

EXHIBIT A – SCOPE OF WORK Program Administration

PURPOSE AND OBJECTIVE

This scope of work is for a qualified Program Administrator (PA) to implement the City of Fernley C-PACE Program. The PA will design, implement, coordinate, and administer the Program pursuant to program created and adopted by City Council On August 5, 2020 (Resolution 2020-016) and compliant with NRS Chapter 271.

WORK PROGRAM AND DELIVERABLES

[Note: the definitions and terms used within this scope of work are consistent with and have the same meaning as those found within Section 2 of Resolution 2020-016. References to Sections listed below are in accordance with Resolution 2020-016.]

PROGRAM SET UP

Pursuant to Resolution 2020-016, Section 3.2 (Program Administration), the PA will work with the designated City Program Manager to perform various tasks in accordance with NRS 271.3612 to 271.6325 and other applicable sections of the Resolution Notice after receiving a Notice to Proceed with Program Setup. Upon receipt of each of the following, as applicable, the City Program Manager shall accept the following items, or return them with comments or questions until all required materials are approved. Once items are substantially completed to the satisfaction of the City Program Manager, the City may issue a Notice to Proceed with Program Implementation:

1. The PA shall develop and deliver to the City Program Manager for review a draft printable PDF or electronic copies:
 - a. A general program plan for program operations and implementation.
 - b. A Program Guide and Handbook; the guide shall contain and specify:
 - i. Roles and responsibilities of PA
 - ii. Requirements, rules, and responsibilities for Qualified Service Companies
 - iii. Requirements, rules, and responsibilities for Qualified Capital providers
 - iv. Program eligibility requirements for prospective applicants and commercial property owners for energy audits, including:
 1. Loan to value and lien to value limits
 2. Financing sources and additional forms of security
 3. The eligibility of different types or classes of commercial and industrial properties, whether by zoning, business type, operational characteristics, mixed-use or multi-family.
 4. Determinations of eligibility based on estimated maximum benefit, as described in Resolution 2020-016 Section 3.3.
 5. New construction and upgrades to existing building stock are both allowed. However, no property shall begin work on a project until an application is completed, and no properties shall be eligible for work completed before the effective start date of the program.

- v. Proposed process flow for projects from project initiation to project completion, considering the application, financing, construction, closing, and lien-recording processes described in Sections 4 – 7, consistent with the Program Implementation requirements listed below.
 - vi. Energy audit and renewable energy project requirements, specifications, and feasibility, pursuant to Section 4.3.
 - vii. A program for quality assurance and control of Qualified Service Providers.
 - viii. Any necessary program rules or interpretations.
- c. Necessary forms and documents, including:
- i. A written consent form template, pursuant to Section 3.4, containing all necessary information for a project.
 - ii. A Project Eligibility Notification form template, pursuant to Section 4.4
 - iii. An Assessment and financing agreement template, pursuant to Section 5.6
 - iv. A Notification of closing template, pursuant to Section 6.3
 - v. Any other necessary applications or form templates, e.g. project application, qualified service provider application, qualified capital provider application.
2. The PA shall develop and deliver to the City Program Manager for review a fee and cost structure for projects. Proposed fees charged by SRS to the borrower under the C-PACE project are a one-time program administration fee, equal to 2.5 percent of the project finance amount, not to exceed \$75,000 per project. This fee is collected by the capital provider at finance closing and remitted to the program administrator within 10 days of the closing.
 3. The PA may conduct a market analysis at its discretion and at its cost. Should such analysis be conducted, the results of which shall be shared with the City Program Manager. The timing of such a market analysis may extend after Program Setup.
 4. The PA shall develop a program website. The website may be hosted third-party, but shall be linked to the City's primary website. The website launch shall be coordinated with the City Manager's Office as necessary and applicable. All logos, seals, and brands must be consistent with the City and must receive final approval from the City Manager.
 5. The PA may develop additional marketing materials or collateral for the Program, coordinated with the City Manager's Office as necessary and applicable. All logos, seals, and brands must be consistent with the City and must receive final approval from the City Manager.
 6. Qualified Capital Provider approval: Pursuant to Section 3.6, should the City Program Manager authorize private Qualified Capital Provider to finance eligible projects, the PA shall be responsible for the recruitment of such providers. Each Capital Provider must be licensed to do business within the City of Fernley and may subcontract with the PA, but all must comply with all applicable Federal, State, and local laws, NRS Chapter 271, Resolution 2020-016, and program rules reflected in the Program Guide and Handbook. Recruitment may begin

during Program setup and proceed throughout Program implementation but may only begin upon authorization of the City Program Manager.

7. Qualified Service Company approval: Pursuant to Section 3.2, the PA shall be responsible for the recruitment of licensed Qualified Service Companies. Each qualified Service Company must be in good standing with the Nevada State contractors Board, be properly licensed for their respective trade(s) and licensed to do business within the City of Fernley. Each may subcontract with the PA, but all must comply with the applicable Federal, State (including any relating to contractor), and local laws, NRS Chapter 271, Resolution 2020-016, and program rules reflected in the Program Guide and Handbook. Recruitment may begin during Program setup and proceed throughout Program implementation but may only begin upon authorization of the City Program Manager.
8. The PA shall keep and make available, upon request of the City Program Manager, all project files, contracts and subcontracts, applications, consents, reports, and documents. If and when necessary, the PA shall ensure that any personally identifiable information of an applicant, Qualified Service Company, or Qualified Capital Provider be removed prior to transmission to the City Program Manager.

PROGRAM IMPLEMENTATION

1. The Program shall begin after the PA receives a Notice to Proceed with Program Implementation from the City Program Manager. Throughout Program Implementation, the PA shall maintain staff dedicated to the Program and provide the City with direct personnel contact capable of managing the program and addressing concerns, complaints, or questions.
2. Pursuant to the approved Program Guide and Handbook, Resolution 2020-016 (and the referenced sections listed below), and applicable section of NRS Chapter 271, the PA shall:
 - a. Market the program (with or without a market analysis, marketing strategy, etc.) and search for prospective property owners and applicants; other outreach may be formed by the PA as desired.
 - b. Maintain the program website to provide program information, applications, forms, and track useful or required data and analytics.
 - c. Continuously recruit and retain qualified Capital Providers and Qualified Service companies.
 - d. Maintain and update the Program Guide and handbook, program plan, forms, and any other information as necessary, subject to the concurrence of the City Program Manager.
 - e. Perform the process flow for each individual project on an ongoing basis throughout the term of implementation; the project implementation and process flow for each individual project shall generally be uniform and consistent throughout the duration of the program and shall follow the approved Program Guide and Handbook and applicable sections of Resolution 2020-016, subject to the following additional requirements:

- i. Pursuant to Section 4, the PA will process all submitted applications, determine project eligibility for approval or denial, and provide proper notification to each eligible project contact, representative, contractor, on the approval. If a project is denied, the PA shall specify the reasons for denial in writing to the applicant.
- ii. Pursuant to Section 4.4, the PA shall prepare a Project Eligibility Notification prior to the commencement of work on an energy efficiency improvement project or renewable energy project.
- iii. Pursuant to Section 6.3, at the completion of each project, the PA shall issue a Notification of closing to the applicant or Property owner, with copies to the City Program Manager, Qualified Capital Provider, and the designated Qualified Service Company.
- iv. Upon closing, the City Program Manager shall transmit all applicable documents to the City Clerk who will promptly record applicable documents with the Lyon County Recorder's office. Moreover, after recording the applicable documents, the City Clerk shall assign the assessment to the capital provider funding the project.
- v. Pursuant to Sections 7.3 and 7.4, should any property owner of a completed project be delinquent in the payment of C-PACE installment payments, the PA, qualified Capital Provider, and City Program Manager shall communicate and coordinate necessary matters on the lien, delinquency and repayment, consistent with this section and any rules developed in the Program Guide and handbook. The PA shall not require the assessment of penalties for early payments, or early C-PACE loan payoff, and no acceleration of payments of whole amount of the unpaid principal shall be required due to the failure of the project owner to pay a single installment, whether principal or interest, on time.

REQUIRED MEETINGS

The PA shall have a kick-off meeting with the City Program Manager during the Program setup period and meet as needed thereafter. At the conclusion of Program Setup and prior to Program Implementation, the PA and City Program Manager shall meet again to discuss implementation and kickoff. Thereafter, the City Program Manager and the PA shall meet as needed to predetermine schedules.

MUTUAL AID AND COORDINATION

Because C-PACE legislation is newly adopted in Nevada, it is in the best interest of the City of Fernley and PA to develop and refine the C-PACE concept and implement best practices for the improvement and betterment of the city and state. The PA, at the direction of the City Program Manager, but at its own discretion, may coordinate program setup and implementation of the City of Fernley C-PACE Program with the US Department of Energy, the Nevada Governor's Office of Energy, or any other municipality within the state of Nevada that has created a C-PACE Program or is in process of creating such a program. Such mutual aid and coordination shall not be

construed to inhibit or impair the PA's ability to earn a profit, complete with other C-PACE delivery companies, or deliver the services agreed upon under this contract.

PROGRAM REPORTING

From the commencement of Notice to Proceed with Program Implementation from the City Program Manager, the PA shall deliver to the City Program Manger a Program Progress Report on an annual basis. The report shall include, at a minimum:

- General status of the program and its implementation, pursuant to the approved program plan
- Number of participating Qualified Service Providers
- Number of participating Qualified Capital Providers
- Number of applicants (approved and denied)
- Number of completed energy efficiency and renewable energy projects
- Estimated square footage of buildings improved
- Estimated total energy saved and/or generated
- Number of C-PACE loans and dollar amount
- A summary of positive media or comments and any complaints, whether of the PA, a Qualified Capital Provider, or Qualified Service provider, and the disposition of each.

In addition, to the annual Program Progress Report, the PA shall deliver to the City Program Manager a Project Pipeline Report not less than once per calendar quarter, due within 30 days of the end of the quarter. At the City Program Manager's request, additional reports may be required of the PA from time to time to transmit and deliver to the Mayor and City Council, City Manager, Finance Director, and/or City Attorney.