energy is based on the physical measurement of some aspect of an individual Facility Improvement Measurement (FIM). Measurements of a piece of equipment will be taken before and after the retrofit. The differences in the measurement form the basis of FIM's savings. The customer and the company agree to other, non-measurable variables. Items such as hours of equipment operation, run-times, set points, and power consumption can be measured if the controls system allows for sufficient trending or monitoring.

Stipulated Energy Savings: Option E or stipulated energy savings are savings that were calculated prior to the measure being installed. This option is the method of measurement and verification applicable to FIMs where the input parameters are known in advance and used in a calculation or analysis method that will stipulate the outcome. These input parameters can often include end use capacity or operational efficiency, demand, energy consumption or power level, manufacturer's measurements, industry standard efficiencies or operating hours. Both the school district and Siemens agree to the stipulated inputs and outcomes of the analysis methodology. These types of savings are typically used when the actual measurement of an improvement's operation is not practical.

When savings are stipulated, the period savings have been agreed to and are typically the same value as the period guarantee savings. As a result, there is often no period variance and the cumulative savings are also equal to the project guarantee value to date.

**Savings Guarantee**

The total guaranteed savings for the Lincolnwood School District 74 project is summarized in Table 1 for each year of the fifteen year contract term.

**Table 1 – Total Guaranteed Savings**

Annual Savings Period	Years	Energy/Utility Stipulated Savings	Operational and Capital Stipulated Savings	Total Guaranteed Savings
Year 1	2015-2016	\$28,839.00	\$1,416,582.00	\$1,445,421.00
Year 2	2016-2017	\$29,704.17	\$18,746.00	\$48,450.17
Year 3	2017-2018	\$30,595.30	\$19,308.38	\$49,903.68
Year 4	2018-2019	\$31,513.15	\$19,887.63	\$51,400.79
Year 5	2019-2020	\$32,458.55	\$20,484.26	\$52,942.81
Year 6	2020-2021	\$33,432.31	\$21,098.79	\$54,531.09
Year 7	2021-2022	\$34,435.27	\$21,731.75	\$56,167.03
Year 8	2022-2023	\$35,468.33	\$22,383.70	\$57,852.04
Year 9	2023-2024	\$36,532.38	\$23,055.22	\$59,587.60
Year 10	2024-2025	\$37,628.35	\$23,746.87	\$61,375.23
Year 11	2025-2026	\$38,757.20	\$24,459.28	\$63,216.48
Year 12	2026-2027	\$39,919.92	\$25,193.06	\$65,112.98
Year 13	2027-2028	\$41,117.52	\$25,948.85	\$67,066.37
Year 14	2028-2029	\$42,351.04	\$26,727.31	\$69,078.36
Year 15	2029-2030	\$43,621.58	\$27,529.13	\$71,150.71
Totals		\$536,374.08	\$1,736,882.23	\$2,273,256.31

**Note: Annual savings period runs from September 1 through August 31  
Energy Savings are escalated at 3% per annual period.**

## ANNUAL SAVINGS SUMMARY

### Annual Savings Guarantee Summary

The Annual Savings Guarantee Summary for Lincolnwood School District 74 may be found in Table 2. For the year 1 guarantee period, savings totaled \$1,445,421.00 meeting the guarantee of \$1,445,421.00.

Cumulative savings to date total \$1,445,421.00, versus a total project guarantee to date of \$1,445,421.00.

**Table 2 – Annual Savings Guarantee Summary**

Annual Period Report	Years	Energy/Utility Stipulated Savings	Operational and Capital Stipulated Savings	Period Guarantee	Period Savings	Period Variance
Year 1	2015-2016	\$28,839.00	\$1,416,582.00	\$1,445,421.00	\$1,445,421.00	\$0.00
Year 2	2016-2017	\$29,704.17	\$18,746.00	\$48,450.17		
Year 3	2017-2018	\$30,595.30	\$19,308.38	\$49,903.68		
Year 4	2018-2019	\$31,513.15	\$19,887.63	\$51,400.79		
Year 5	2019-2020	\$32,458.55	\$20,484.26	\$52,942.81		
Year 6	2020-2021	\$33,432.31	\$21,098.79	\$54,531.09		
Year 7	2021-2022	\$34,435.27	\$21,731.75	\$56,167.03		
Year 8	2022-2023	\$35,468.33	\$22,383.70	\$57,852.04		
Year 9	2023-2024	\$36,532.38	\$23,055.22	\$59,587.60		
Year 10	2024-2025	\$37,628.35	\$23,746.87	\$61,375.23		
Year 11	2025-2026	\$38,757.20	\$24,459.28	\$63,216.48		
Year 12	2026-2027	\$39,919.92	\$25,193.06	\$65,112.98		
Year 13	2027-2028	\$41,117.52	\$25,948.85	\$67,066.37		
Year 14	2028-2029	\$42,351.04	\$26,727.31	\$69,078.36		
Year 15	2029-2030	\$43,621.58	\$27,529.13	\$71,150.71		
Total		\$536,374.08	\$1,736,882.23	\$2,273,256.31	\$1,445,421.00	\$0.00

## ANNUAL SAVINGS SUMMARY

### Year 1 Savings (September 1, 2015 – August 31, 2016)

Table 3 below is the year 1 savings breakdown report showing the FIM number along with the measure description within each facility. Total year 1 savings is listed in the far right column. Below the savings spreadsheet is a comparison of Total Period Savings and Total Period Guarantee. In addition, Total Project Savings and Total Project Savings Guarantee (Installation through Year 1) are shown.

**Table 3 – Year 1 Savings Breakdown**

*Performance Contracting Savings Report*  
**For**  
*Lincolnwood School District 74*  
**Phase II - Year 1**  
**September 1, 2015 - August 30, 2016**

F.I.M. #	Measure Description	Period Program Savings			Total Period Savings
		Period Electric Savings	Period Gas Savings	Period Operational Capital Stipulated Savings	
<b>Todd Hall</b>					
T-1	Server Room AC Unit Replacement	\$131.00	\$0.00	\$44,167.00	\$44,298.00
T-2	Chiller Replacement	\$7,850.00	\$0.00	\$58,690.00	\$66,540.00
T-3	Unit Ventilator Replacement	\$562.00	\$0.00	\$128,323.00	\$128,885.00
T-4	Hot Water Boiler Bumer Replacement	\$0.00	\$3,173.00	\$140,147.00	\$143,320.00
T-5	Pump VFD's	\$3,075.00	\$0.00	\$79,640.00	\$82,715.00
<b>Rutledge Hall</b>					
R-1	Chiller Replacement	\$8,410.00	\$0.00	\$56,203.00	\$64,613.00
R-2	Server Room AC Unit Replacement	\$131.00	\$0.00	\$44,167.00	\$44,298.00
R-3	Booster Pump Replacement	\$263.00	\$0.00	\$33,600.00	\$33,863.00
<b>Lincoln Hall</b>					
L-1	Server Room AC Unit Replacement	\$131.00	\$0.00	\$42,215.00	\$42,346.00
L-2	Booster Pump Replacement	\$263.00	\$0.00	\$32,120.00	\$32,383.00
L-3	Office RTU Replacement	\$0.00	\$0.00	\$43,038.00	\$43,038.00
L-4	Main Gym & Locker AHU Replacement	\$0.00	\$0.00	\$360,440.00	\$360,440.00
L-5	East Gym RTU Replacement	\$0.00	\$0.00	\$291,357.00	\$291,357.00
L-6	Chiller Replacement	\$4,850.00	\$0.00	\$62,475.00	\$67,325.00
<b>TOTALS:</b>		\$25,666.00	\$3,173.00	\$1,416,582.00	\$1,445,421.00

<b>Total Period Savings:</b> <b>\$1,445,421.00</b>	<b>Project Savings to Date:</b> <b>\$1,445,421.00</b>
<b>Total Period Guarantee:</b> <b>\$1,445,421.00</b>	<b>Savings Guarantee to Date:</b> <b>\$1,445,421.00</b>
<b>Variance for Period:</b> <b>\$0.00</b>	<b>Project Variance to Date:</b> <b>\$0.00</b>

- I. Acknowledgement Form
  - a. Please read the attached acknowledgement form, sign, date, and return it to Siemens Industry, Inc. to via email or standard mail to the address listed in cover letter.

**ACKNOWLEDGEMENT FORM**

**Project Name:** Lincolnwood School District 74

**Report Type:** Performance Assurance Report

**Reporting Period:** Year 1 (September 1, 2015 to August 31, 2016)

**Acknowledgement of Receipt of Annual Performance Assurance Report**

Relative to the energy performance contract Annual Guaranteed Savings Report delivered by Siemens Industry, Inc. dated 3/5/2018, I hereby acknowledge on behalf of Lincolnwood School District 74 that I have received the Annual Performance Report referenced above.

\_\_\_\_\_  
Siemens Industry, Inc.

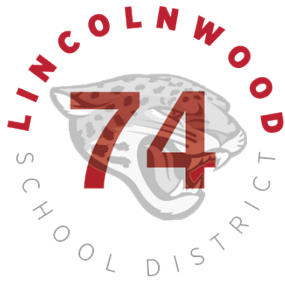
\_\_\_\_\_  
Authorized Client Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Client's Name (printed)

\_\_\_\_\_  
Date

Please sign and return this acknowledgement form to Jonathan Aardsma at:  
Email: [Jonathan.Aardsma@Siemens.com](mailto:Jonathan.Aardsma@Siemens.com)



## Executive Summary Facilities Committee Meeting

DATE: Tuesday, January 19, 2021

TOPIC: Baseball Fields Dressing

PREPARED BY: Courtney Whited

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

Spring is approaching and the athletic field drainage project was completed last autumn. The north and south ball fields on campus are still in need of new infield sand mix, bases, DuraBrick in the batters' boxes and mounds, and general clean up of both areas. Sportsfields, Inc. recommends a Mid Lo mix which tends to reduce instances of dust, mud and does not require as much maintenance as a classic mix. This sand mixture is the same cost as the classic mix but does not require DuraPlay soil conditioner so there will be savings on each field, if the District selects this blend.

Legal counsel has reviewed the Sportsfields, Inc. proposal and noted the threshold for public bidding for school districts is typically \$25,000 for purchases of supplies or work. However, there are a number of exceptions, including one that would be applicable here. The School Code provision includes an exception for "contracts for repair, maintenance, remodeling, renovation, or construction, or a single project involving an expenditure not to exceed \$50,000 and not involving a change or increase in the size, type, or extent of an existing facility." 105 ILCS 5/10-20.21(a)(xi). The nature of the work described in the proposal fits this exception – one expenditure under \$50,000, renovation, not involving a change or increase in the size or extent of the existing fields.

**Fiscal Impact:**

\$17,200 for south ball field

\$9,500 for north ball field

\$150 for one of the optional Bolco pitcher's rubber

=====

**\$26,850 TOTAL**

**Recommendation:**

It is the Administrative recommendation that the Facilities Committee concurs to recommend to the Board of Education to accept the agreement from Sportsfields, Inc. for field dressing services using Mid Lo mix in the amount of \$26,850.



12200 S. Shirley • Alsip, IL 60803 • Phone: (708) 371-0917 • Fax: (708) 371-0108

January 14, 2021

Lincolnwood School District #74  
Attn: Jim Caldwell and Courtney Whited  
RE: Proposal, (2) infields  
**Spring, 2021**

Pursuant to our conversations Sportsfields, Inc. submits this proposal, spring 2021. Our scope of work includes the materials, equipment, labor (prevailing wages per IDOL) and our certificate of insurance to complete the following, spring 2021. Weather is always a factor and all work to be coordinated thru Jim Caldwell. The site conditions must be favorable before any work can begin. Once spring breaks, the frost is out of the ground and materials are available, we will then begin to schedule work:

Softball Skinned, 60ft bases

1. LSC#74 to mow outfield,
2. Sportsfields, Inc. to edge infield to remove all lips and weeds/grasses,
3. Sportsfields, Inc. to haul/dump all scrap on site,
4. Sportsfields, Inc to add our Mid Lo infield mix (4) loads, app. 88 tons, spread and grade,
5. Sportsfields, Inc. to fine grade and match grades on site,
6. Sportsfields, Inc. to install DuraBrick in the wear areas of batter's box and in the mound,
7. Sportsfields, Inc. to install a Bolco 300-AS home plate and a four-way rubber,
8. Sportsfields, Inc to install (4) CH Hollywood bases anchors/plugs at 60ft.,
9. Sportsfields, Inc. to groom and roll infield upon completion,

**COST..... \$17,200.00**

Tee Ball infield,

1. LCS#74 to mow outfield and infield,
2. Sportsfields, Inc. to edge infield to remove lips and weeds/grasses within the skin portions of the infield,
3. Sportsfields, Inc. to haul/dump all scrap off site,
4. Sportsfields, Inc. to add our Mid Lo infield mix, spread and grade to match grades onsite,
5. Sportsfields Inc. to install DuraBrick in the wear areas of the batters' boxes
6. Sportsfields Inc. to install a new Bolco 300-AS home plate,
7. Sportsfields, Inc. to install (4) CH Hollywood base anchors/plugs at 60ft.,
8. Sportsfields, Inc.to groom and roll infield upon completion,

**Cost..... \$ 9,500.00**

January 14, 2021  
Lincolnwood School District #74  
RE: Proposals, Infields spring 2021  
Attn: Jim Caldwell

**OPTIONAL**

- A. If Sportsfields, Inc. was to use our infield mix versus the Mid Lo infield mix (4 semis on Softball infield and 2 semis of the Tee Ball infield) amended with DuraPlay soil conditioner, the cost will be \$ 19,200.00 for the Softball Infield and \$10,500.00 for the Tee Ball infield,
- B. Sportsfields, Inc. to install Bolco pitcher's rubber.....\$105.00 each

All work to be scheduled, spring 2021, upon approval of this proposal. We schedule work each spring in the order of contracts received. Realistically a project like this is a May project, but it is all weather related.

The infields will be playable upon completion and the total project should take 3-4 days.

If this proposal is acceptable, please sign and return. We will put then put this project to our spring schedule.

Respectfully Submitted for your review,

Brendan Crowe



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

1/14/2021

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

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

<b>PRODUCER</b> DAN M STUMPF (02341) 17605 S OAK PARK AVE STE C TINLEY PARK, IL 60477-0000	<b>CONTACT NAME:</b> DAN M STUMPF <b>PHONE (A/C, No, Ext):</b> 708-614-1688 <b>E-MAIL ADDRESS:</b> DANIEL.STUMPF@COUNTRYFINANCIAL.COM	<b>FAX (A/C, No):</b> 708-633-6492
	<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: COUNTRY Mutual Insurance Company	
<b>INSURED</b> 4511648 SPORTSFIELDS INC PO BOX 615 BLUE ISLAND, IL 60406	<b>INSURER B:</b> <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			AB1133321	10/4/2020	10/4/2021	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 \$
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			AB1133321	10/4/2020	10/4/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N Y	N/A	AW1133320	10/4/2020	10/4/2021	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

WORKERS COMPENSATION EXCLUSIONS:

PROPRIETOR, PARTNER(S), EXECUTIVE OFFICER(S), MEMBERS(S) IS/ARE EXCLUDED ON WORKERS COMPENSATION BY ENDORSEMENT.

**CERTIFICATE HOLDER**

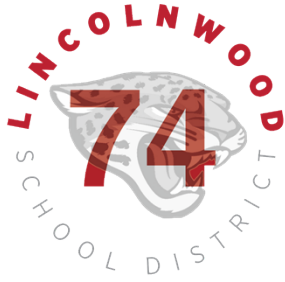
LINCOLNWOOD SCHOOL DISTRICT 74  
 6950 N. EAST PRAIRIE RD  
 LINCOLNWOOD, IL 60712

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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## Facilities Committee Meeting

DATE: Tuesday, January 19, 2021

TOPIC: District Facilities Update

PREPARED BY: Courtney Whited

### **Recommended for:**

Action

Discussion

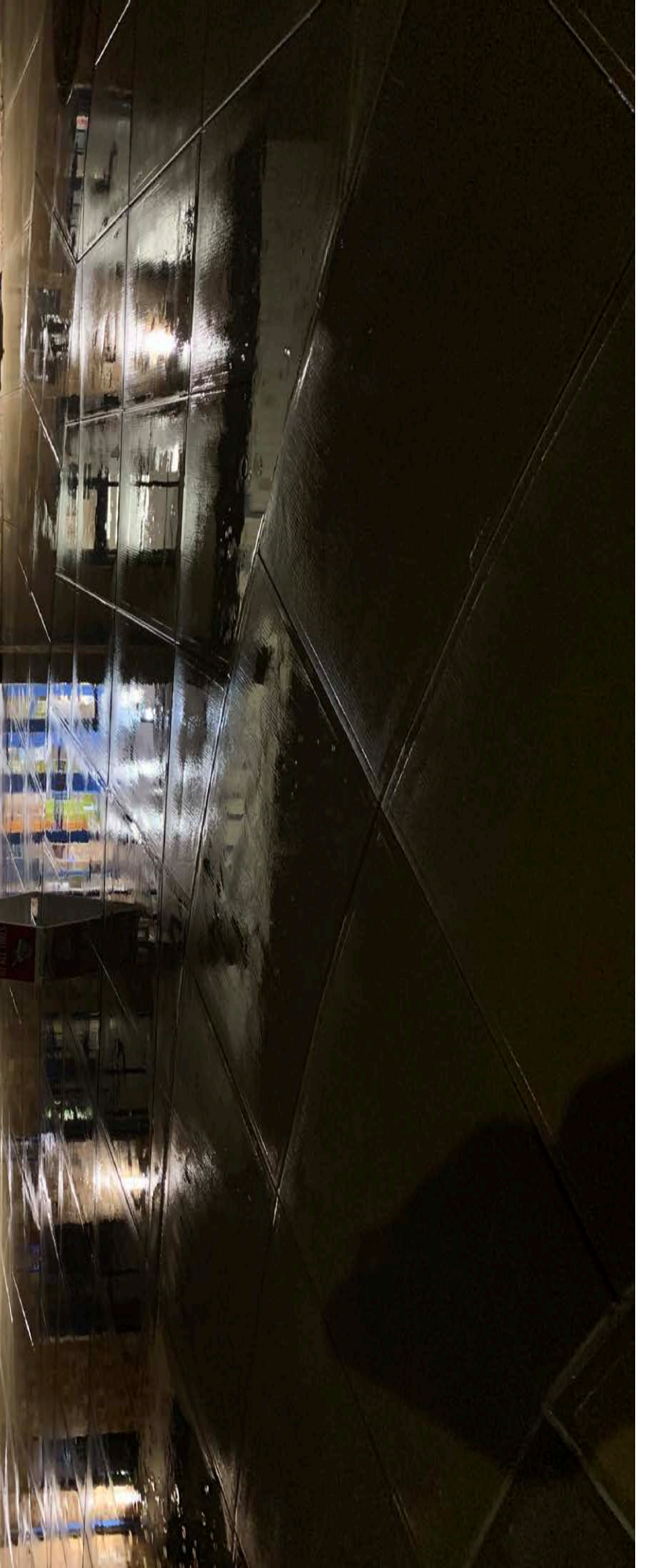
Information

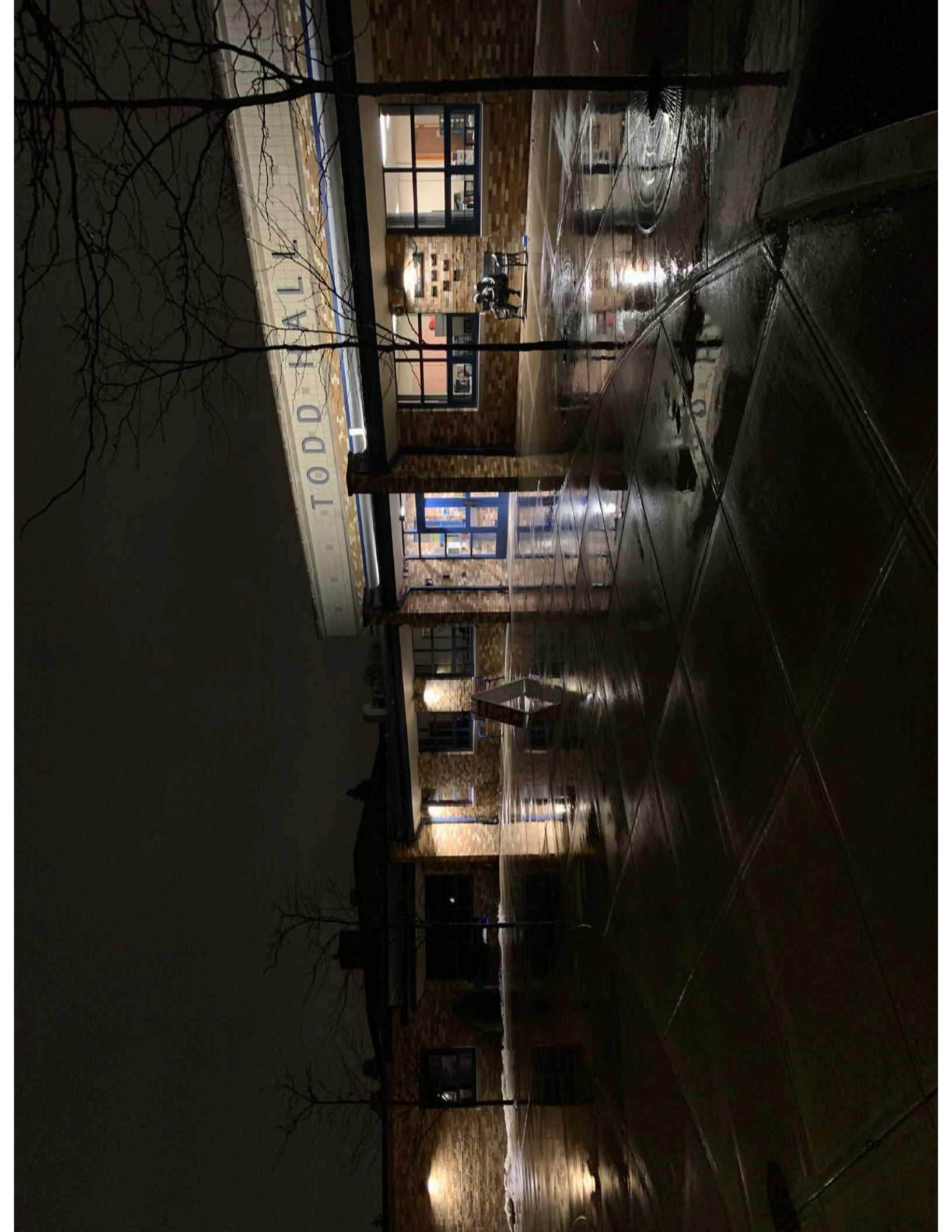
### **Purpose/Background:**

To provide the Facilities Committee an update on ongoing Districtwide project(s):

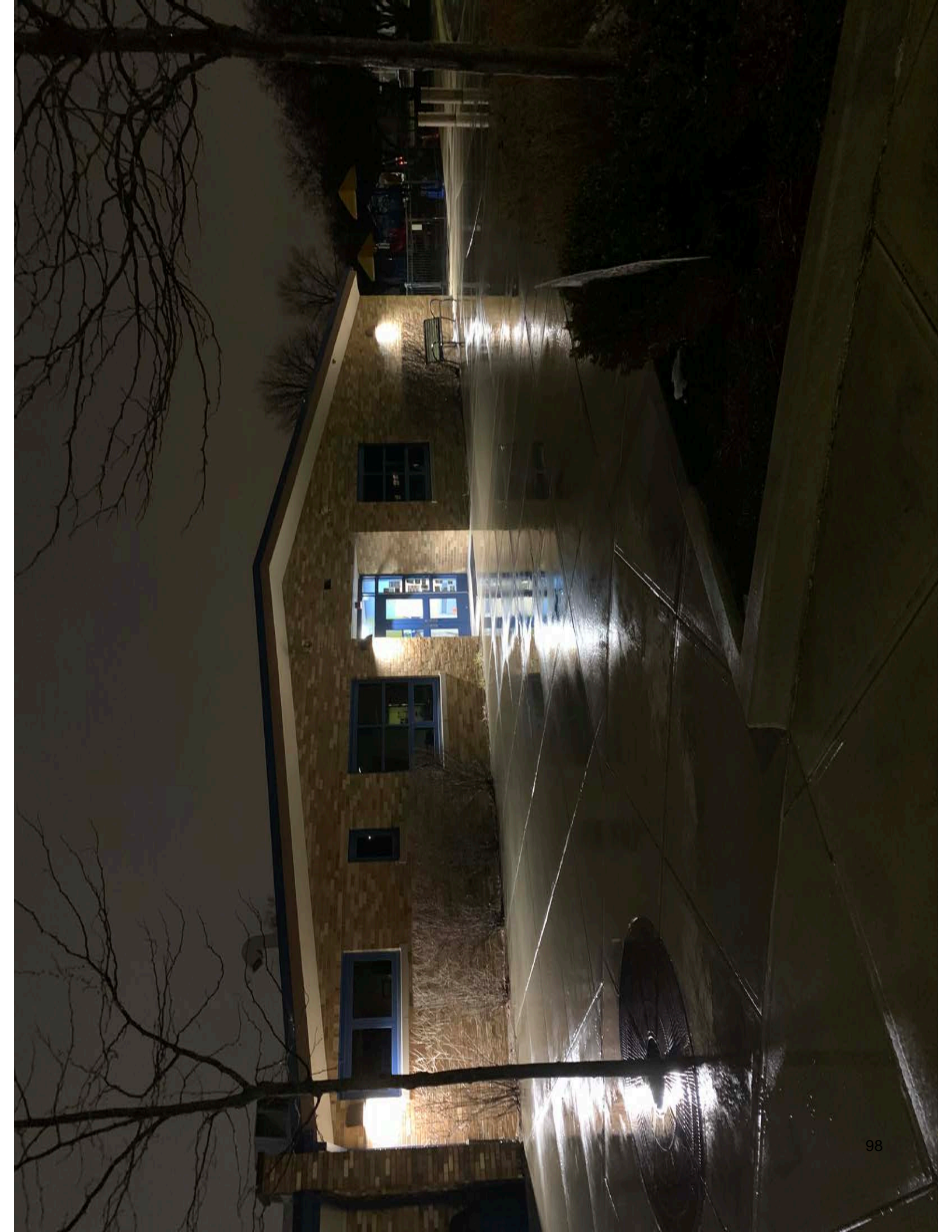
1. Rutledge Hall Small Group Instruction Room
2. Landscaping Bid was published 1/14/21 and bids are due 1/25/21 (Finance Committee)
3. Todd Hall Plaza Lighting is complete

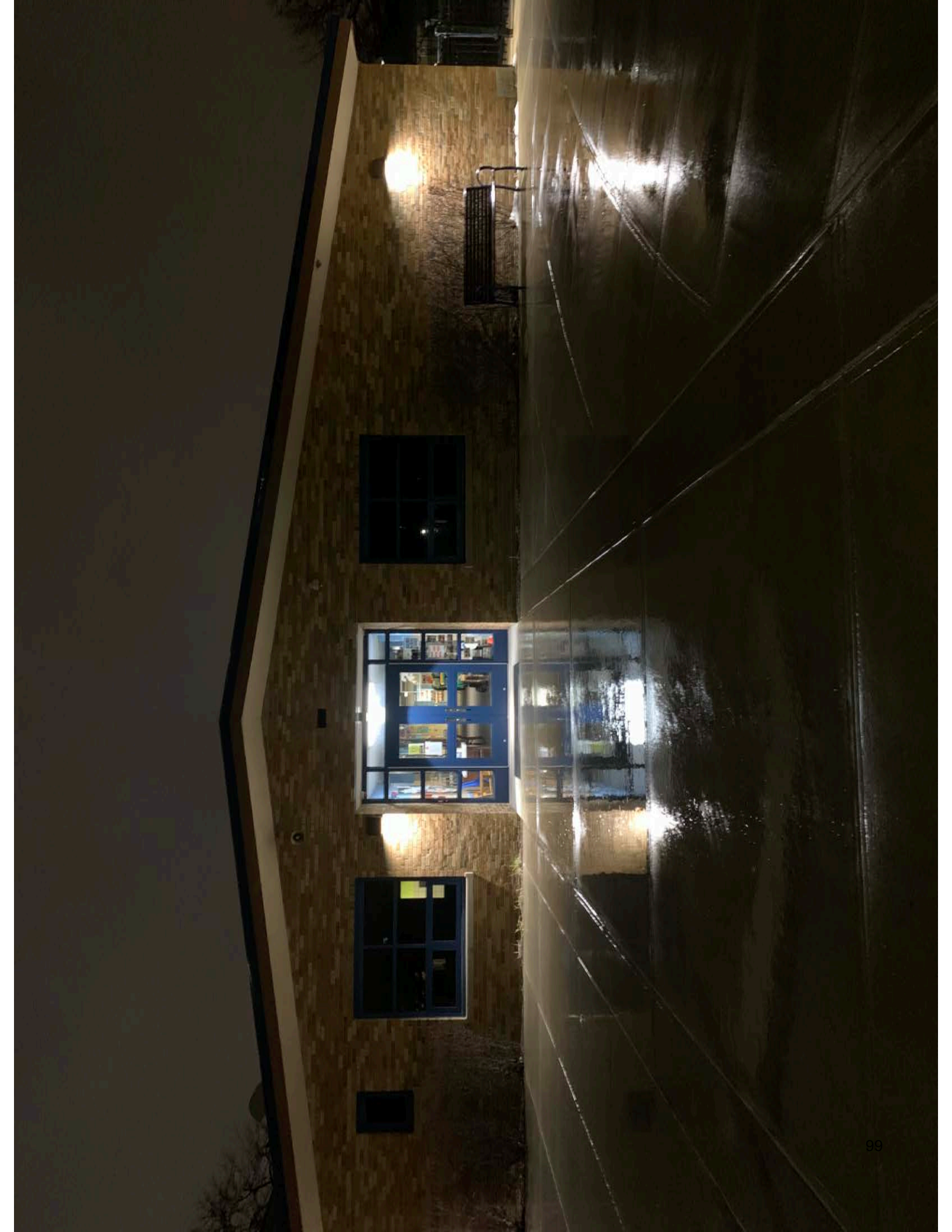
# TODD HALL





TODD HALL







STOP  
FOR RESIDENTS & VISITORS  
PLEASE USE THE GATE  
FOR ENTRY & EXIT  
NO PARKING

1955