



PROJECT DEVELOPMENT AGREEMENT

THIS PROJECT DEVELOPMENT AGREEMENT (the “Audit Agreement”) is entered into as of the _____ day of _____, 2023 (the “Effective Date”) by and between the City of Rollingwood whose principal offices are located at 403 Nixon Drive, Rollingwood, TX 78746 (the “Owner”) and Ameresco, Inc., with an address of 2355 E. Camelback Road, Suite 525, Phoenix, Arizona 85016 (“Ameresco”). Ameresco and Owner are also referred to individually as “Party” and collectively as the “Parties”.

Whereas, the Owner desires that Ameresco perform an Investment Grade Audit (IGA) (as hereinafter defined) at its water meters described in Schedule A (the “Premises and Scope of Work”);

Whereas, the Owner has selected Ameresco to provide the scope of service through the PCA Cooperative (OD-329-20 Energy and Infrastructure w/ Alternative Funding Options) of which the Owner is a member in good standing.

Whereas, performance of the IGA constitutes the first phase (“Phase 1”) of a guarantee savings project (the “Project”).

Whereas, if Ameresco is directed by the Owner to proceed with the implementation of the recommendations following the IGA, the second phase of the Project (“Phase 2”) will consist of the design and installation of associated infrastructure upgrades described and recommended in the Performance Contract Agreement (PCA) (defined below).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owner and Ameresco agree as follows.

ARTICLE 1 PHASES OF PROJECT

1.1 Phase I -- Investment Grade Audit.

(a) After execution of this Audit Agreement, Ameresco will conduct an IGA at the Premises defined in Schedule A and the Owner will provide all information defined in Schedule B. As used in this Project Development Agreement, “IGA” means a process including (i) the collection of data related to Owner’s use and operation of the Premises, observations of the Premises, determination of base year utility and/or water consumption and/or water billings, financial analysis of the cost and benefit of the evaluated systems to be upgraded at the Premises, determination of potential increases in water and sewer billings, reduction of utility cost, and operational and maintenance benefits, and (ii) the preparation of a detailed IGA Report, which presents current utility and water consumption at the Premises, recommendations for utility efficient equipment upgrades, energy conservation measures, water meter revenue enhancements, and a detailed analysis of implementation costs, anticipated project benefits resulting from such improvements and assumptions upon which the projected benefits are based. The IGA Report is intended to provide the Owner with the information necessary for the evaluation of the costs and benefits of proceeding with the second phase of the Project.

(b) Should Ameresco determine, in its sole discretion, at any time before the completion of the IGA Report that the anticipated project benefits cannot be achieved at the Premises in compliance with the financial criteria mandated by federal or state laws Ameresco will provide written notice to Owner and cease all further IGA activities, in which case Owner will not be charged for any IGA activities performed by Ameresco.

IGA Breakage Fee: \$45,000.00

1.2 Phase 2 – Implementation.

(a) If the Owner decides to proceed with the design and implementation of any "Projects" described in the IGA Report, the Parties shall execute a mutually-acceptable Performance Contract Agreement (the "Contract") that will include all applicable project development cost and Ameresco will not bill the Owner the IGA Breakage Fee.

(b). Owner acknowledges that if Ameresco prepares and identifies a workable project that qualifies under Local Government Code 302 and Owner does not proceed with Phase 2 of the Project within 90 days after delivery of the IGA Report, Ameresco will be entitled to the IGA Breakage Fee payment in full of such amount within thirty (30) days after Ameresco's submission of an invoice for such amount to Owner.

(c) Owner acknowledges that the price for the Project is based on the market cost as of the date of the IGA Report, for steel, copper and similar raw materials incorporated into equipment and material used for the Project. Price increases for such equipment and materials after the IGA Report was issued may either result in a project price increase or a corresponding decrease in the project size, but once the Contract to complete the Project is executed by both parties, the Project price will not be contingent on those fluctuations.

(d) In the event Owner instructs Ameresco to include additional facilities or expand the scope of the IGA as defined in Schedule A ("Premises and Scope of Work"), the Owner shall compensate Ameresco for the Additional Work at a mutually agreed upon price, which will be reflected as an increase to IGA Price. Additional scope items could include, but not limited to, water and/or wastewater treatment and distribution systems, co-generation projects, park and sports lighting, renewable energy projects, lift stations, etc.

1.3 Other Terms and Conditions.

(a) Ameresco's receipt of an executed copy of this Audit Agreement shall serve as notification to Ameresco to proceed with the IGA. Ameresco will thereafter promptly initiate the IGA.

(b) Ameresco does not assume responsibility to Owner for the anticipated project benefits projected in the IGA Report unless Ameresco completes the recommended Projects as defined in the Contract.

(c) Owner hereby agrees to provide timely and complete access to all necessary property and utility consumption cost records for the three years preceding the commencement of Ameresco's services.

1.4 Miscellaneous Terms and Conditions.

(a) This Audit Agreement is hereby executed as of the Effective Date, written above.

(b) The signatories hereto represent that they have been duly authorized to enter into to this Audit Agreement on behalf of the Party for whom they sign.

(c) The laws of the State of Texas shall govern the interpretation and enforcement of the terms and conditions stated herein.

(d) This Audit Agreement may not be amended unless in writing signed by authorized representatives of both Parties.

(e) Neither Party may assign this Audit Agreement to another party without the prior written consent of the non-assigning Party, which will not be unreasonably withheld, delayed or conditioned. No un-consented-to assignment will be legally binding upon the non-assigning Party.



AMERESCO, INC.

Rollingwood, Texas

By: _____
Name: Robert Georgeoff
Title: Vice President

By: _____
Name:
Title:

SCHEDULE A

IGA SCOPE OF WORK

Water Meters

- Analyze existing water meter database as it relates to meter consumption, sizes, and types.
- Remove 68 5/8" X 3/4" of the residential water meters for accuracy testing by an independent laboratory. The number of meters to be tested should be a sample that will provide results with 10 percent precision with a 90 percent confidence level.
- Provide and install new direct-read 5/8 X 3/4" water meters in place of meters removed for testing.
- Transport and test the removed 5/8" X 3/4" meters to the laboratory.
- The results of the meter tests for the 5/8" x 3/4" meters will be applied to the 1" meters. These meter groups have similar flow patterns and usage.
- Evaluate the quantity, water consumption, and revenue from meters 1.5" and larger based on the billing database. Develop a testing plan for meter classes where the size of the potential revenue increase is large enough to justify the cost of laboratory or field testing a statistical sample of that meter class that will provide results with 20 percent precision with a 80 percent confidence level or greater. The Owner has the option to direct Ameresco to apply test results from one meter class to other classes.
- Field survey the large commercial meters (sizes vary from 3" and up).
- Analyze meter-testing results and include a list of meter sizes and locations for those surveyed.
- Calculate the potential revenue increase based on the overall average accuracy of the sample set(s) of meters tested.

SCHEDULE B – CITY RESPONSIBILITIES

- Assist with meter locates during the field surveys
- Provide Letter of Authorization (or email) which states that Ameresco has the City’s permission to obtain the following data from the City’s billing software company or the City can provide this data directly to Ameresco:
 - File 1 – Account Listing
 - File 2 – Consumption History
 - File 3 – Utility Rate Structures

File 1 Details (Account Listing)

The first file is an Account Listing. This provides the detailed information to complete the field surveys above. The following tables outlines the data that is typically included in the first file.

1.	Zone# (if applicable)
2.	Route#
3.	Account#
4.	Account Sub/Identifier (if applicable)
5.	Customer Number (if applicable)
6.	Read Sequence # (Walk/Meter Reader Sequence)
7.	Account Type And/Or Rate Code (commercial, irrigation, residential...etc.)
8.	Account Name
9.	Account Physical Address (Service Location)
10.	Account Phone Number
11.	Account City/State/Zip if applicable
12.	Account Status (Active, Inactive, Vacant, Pulled, Disconnected...etc - Please provide definition)
13.	Last Meter Reading
14.	Account Multiplier
15.	Serial #
16.	Meter# (If different from Serial Number)
17.	Size (if available)
18.	Make/Model (if available)
19.	Type (if available i.e. compound, multijet, turbo, positive displacement)
20.	Any additional meter properties not listed above i.e. Register ID, Badge #, MXU ID...etc
21.	Meter Location Notes/ Meter Reader Notes

File 2 Details (Consumption History)

The second file is a consumption history for each account. This file is used to create the consumption baseline used to determine the economic viability of the AMI project. The following table outlines the data that is typically included in the consumption file. Ameresco will be requesting 3 years of monthly data for each account.

1.	Account# (Include Zone, Cycle, and Route Numbers if applicable to your software)
2.	Account Sub/Identifier (if applicable)
3.	Customer Number (if applicable)
4.	Account Type (commercial, irrigation, residential...etc.)
5.	Account Name
6.	Account Physical Address (Service Location)
7.	Account Status (Active, Inactive, Vacant, Pulled, Disconnected...etc - Please provide definition)
8.	Meter# (If different from Serial Number)
9.	Monthly Water Consumption
10.	Monthly Billed Water Charge
11.	Monthly Sewer Consumption (Separate Line)
12.	Monthly Billed Sewer Charge (Separate Line)
13.	Monthly Billed Tax Charge
14.	Associated Water Rate Table/Code (Please provide definition for each unique rate code)
15.	Associated Sewer Rate Table/Code (Please provide definition for each unique rate code)
16.	Bill Date

These files are typically exported from the billing software in either .txt or .csv formats. Either is acceptable. If the files are too large to email, Ameresco can setup a DropBox or OneDrive folder so that the files can easily be uploaded.

File 3 Details (Utility Rates and Increases)

The third file is an export from the billing software that shows the rate codes for each utility and the rates associated with that code. All tiers should be listed.

In addition to this rate code export, Ameresco request a copy of current approved water rates and any approved future rate increases that have not already been included in the existing rates. This file is used to create the financial model used to determine the economic viability of the AMI project.